

PROJECT DESCRIPTION

Naoyaregae Irrigation Planning Grant

Kenya

I. Introduction

This appendix describes the activities to be undertaken and the results to be achieved with the funds obligated under this Agreement. Nothing in this Appendix A shall be construed as amending any of the definitions, conditions, or terms of the Agreement.

II. Background

The core purpose of the Kaputir Resources Management Association (KARMA) is to support community based projects that address specific needs in areas such as food security, income generation, and employment creation in Turkana, Kenya. KARMA is currently working with farmers whose livelihoods depend on irrigation along the River Turkwel, but the group lacks the resources necessary to upgrade the irrigation infrastructures and enhance farmer productivity. The area has four irrigation schemes developed by the community without any technical support. A lack of expertise in irrigation design resulted in schemes that have not produced optimal outcomes. KARMA, however, lacks the resources to assist its farmer members to plan for the upgrade of the irrigation schemes to ensure they operate efficiently and maximize the benefit to KARMA's farmer members.

III. Funding

A. ADF Contribution

The financial plan for ADF's contribution is set forth in Appendix A-1 to this Agreement. The Parties may make changes to the financial plan without formal amendment if such changes are made in accordance with Article 8 of the Agreement and do not cause ADF's contribution to exceed the obligated amount specified in Article 4, Section 4.1 of the Agreement.

B. Grantee Contribution

KARMA will contribute the time and skills of its staff, management, and farmer members in the implementation of the Project.

IV. Project Goal

The goal of the Project is to improve the food security of rural smallholder farmers in Turkana, Kenya.

V. Project Purpose

The purpose of the Project is to help KARMA complete an assessment of the Naoyaregae irrigation scheme and design plans for upgrading the scheme that ADF deems suitable for funding by a donor or financial institution.

VI. Project Outputs

By the end of the Project period, KARMA will have achieved the following.

- A. Increased capacity to manage an expansion of the Naoyaregae irrigation scheme as demonstrated by the KARMA management team and board of directors uses the findings of a study of the Naoyaregae irrigation scheme to make decisions regarding a possible expansion of the scheme in areas such as technology requirements, crop selection, marketing channels, and organizational structure.
- B. Improved financial and human resource management capacity of KARMA as demonstrated by:
 1. KARMA produces financial statements and reports that include monthly income, balance sheet and cash flow statements, consolidated quarterly and annual statements, and it establishes adequate financial controls, accounting procedures, policies, and systems that meet international audit standards; and
 2. staff members are managed according to policies and procedures codified in a human resource manual.
- C. Improved capacity of KARMA members to market their products as a group as demonstrated by the farmers engaged in the Naoyaregae irrigation scheme are legally registered as a cooperative.

VII. Project Activities

KARMA will ensure the following major activities are completed with the assistance of consultants where necessary.

- A. Undertake an assessment and planning study to upgrade the Naoyaregae irrigation scheme that includes:

1. assessing the water source to determine the availability, volume, and quality of water;
 2. assessing the current and proposed sites for irrigated plots to determine the types of soils and corresponding high value crops that can do well on the land;
 3. assessing the appropriateness of different irrigation technologies, including drip irrigation;
 4. assessing the local markets to determine preferred crops, availability, and market prices, and undertake rapid value chain analysis for each recommended crop;
 5. undertaking feasibility and baseline studies;
 6. undertaking topographic and profile surveys;
 7. undertaking baseline and Environmental Impact Assessments; and
 8. completing the ADF required application package including a completed application form with budget and budget notes, market analysis, technological assessment, details of all the activities to be implemented to upgrade the irrigation scheme, and expected outcomes including social and economic benefits to smallholder farmers.
- B. Enhance KARMA's service provision to its members and strengthen its financial and management systems by:
1. purchasing and installing two computers, a UPS, a generator, and internet connectivity;
 2. procuring one motorcycle;
 3. commissioning the development of financial and human resource policy manuals and training staff and board; and
 4. hiring a program coordinator and accountant in the first three months of the Project.
- C. Improve KARMA farmer member's ability to market their products as a group by:
1. sensitizing KARMA members to the advantages of forming a cooperative; and
 2. training management and board members on the requirements of the new cooperative structure.

VIII. Roles and Responsibilities of the Parties

ADF will provide the standard ADF training in bookkeeping, monitoring and assessment. KARMA is responsible for ensuring the proper management and implementation of the Grant. ADF will provide KARMA with technical and management assistance during implementation.

IX. Monitoring and Evaluation

Within sixty days of the effective date of this Agreement, the Grantee will form a monitoring and assessment committee composed of a representative cross-section of the Grantee's organization. The committee will provide the Partner input for the Project monitoring plan. In addition, during implementation, the committee will have responsibility for ensuring that the Project follows the implementation plan, and that problems identified through monitoring and evaluation are properly addressed in a timely manner.