

APPENDIX A
PROJECT DESCRIPTION
TECURD –Contract Housing and Construction Company (Liberia)

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

Technocrats United for Reconstruction and Development Inc. (TECURD), a not-for-profit corporation, is a local construction services provider to non-governmental organizations, private enterprises, and public organizations in Liberia. Demographic and economic changes resulting from Liberian's emergence from war are driving demand for construction of commercial and residential real estate. In addition, the revitalization of old industries and the re-entry of businesses into Liberia, is increasing the demand for office space and business premise facilities. TECURD would like to pursue a growth expansion strategy to capture more of this lucrative emerging market for construction. However, the company must first strengthen its planning, management, and marketing capacity.

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 7 of the Agreement and do not make ADF's contribution to exceed the obligated amount specified in Article 3, section 3.1 of the Agreement.

B. Grantee Contribution

The Grantee will contribute the time and labor of its management team and employees to the project.

IV. Project Goal

The goal of the project is to improve living conditions for the low-income people in Liberia.

V. Project Purpose

The purpose of the project is to improve the Grantee's prospects for sustained growth and expansion through capacity development and the development and execution of a comprehensive 5-year strategic plan that ADF deems suitable for funding by a donor or other financial institution.

VI. Project Outputs

- A. A fully functional financial management system certified as compliant with ADF and investor management reporting requirements as indicated by:
- production of regular financial reports and statements according to accounting standards, and audited yearly account reports with recommendations; and
 - accounts and finance procedures manual utilized by management team.
- B. A market penetration strategy supported by:
- a comprehensive market analysis that evaluates the market potential in terms of development of low-cost housing in Liberia;
 - an assessment of the strengths and weaknesses of the company; and
 - identification of opportunities to facilitate growth.
- C. Improved operational and management capabilities as demonstrated by:
- an experienced administrator synchronizing core functional areas;
 - a trained management team implementing best practices, and monitoring and reporting;
 - operations and administration manuals in use; and
 - operational computer network with accounting software in use.
- D. Governance:
- board of directors in place and making strategic decisions; and
 - TECURD incorporated and registered as a for-profit company.
- E. Construction of prototype low-cost housing units:
- two prototype low-income housing units completed as models.

VII. Major Activities to be financed under the Agreement

A. Financial Management Systems

TECURD will install accounting software, develop and implement accounting and financial procedures, and train accounting staff. TECURD will contract a local accounting firm to conduct an audit of TECURD's financial position and to identify strengths and weaknesses.

B. Personnel

TECURD will hire and train an accountant and administrator to be responsible for managing the following: business operations, financial management, business analysis, administrative processes, business communications, monitoring and evaluation, and reporting.

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C. Training

CENFOD will organize and facilitate the training of two TECURD staff members in financial management procedures, and monitoring and assessment. TECURD will train all staff to use accounting and basic computer software, software, and to observe environmental and safety concerns.

D. Governance

TECURD will set up a board of directors and train and vet the board members. TECURD will also change its legal status from a not-for-profit organization to a for-profit organization. It will comply with all local laws required to affect such a change.

E. Market Plan Development

TECURD will create a strategic business plan, conduct market research, develop and purchase new promotional materials in the form of brochures, and print and media.

F. Raw Materials

TECURD will build two low-cost housing units. TECURD will purchase one concrete mixer and other construction related tools and equipment to expedite projects.

VIII. Roles and Responsibilities of the Parties

TECURD is responsible for ensuring the proper management and implementation of the Project. The ADF in-country partner (ADF's technical assistant, CENFOD), together with the Evaluation Officer from INPRODEC (ADF's Ghana partner), will provide TECURD with the necessary standard ADF training in bookkeeping, monitoring and assessment and technical and management assistance during project implementation.

IX. Monitoring and Evaluation

Within sixty days of the effective date of this Agreement, the Grantee – TECURD, working with CENFOD, 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 development of the project monitoring plan, which will include the establishment of annual targets for the performance indicators.

CENFOD will closely monitor the activities of TECURD to ensure proper reporting, adherence to the project implementation plan by the Grantee, and movement towards the achievement of project objectives. CENFOD will continuously assess the project risk and take remedial actions as needed. CENFOD will conduct quarterly reviews of TECURD's reports and will provide comments and observations to management of the Grantee as part of the periodic project evaluation. The two parties will jointly design the evaluation process and the Grantee will incorporate the findings of the evaluation into their annual report. This effort will be complemented by the monthly monitoring oversight from the ADF Africa Regional Office and the ADF Representative's Office.

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