

APPENDIX A

PROJECT DESCRIPTION: OAG FOR ADMIN CAPACITY BUILDING FOR OMOA

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 Organic Mango Growers Association (OMOA), an association of farmers in northern Ghana registered with the Integrated Tamale Fruit Company (ITFC) to grow mangoes using organic techniques, grew from 25 members in 2000 to approximately 900 in 2005 and is expected to reach 2000 by the end of 2006. The volume of mangoes harvested by OMOA members is expected to triple between 2005 and 2007.

Currently, ITFC carries out all of OMOA's managerial and administrative functions, which has begun to strain the capacities of ITFC. OMOA's exponential growth means it needs to develop its own management and operational capacity independent of ITFC. In addition, OMOA needs to improve its capacity to provide essential services to its members.

III. Funding

A. ADF Contribution


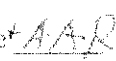
The financial plan for ADF contribution is set forth in Appendix A-1 to this Agreement. The Parties may make changes to the financial plan without formal amendment, if such changes are made in accordance with Article 7 of the agreement and do not make ADF's contribution to exceed the obligated amount specified in Article 3, Section 3.1 of the Agreement.

B. Grantee Contribution

OMOA will contribute time and labor of its executive members to the project.

IV. Project Goal

The goal of the project is to promote employment growth and income enhancement for the poor in Ghana.

ADF  Grantee 

V. Project Purpose

The purpose of the OAG is to improve the Grantee's prospects for sustained expansion as indicated by strengthening its management and operational capacity and by the development of a comprehensive five-year business plan that ADP deems suitable for funding by a donor or other financial institution.

VI. Project Outputs

- A. OMOA improves its management and operational capacity, as indicated by the following:
1. a manual accounting system is operational;
 2. a financial management procedure manual is in use;
 3. routine financial and accounting reports are produced;
 4. a financial planning and budget management process is operational;
 5. a revised constitution that is highly responsive to OMOA's operating requirements is adopted;
 6. capacity to track all receipts from TFC and payments to TFC and other suppliers and to handle all correspondences demonstrated; and
 7. an engaged board of trustees is in place.
- B. OMOA improves its capacity to deliver services to its members as demonstrated by the development of a strategic business plan that includes the following:
1. a clear articulation of the types of strategic business/investment and value-added services OMOA will offer its members;
 2. an operational plan for delivery of the planned services; and
 3. a financial plan based on current and projected fees and value to members that demonstrates the viability of OMOA.

VII. Major Activities to be Financed Under the Agreement

The following activities will be undertaken to generate the expected outputs:

A. Business Plan Development & Training

A consultant will work with OMOA to develop a comprehensive business plan. OMOA executives and management will receive training in business operations management and accounting and financial management.

B. Operations Enhancement

OMOA will acquire computers and accessories and receive training in use of technology to enhance operations which will enable OMOA to better manage its accounts and operations.

C. Governance Assistance

OMOA will strengthen its governance systems through a review of its constitution.

D. Outgrower Expansion

FFFC will lead the process of transferring knowledge and skills for farmer outreach to the OMOA administrator and accountant facilitated by necessary equipment, including presentation materials and equipment and transportation.

E. Management Development

OMOA will hire an administrator and accounts officer, acquire office operations materials, and conduct field visits to major outgrower groups.

VIII. Roles and Responsibilities of Parties

ADF Partner, INPRODEC, will provide the necessary standard ADF training in bookkeeping and monitoring and assessment. The Partner will also provide business advice for the successful implementation of the project.

OMOA's executives are responsible for ensuring the proper management and implementation of the Project. The ADF Partner in Ghana will provide OMOA technical and management assistance during the implementation of the Project.

IX. Monitoring and Evaluation

INPRODEC will closely monitor the activities of the Project in order to ensure high quality assurance of the reporting as well as ensure the project implementation plan is followed. Besides tracking general progress of the project, it will also continuously assess the identified project risks so that remedial actions can be taken on time in order to forestall significant adverse impact on the realization of the project objectives. Monitoring by INPRODEC will be an important aspect of the ongoing coaching and advisory service. INPRODEC will review all the Project's quarterly reports prepared and submitted by OMOA, and will submit comments and observations to the management of OMOA as part of the annual project evaluation. The two organizations will jointly design the evaluation process and OMOA will incorporate the findings of the evaluation into their annual report.

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