

APPENDIX A  
PROJECT DESCRIPTION  
SOLBERT COMPANY LIMITED

**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**

Solbert Company Limited ("Solbert") is a Ghanaian-owned hatchery. Its two main product lines consist of day-old chicks and fertile eggs for hatching. Solbert sells principally to small-scale poultry farmers in the Ashanti Region, Brong-Ahafo Region and Western Region of Ghana. In doing so, Solbert contributes substantially to sustaining the jobs and incomes of these small-scale poultry farmers and their employees.

Solbert is faced with a number of constraints that frustrate its efforts to take full advantage of the market opportunities. These constraints include: a limited supply of fertile eggs, the lack of a strategic business plan, the lack of a marketing plan, and weak financial management systems.

**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 cause ADF's contribution to exceed the obligated amount specified in Article 3, Section 1 of the Agreement.

**B. Grantee Contribution**

The Grantee will contribute the time and labour of its management team and employees 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 ADF  
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## V. Project Purpose

The purpose of the project is to improve the Grantee's prospects for sustained expansion as indicated by the development of a comprehensive five-year business plan that ADF deems suitable for funding by a donor or other financial institution.

## VI. Project Outputs

The project will generate the following outputs:

- A. well-established breeder farm base with a parent stock of at least 2,100 birds, supplying at least 450,000 highly hatchable fertile eggs per month;
- B. documented "best practices" for breeder farm management;
- C. comprehensive market study and market share growth plan; and
- D. strategic business plan.

## VII. Major Activities to be financed under the Agreement

### A. Breeder Bird Development

The company will acquire technical assistance from KNUST to develop a breeder stock that is highly adaptive to the Ghanaian environment. The company will purchase chicks, feed, veterinary drugs, and vaccines to facilitate this development.

### B. Business Development

A consultant will assist Solbert to develop a marketing study, marketing plan, and a strategic business plan that will include a financial plan for profitably growing the company's hatchery and breeder farm. Solbert will hire a full-time veterinary officer to provide after sales services to its customers

### C. Management Systems Development

A consultant will provide training in the fundamentals of financial management, will establish a manual accounting system, and will create human resource management and administrative procedures for Solbert. Solbert will institute a board of directors, board procedures, and an Hazard Analysis and Critical Control Point system for its operations. Solbert will also improve its foundational internal legal documents to include, among other things, share transfer and exit procedures.

ADF  Grantee 

### VIII. Roles and Responsibilities of the Parties

ADF's Partner, INPRODEC, will provide the necessary standard ADF training in areas of bookkeeping, management, ADF reporting, and business planning, monitoring, and assessment. Solbert is responsible for ensuring the proper management and implementation of the Project. INPRODEC will provide Solbert with technical and management assistance during the implementation of the project.

### IX. Monitoring and Evaluation

INPRODEC will closely monitor the activities of Solbert to ensure proper reporting, adherence to the project implementation plan by the Grantee and movement towards the achievement of project objectives. INPRODEC will continuously assess the project risk and take remedial actions as needed. Monitoring by INPRODEC will be an important aspect of the ongoing coaching and advisory service. INPRODEC will review Solbert's quarterly reports and will submit comments and observations to the management of Solbert as part of the annual project evaluation. The two organizations will jointly design the evaluation process and Solbert will incorporate the findings of the evaluation into their annual report.

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