

**APPENDIX A:
PROJECT DESCRIPTION**

SANTAWANI ECO-TOURISM PLANNING PROJECT, BOTSWANA

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 tourism industry in Botswana has been identified as one of the engines of economic growth and as having the highest potential for creation of employment in rural areas. At the same time rural communities are being given greater control over the natural resources they live adjacent to. Communities managing attractive natural resources often have difficulty reaching the management standards necessary to effectively market the resources under their management. This is especially so when targeting the lucrative international tourism segment.

On being allocated the lease to Santawani Lodge, one of the oldest safari game camps in Botswana, the Sankuyo Tshwarangaro Management Trust (STMT) decided to manage the tourism enterprise itself and took the initiative of entering into a marketing agreement with an established private sector company. This approach together with implementation of appropriate management tools has potential to be replicated as a model by other community-based organizations involved in marketing tourism products. Support to expanded visitor capacity and standards at Santawani Lodge will assist the community to realize the considerable income generating potential which it represents. Collaboration also provides the opportunity of disseminating participatory development methodologies.

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 3.1 of the Agreement.

B. Grantee Contribution

The Grantee is expected to contribute its existing assets and resources.

ADF  Grantee _____

C.A.T.N.

IV. Project Goal

The goal of the Project is to reduce poverty by providing access to sustainable incomes and livelihoods for the people of Sankuyo Village.

V. Project Purpose

The purpose of the Project is to increase STMT's capacity to absorb a major capital infusion. STMT will demonstrate attainment of the purpose by developing and submitting a business expansion plan suitable for donor funding, as determined by ADF.

VI. Outputs

The Project will generate the following major outputs to achieve this purpose:

A. Detailed market strategy

- A functional website redesigned and implemented by March 2006
- Brochures produced by March 2006
- Memoranda of Understanding (MOUs) signed with tour operators by June 2006

B. Improved management plan and structure

- A comprehensive business plan produced by month 11
- Competent and experienced operations manager engaged by January 2006
- Organization restructured by month 6 of the Project

C. Improved financial management and accounting system.

- Financial systems and operational manuals produced and in use by month 6
- Pastel Accounting System installed by month 5
- STMT's bookkeeper has mastered the accounting system by end of the Grant period
- Full financial certification of STMT in 6 months
- Timely production of accurate quarterly financial reports and statements
- A complete, comprehensive business plan produced by month 11

VII. ACTIVITIES

The Trust will assign technical assistance providers to undertake the following support activities:

- market analysis study and strategy development;
- management and organizational analysis, restructuring and board training;

ADF  Grantee _____

- enhancement of accounting, financial and operations systems procedures and training;
- compilation of a comprehensive business plan;
- provision of technical assistance for project design; and
- oversight of operations and administration.

STMT will ensure that the planning activities are fully participatory. Village meetings will be held at each stage in Project implementation and will include the Trust's Board of Directors and the whole community, which will propose its own strategies.

VIII. Roles and Responsibilities of the Parties

The board of STMT is responsible for establishment of the organization's policies and the overall implementation and monitoring of the Project. It recruits staff to manage activities under the Project.

Action for Economic Empowerment Trust (AEET), ADF's partner, will provide technical and monitoring assistance and advice during the implementation of the Project.

IX. Monitoring and Evaluation

Within sixty days of the effective date of this Agreement, the Grantee, working with the ADF Partner, 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.

ADF  Grantee _____

G.N.

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ADF  _____ Grantee _____