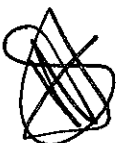


STANDARD LETTER OF AGREEMENT (LOA) BETWEEN
THE UNITED NATIONS DEVELOPMENT PROGRAMME AND
NATIONAL AGRICULTURAL MARKETING BOARD (NAMBOARD)
TO CARRY OUT ACTIVITIES
WHEN UNDP PROVIDES SUPPORT SERVICES TO THE UPSCALING OF CLIMATE SMART AGRICULTURE
PROJECT

Dear Sir,

1. Reference is made to the consultations between officials of the United Nations Development Programme (hereinafter referred to as "UNDP") in Swaziland and officials of the Ministry of Agriculture - *National Agricultural Marketing Board (NAMBoard)* with respect to the realization of activities by the *National Agricultural Marketing Board (NAMBoard)* the implementation of the UNDP support services to: Project Number: 00089803 entitled Climate Smart Agriculture, as specified in Attachment 1: Project Document, to which UNDP has been selected as a responsible party.
2. In accordance with the LOA signed between the government implementing partner and UNDP for support services and with the following terms and conditions, we confirm our acceptance of the activities to be provided by *National Agricultural Marketing Board (NAMBoard)* towards the project, as specified in Attachment 2: Description of Activities (hereinafter referred to as "Activities"). Close consultations will be held between *National Agricultural Marketing Board (NAMBoard)* and UNDP on all aspects of the Activities.
3. *National Agricultural Marketing Board (NAMBoard)* shall be fully responsible for carrying out, with due diligence and efficiency, all Activities in accordance with its Financial Regulations and Rules.
4. In carrying out the activities under this Letter, the personnel and sub-contractors of *National Agricultural Marketing Board (NAMBoard)* shall not be considered in any respect as being the employees or agents of UNDP. UNDP does not accept any liability for claims arising out of acts or omission of *National Agricultural Marketing Board (NAMBoard)* or its personnel, or of its contractors or their personnel, in performing the Activities or any claims for death, bodily injury, disability, damage to property or other hazards that may be suffered by *National Agricultural Marketing Board (NAMBoard)* and its personnel as a result of their work pertaining to the Activities.
5. Any sub-contractors, including NGOs under contract with *National Agricultural Marketing Board (NAMBoard)* shall work under the supervision of the designated official of *National Agricultural Marketing Board (NAMBoard)*. These sub-contractors shall remain accountable to *National Agricultural Marketing Board (NAMBoard)* for the manner in which assigned functions are discharged.
6. Upon signature of this Letter, UNDP will make payments to *MAMBoard* according to the schedule of payments specified in Attachment 3: Schedule of Activities, Facilities and Payments.
7. *National Agricultural Marketing Board (NAMBoard)* shall not make any financial commitments or incur any expenses which would exceed the budget for the Activities as set forth in Attachment 8. *The National Agricultural Marketing Board (NAMBoard)* shall regularly consult with UNDP concerning the status and use of funds and shall promptly advise UNDP any time when *National Agricultural Marketing Board (NAMBoard)* is aware that the budget to carry out these Activities is insufficient to fully implement the project in the manner set out in the Attachment 2. UNDP shall have no obligation to provide *National Agricultural Marketing Board (NAMBoard)* with any funds or to make any reimbursement for expenses incurred by *National Agricultural Marketing Board (NAMBoard)* in excess of the total budget as set forth in Attachment 3.
9. *National Agricultural Marketing Board (NAMBoard)* shall submit a cumulative financial report each quarter (31 March, 30 June, 30 September and 31 December). The report will be submitted to UNDP through the UNDP Resident Representative within 30 days following those dates. The format will follow the standard UNDP expenditure report [a model copy of which is provided as Attachment 4]. UNDP will include the financial report by *the National Agricultural Marketing Board (NAMBoard)* in the financial report for Project Number 00089803 entitled Climate Smart Agriculture.
10. *National Agricultural Marketing Board (NAMBoard)* shall submit such progress reports relating to the Activities as may reasonably be required by the Project Manager in the exercise of his or her duties.
11. *National Agricultural Marketing Board (NAMBoard)* shall furnish a final report within 6 months after the completion or termination of the Activities, including a list of non-expendable equipment purchased by *National Agricultural Marketing Board (NAMBoard)* and all relevant audited or certified financial statements and records related to such Activities, as appropriate, pursuant to its Financial Regulations and Rules.
12. Equipment and supplies that may be furnished by UNDP or procured through UNDP funds will be disposed as agreed, in writing, between UNDP and *National Agricultural Marketing Board (NAMBoard)*.
13. Any changes to the LOA between the government implementing partner and UNDP for support services which would affect the work being performed by *National Agricultural Marketing Board (NAMBoard)* in accordance with Attachment 2 shall be recommended only after consultation between the parties.



14. For any matters not specifically covered by this Letter, the Parties would ensure that those matters shall be resolved in accordance with the appropriate provisions of the LOA for support services and any revisions thereof and in accordance with the respective provisions of the Financial Regulations and Rules of the *National Agricultural Marketing Board (NAMBoard)* and UNDP.

15. The arrangements described in this Letter will remain in effect until the end of the project, or the completion of Activities according to Attachment 2, or until terminated in writing (with 30 days notice) by either party. The schedule of payments specified in Attachment 3 remains in effect based on continued performance by *National Agricultural Marketing Board (NAMBoard)*, unless it receives written indication to the contrary from UNDP.

16. Any balance of funds that is undispersed and uncommitted after the conclusion of the Activities shall be returned within 90 days to UNDP.

17. Any amendment to this Letter shall be effected by mutual agreement, in writing.

18. All further correspondence regarding this Letter, other than signed letters of agreement or amendments thereto should be addressed to:

Mr Israel Dessaegne
UNDP Resident Representative
PO Box 261
Mbabane Swaziland

19. *National Agricultural Marketing Board (NAMBoard)* shall keep the UNDP Resident Representative fully informed of all actions undertaken by them in carrying out this Letter.

20. UNDP may suspend this Agreement, in whole or in part, upon written notice, should circumstances arise which jeopardize successful completion of the Activities.

21. Any dispute between the UNDP and *National Agricultural Marketing Board (NAMBoard)* arising out of or relating to this Letter which is not settled by negotiation or other agreed mode of settlement, shall, at the request of either party, be submitted to a Tribunal of three arbitrators. Each party shall appoint one arbitrator, and the two arbitrators so appointed shall appoint a third arbitrator, who shall be the chairperson of the Tribunal. If, within 15 days of the appointment of two arbitrators, the third arbitrator has not been appointed, either party may request the President of the International Court of Justice to appoint the arbitrator referred to. The Tribunal shall determine its own procedures, provided that any two arbitrators shall constitute a quorum for all purposes, and all decisions shall require the agreement of any two arbitrators. The expenses of the Tribunal shall be borne by the parties as assessed by the Tribunal. The arbitral award shall contain a statement of the reasons on which it is based and shall be final and binding on the parties.

22. If you are in agreement with the provisions set forth above, please sign and return to this office two copies of this Letter. Your acceptance shall thereby constitute the basis for your *National Agricultural Marketing Board (NAMBoard)* participation in the implementation of the project.

Yours sincerely,
Signed on behalf of UNDP

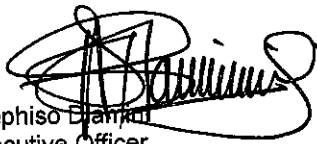


Israel Dessaegne
Resident Representative

Date: 10/6/14

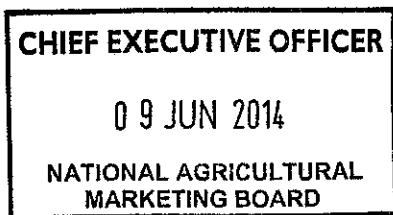


Signed on behalf of The Ministry of Agriculture, *National Agricultural Marketing Board (NAMBoard)*



Mr. Siphephiso Dlamini
Chief Executive Officer
National Agricultural Marketing Board
Manzini, Swaziland

Date: 09/06/2014



Attachment 1

**THIRD PARTY COST -SHARING AGREEMENT
BETWEEN THE
COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA (COMESA)
AND
THE UNITED NATIONS DEVELOPMENT PROGRAMME (UNDP) IN SWAZILAND**

WHEREAS the Common Market for Eastern and Southern Africa (hereafter referred to as COMESA) hereby offers to make available (hereafter referred to as "contribution") a grant to be administered by The United Nations Development Programme (UNDP) in SWAZILAND (hereafter referred to as UNDP) for the implementation of Up Scaling of Climate Smart Agriculture in Swaziland (hereafter referred as "the Project") as described in the Annex1,

WHEREAS UNDP has agreed to receive and administer the contribution for the implementation of the Project,

WHEREAS the Government of SWAZILAND has been duly informed of the Contribution of COMESA to the Project,

WHEREAS the Ministry of Agriculture of the Kingdom of Swaziland's National Agricultural Marketing Board (NAMBoard) (fully owned by the Government hereinafter referred to as the "Implementing Partner"), is the designated Implementing Partner for the Project.

NOW THEREFORE, COMESA and UNDP hereby agree as follows:

Article I.
The Contribution

- 1 (a) COMESA shall, in accordance with the schedule of payments set out below, contribute to UNDP the amount of USD 385,519.00 (United States Dollars three hundred eighty five thousand five hundred nineteen)

The Contribution shall be deposited in the UNDP Representative in Swaziland USD Account

Account Number:	3752218299
Bank:	Bank of America, 1401 Elm St., Dallas TX 75202
ACH Routing Number:	11000012
Wire Routing Number:	026009593
SWIFT Address:	BOFAUS3N

<u>Schedule of payments</u>	<u>Amount</u>
Upon signature of the agreement	USD 308,415.2
Second tranche	USD 77,103.8

- (b) COMESA will inform UNDP when the Contribution is paid via an e-mail message with remittance information to contributions@undp.org, providing the following information: COMESA's full name, UNDP country office, Project no. and title; Up Scaling of Climate Smart Agriculture in Swaziland, COMESA reference (if available). This information shall be included in the bank remittance advice when funds are remitted to UNDP.
2. The above schedule of payments takes into account the requirement that the payments shall be made in advance of the implementation of planned activities. It may be amended by mutual consent to be consistent with the progress and requirements Project delivery.
3. UNDP shall receive and administer the payment in accordance with the rules, regulations, policies and procedures of UNDP.
4. All financial accounts and statements shall be expressed in United States dollars.

Article II.
Utilization of the Contribution

1. The implementation of the responsibilities of UNDP pursuant to this Agreement shall be dependent upon receipt by UNDP of the Contribution in accordance with the schedule of payment as set out in Article I, paragraph 1, above. UNDP shall not start the implementation of the activities prior to receiving the Contribution or the first tranche of the Contribution (whichever is applicable).
2. If unforeseen increases in expenditures or commitments are expected or realized (whether owing to inflationary factors, fluctuation in exchange rates or unforeseen contingencies), UNDP shall submit to COMESA on a timely basis a supplementary estimate showing the further financing that will be necessary. COMESA shall use its best endeavours to make available to UNDP the additional funds required.
3. If the payments referred to in Article I, paragraph 1, above are not received in accordance with the payment schedule, or if the additional financing required in accordance with paragraph 2 above is not forthcoming from COMESA or other sources, the assistance to be provided to the Project under this Agreement may be reduced, suspended or terminated by UNDP.
4. Any interest income attributable to the Contribution shall be credited to UNDP Account, retained by UNDP and shall be utilized in accordance with established UNDP procedures.
5. The project shall be implemented for a period of 12 months after entry into force.

Article III.
Administration and Reporting

1. The Project management and expenditures shall be governed by the rules, regulations, policies and procedures of UNDP and, where applicable, the rules, regulations, policies and procedures of the Implementing Partner.
2. UNDP shall provide to the Donor the following reports in accordance with UNDP accounting and reporting procedures.
 - (a) From the country office (or relevant unit at headquarters in the case of regional and global projects) an annual status report of the Project progress for the duration of this Agreement, as well as the latest available approved budget.
 - (b) From UNDP Bureau of Management/Office of Finance and Administration, an annual certified financial statement as of 31 December every year to be submitted no later than 30 June of the following year.
 - (c) From the country office (or relevant unit at headquarters in the case of regional and global projects) within six months after the date of completion or termination of this Agreement, a final report summarizing Project activities and impact of activities as well as provisional financial data.
 - (d) From UNDP Bureau of Management/Office of Finance and Administration, on completion of the Project a certified financial statement to be submitted no later than 30 June of the year following the financial closing of the Project.
3. If special circumstances so warrant, UNDP may provide more frequent reporting. The nature and frequency of this reporting shall be detailed in an annex to this Agreement.

Article IV.
Administrative and Support Services

1. In accordance with the decisions, policies and procedures of UNDP's Executive Board as reflected in its Policy on Cost Recovery from other resources, the Contribution shall be subject to cost recovery for indirect costs incurred by UNDP headquarters and country office structures in providing general management support (GMS) services. To cover these GMS costs, the Contribution shall be charged a



fee equal to eight (8) percent. Furthermore, as long as they are unequivocally linked to the specific Project, all direct costs of implementation, including the costs of the Implementing Partner, will be identified in the Project budget and borne by the Project accordingly.

2. The aggregate of the amounts budgeted for the Project together with the estimated costs of reimbursement of related support services, shall not exceed the total resources available under this Agreement as well as funds which may be available for support costs under other sources of financing.

Article V. **Evaluation**

All UNDP Programmes and Projects are evaluated in accordance with UNDP Evaluation Policy. UNDP and the Government of Swaziland in consultation with other stakeholders will jointly agree on the purpose, use, timing, financing mechanisms and terms of reference for evaluating a Project including an evaluation of its Contribution to an outcome which is listed in the Evaluation Plan. UNDP shall commission the evaluation, and the evaluation exercise shall be carried out by external independent evaluators.

Article VI. **Equipment**

Ownership of equipment, supplies and other properties financed from the Contribution shall vest in UNDP. Matters relating to the transfer of ownership by UNDP shall be determined in accordance with the relevant policies and procedures of UNDP.

Article VII. **Auditing**

1. The Contribution shall be subject exclusively to the internal and external auditing procedures provided for in the financial rules, regulations, policies and procedures of UNDP.
2. Audit Reports shall be made available to COMESA by UNDP.

Article VIII. **Completion of the Project Implementation**

1. UNDP shall notify COMESA when all activities relating to the Project have been completed in accordance with the Project Design Document in Annex1.
2. Notwithstanding the completion of the Project activities, UNDP shall continue to hold unutilized funds from the Contribution until all commitments and liabilities incurred in implementation of the Project have been satisfied and the Project activities brought to an orderly conclusion.
3. If the unutilized funds prove insufficient to meet such commitments and liabilities, UNDP shall notify COMESA and consult with COMESA on the manner in which such commitments and liabilities may be satisfied.
4. In cases where the Project is completed in accordance with the project document any funds below 5,000 USD (five thousand USDollars) that remain unexpended after all commitments and liabilities have been satisfied shall be automatically reallocated by UNDP. Any funds above 5,000 USD (five thousand US Dollars) that remain unexpended after all commitments and liabilities have been satisfied shall be reallocated by UNDP after consultation with COMESA.



Article IX.
Termination of the Agreement

1. This Agreement may be terminated by UNDP or by COMESA after consultations between COMESA, UNDP and the Government of Swaziland, and provided that the funds from the Contribution already received are, together with other funds available to the Project, sufficient to meet all commitments and liabilities incurred in the implementation of the Project. This Agreement shall cease to be in force 30 (thirty) days after either of the Parties have given notice in writing to the other Party of its decision to terminate this Agreement.
2. Notwithstanding termination of all or part of this Agreement, UNDP shall continue to hold unutilized funds until all commitments and liabilities incurred in the implementation of all or the part of the Project have been satisfied and activities brought to an orderly conclusion.
3. In cases where this agreement is terminated before Project completion any funds below 5,000 USD (five thousand US Dollars) that remain unexpended after all commitments and liabilities have been satisfied shall be automatically reallocated by UNDP. . Any funds above 5,000 USD (five thousand US Dollars) that remain unexpended after all commitments and liabilities have been satisfied shall be reallocated by UNDP after consultation with COMESA.

Article X.
Notice

Any notice or correspondence between UNDP and COMESA will be addressed as follows:

- (a) For COMESA: The Common Market for Eastern and Southern Africa
(COMESA):
Sindiso Ngwenya, SECRETARY GENERAL

Physical Address: COMESA HEADOFFICE
Ben Bella Road,
Postal Address: P. O. Box 30051
Lusaka - ZAMBIA
E-mail address: sngwenya@comesa.int

- (b) For UNDP: Israel Dessalegne, RESIDENT REPRESENTATIVE

Physical Address: 5th Floor Lilunga House
Somhlolo Street, Mbabane
Postal Address: United Nations Development Programme
P.O. Box 261
Mbabane
SWAZILAND H100
E-mail address: israel.dessalegne@undp.org

Article XI.
Amendment of the Agreement

This Agreement may be amended by mutual agreement through an exchange of letters between COMESA and UNDP.

The letters exchanged to this effect shall become an integral part of this Agreement.



Article XII. Entry Into Force

This Agreement shall enter into force upon the signature of this Agreement by the parties hereto, on the date of the last signature.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto, have signed the present Agreement in the English language in two copies.

For: COMESA

For: UNDP

Name: Sindiso Ngwenya

Name: Israel Dessalegne

Title: Secretary General

Title: Resident Representative

Signature.....

Signature.....

Date:2014

Date: 2014



Attachment 2

DESCRIPTION OF ACTIVITIES

Project number: 00089803

Project title: Climate Smart Agriculture

Results to be achieved by National Agricultural Marketing Board (NAMBoard)

1.0 Introduction

Swaziland, as most parts of the World has been adversely affected by the negative impacts of climate change, which brings a lot of uncertainty especially in the field of agriculture. Over the years, this has resulted in reduced crop production, and to an extent is also affecting the livestock sector in the country. Most farmers are dependent on rainfall for crop production and are therefore vulnerable to reduced rainfall and accompanying moisture stress on the main crop which is maize, and this has seen the country experiencing food shortage for at least the past 11 years, increasing reliance on food assistance for survival and to meet daily food requirements.

To mitigate the effects of climate change and improve viability of the agriculture sector, especially crop production, the Government of Swaziland together with non-state partners has initiated a number of interventions. Some of these include the construction of irrigation infrastructure in the form of dams and downstream development for crop and livestock production, and introduction of conservation agriculture which aims to reduce soil moisture loss and increase production using minimal tillage methods.

One of the climate smart initiatives introduced and promoted vigorously by the Government and other stakeholders is conservation agriculture. This has been practiced in the country for over 10 years, with the use of champion farmers, demonstrations and continuous extension contact training for farmers in all four regions of the country. However, most of the training and practice has been on manual / hand-operated implements such as jab planter and hoe, this is against a back-drop of an agricultural system that has embraced mechanisation, with Government led tractor system in place. Whilst all initiatives have successfully promoted CA, there is a need to mechanise it, which will increase its attractiveness to a broader spectrum of farmers and thrust it into the commercial front.

Furthermore, to reduce the impact of climate change in agricultural production, the Government and partners have invested over E20 million (US\$2 million) in developing three irrigation schemes namely; Mphatheni, Nhlentjeni and Nkhungwini to improve the quality of life for rural households and communities. These are in addition to other water harvesting initiatives such as small earth dams which are developed in the dry regions of the country to improve access to water for agriculture and other activities. These initiatives strive to achieve improved resilience of smallholder farmers to the impacts of climate change and strengthen marketing system for agriculture production in order to achieve sustainable food security.

However, even with the initial investment the schemes were found to be running on 20% or less capacity, meaning that with further quality investment the schemes could become more economically viable and contribute to the livelihoods of the people, whilst also stimulating the rural economy. The irrigation infrastructure itself (use of basic furrow irrigation) has been cited as having very low water use efficiency thus a lot of water is lost to evaporation and seepage.

This proposal seeks funding from COMESA to enable the country to develop a climate smart agricultural intervention that will serve as a blue print for development in this area, and to strengthen the practicality of the model, a pilot project on climate smart agriculture will be implemented in Mpatheni, Nhletjeni and Nkhungwini areas, which are in close proximity, and have a combined hactarage of over 130 hactares of land, with over 200 households directly involved in vegetable production. The main actions to be undertaken include;

- a. Conducting a baseline survey in the four regions of Swaziland to establish and further, cost sustainable and integrated farming models that will enhance climate smart agricultural interventions. This will be used as a blueprint for the Government, donors and other development partners for future interventions. Whilst the project will be confined to three sites, the study will be countrywide to ensure that the different agro-climatic zones are well researched and options provided for agricultural production in a changing climate
- b. Implementing a Pilot Project (Mpatheni, Nhletjeni, Nkhungwini), which will be based on up scaling existing climate smart initiatives, with conservation agriculture being the main target. Up scaling conservation agriculture (CA) will mainly involve provision of tractor drawn implements such as a boom sprayer and mechanical planters / rippers. This is a bid to commercialise conservation agriculture for households to firstly attain food security and sell the rest, use of mechanical equipment will also increase efficiency, reducing time



spent on land preparation and weeding, which time will be able to be used for other income generating initiatives.

- c. Pilot conversion of existing high water-use irrigation technology and infrastructure to more water efficient technology in the form of drip irrigation system. Of the total area, 10 ha (about 20%) from each of the three schemes will be fitted with drip irrigation systems, and planted to high value crops, which will in turn be linked to a reliable well researched market so as to ensure that income generated is meaningful and sustainable. The National Agricultural Marketing Board will be responsible for scheduling the production based on market demand, and will work with the farmers for training in different production and marketing requirements. The main markets will be derived from already established markets in Swaziland and internationally so that production is streamlined with what the market requires both in terms of quality and volumes. Data will be collected and reported on so that the model can be perfected with opportunities to expand area under drip irrigation and expand the model outside the proposed project areas.
- d. Provide exchange visits for farmers and extension staff, specialists and management to other countries where climate smart agriculture has been successfully implemented. This will be for the benefit of extension staff, champion farmers and selected farmers, the main interest being to see how other areas have successfully recruited, retained and enabled farmers to upscale CA to commercial farming levels. Of interest will also be how CA and production of profitable high value crops can be achieved without one compromising the other.
- e. Provide technical assistance to the participating farmers in the form of preparation and delivery of training material, coordinating production and marketing of produce. Assistance will also be provided for the introduction and use of equipment for farmers and tractor operators. To achieve this, demonstration plots will be set up and training will be mainly conducted from there, and where necessary a classroom situation will be facilitated. This will be provided by different partners and specialists as appointed by the implementing agency and technical committee.
- f. Initiating a revolving fund for farm inputs loans through repayment to be deducted from sale of produce. This will be managed by farmers themselves with strong support from NAMBoard and technical committee to ensure that they are well trained and mentored to carry this out in a business manner which will enhance sustenance and continuity of project objectives even after phase out.

2.0 Project description

2.1 Project justification

The project will undertake a baseline survey and develop a comprehensive climate smart agriculture footprint (including water harvesting and conservation agriculture programmes) to guide future investments and harmonise interventions in this area. This will be complimented by a pilot on water use efficiency with clear linkages to markets for small holder producers in selected areas within the Shiselweni region of Swaziland.

The proposed project is in response to the continued changing climatic landscape which requires a shift in the way agriculture is conducted in Swaziland and other parts of the World. The project will provide us with a current sustainable model which will be pilot tested over 30ha of land and this will include efficient irrigation scheduling, up scaling CA, and facilitating access to sustainable markets. This is a way of exploring how commercialisation for small holder farmers can be attained, using low-cost production methods, with an ultimate aim to build economical viability and resilience for households, especially resource-poor farmers.

2.2 Objectives

2.2.1 To undertake a study for the development of a comprehensive water harvesting and conservation agriculture program and provide baseline information for existing water schemes in Swaziland.

2.2.2 To increase food availability at household level through up-scaling of conservation agriculture

2.2.3 To improve the quality of life for at least 200 households directly (1200 beneficiaries) and more than 500 household indirectly through the sale and consumption of high value crops (including vegetables, pulses and sweet potatoes).

2.3 Key Deliverables from Project

2.3.1 Baseline survey conducted for climate smart agriculture programming, including options for cropping, livestock, and combinations, with costed actions to improve sustainability.

2.3.2 Pilot of water saving technologies conducted, with drip irrigation installed on 30ha of land producing high value crops that are market oriented and synchronised with marketing calendar and directly linked to markets through NAMBoard and partners.

2.3.3 200 farmers from 3 communities, Mpatheni, Nkhungwini and Nhletjeni trained in use of climate smart agricultural technologies including CA, drip irrigation and marketing of produce for household income generation.



2.4 Project Activities:

1. Project Administration

1.1 Technical Support / Consultancy: Support will be provided to participating farmers for successful implementation of the project through supervision and inculcating the principles of climate smart agricultural production to the farmers. This will include coordination of planting, variety selection and preparation of products for markets. The marketing aspect of the produce will be key to ensuring sustainability and continuity after the life of the project, thus the consultancy should facilitate and ensure that the produce under this project has access to reliable markets.

1.2 Administration Costs: The project will be administered on behalf of the Government by NAMBoard, and these costs include availing finance for implementation, ensuring that reporting to the recipient (UNDP, and COMESA) is done timely and correctly, and further ensuring that procurement of supplies is done timely following the correct procedures and subsequent accounting.

1.3 Transport: NAMBoard will provide a vehicle for transporting consultants and invariable any other supplies that maybe needed to ensure that the project is within the timelines for production and marketing. Further, it will serve in transporting inputs, monitoring officers and where needed farmers. The project is expected to fuel the vehicle. This will be based on obtaining rates and mode for transport at the time of implementation.

Project Supplies

2.1 Conversion of surface irrigation system that is already in place to drip and other water saving techniques: Supplies, technical specialists for the conversion of irrigation to drip. This will cover 10 ha at each site, with a total of 30 ha. (refer to attached cost breakdown)

2.2 Supply of Farm Implements: The farm implements will be purchased for use with the tractor to be allocated from Government tractor pool that will be dedicated to the project. The implements are:

2.2.1 Mechanical planters for CA (1 per region)

2.2.2 Boom sprayers (1 per region)

2.3 Supply of farm Inputs (Loan): This is to facilitate the initial upscaling and thrust for production of quality high value crops. The inputs will be carefully selected from the market end for both field crops and vegetable crops to be used in the pilot. An agreement will be signed with each of the garden schemes on expectations for repayment of inputs into a revolving scheme that will be established to secure and grow future production. The inputs will include: legumes, sweet potato cuttings, fertilisers, vegetable seed/seedlings and purchase of Climate Smart Implements.

2.4 Supply with harvesting material: The right type of harvesting and handling material and supplies will be provided to the farmers involved in vegetable farming so that there is minimal damage and value for money in produce moved to the market. These will include crates /lug boxes, hersian sacks, vegetable and sweet potato bags and labelling material. This will be initially provided to the farmers as support to cost of marketing, and they will be expected to subsequently purchase their own when later needed.

3. Market Linkages

Marketing and market linkages are an integral part of the project and as such these should be well established at the beginning of project implementation. NAMBoard has been tasked with the responsibility of marketing farmers' produce under this project, within this context NAMBoard, with assistance from the Government will ensure that the correct facilities are in place for the success of the project. As part of their contribution, NAMBoard and the Government undertake to ensure the following;

3.1 Rehabilitation of cold chain facilities (satellite): These are located within 30km radius of all the targeted schemes, an existing packhouse constructed in the early 1980s will be revamped and a cold room installed to ensure immediate refrigeration of harvested produce to prolong shelf life.

3.2 Purchase of refrigerated truck (5mt): A truck will be purchased for specific use by these schemes, and where possible other schemes very close to the project. The truck will transport fresh produce from the fields to the satellite cold storage facility and subsequently to the main centre in Matsapha. This is to ensure that the cold chain is started within 5 hours after harvesting and is not broken up to the end user.

3.3 Running of cold chain facilities: The cold chain facilities will be manned by staff employed by NAMBoard, including the set up and maintenance of amenities such as water and electricity. This is to ensure top quality handling and that farmers' produce is well graded for good returns on investment.



4. Capacity Building for Extension Staff and Farmers

4.1 Training of Extension staff in CA technologies (ToT): 50 extension staff will be trained as trainers in Conservation Agriculture Technologies; they will then be monitored as they in turn train other staff and key farmers to enhance multiplier effect of the training.

4.2 Farmer Training – CA Champion Farmers: 75 champion farmers will be trained and will also assist to manage demonstration sites. These will be from the project area (35) and from outside the project area (40) to ensure that CA among other climate smart agriculture continues to be practiced.

4.3 Farmer Training – CA (All Farmers): Over the 18 month period, a total of 400 farmers will be trained in CA and implementation of different climate smart agricultural technologies; these include agro forestry, mechanical application of CA and other relevant technologies. The farmers will be monitored as they implement what they have learnt in their fields, and data will be recorded for documentation and lessons learnt.

4.4 CA demonstration plots – onsite: Each of the project sites will be equipped with demonstration plots measuring 2 ha each. This demonstration to be jointly managed by extension officers, NAMBoard and champion farmers will showcase various CSA activities, formal visits to the sites will be done every quarter by participating and non-participating farmers to learn and exchange ideas.

4.5 Exposure and Exchange Visits: These will be conducted within the country and in neighbouring countries. The main purpose is to facilitate enhanced learning, especially in the different CSA initiatives. Areas to be visited are those where CSA has been implemented effectively and farmers and extension staff will be able to share experiences with their peers.

5. Studies and Baselines

5.1 Baseline study on climate smart agriculture initiatives will be conducted, the result will be a document that analyses the situation in the Swazi context and provide guidance and options for up scaling of CSA initiatives in the country. This will then tie up with the results of the pilot project to provide an avenue for future programming and provide evidence based basis for up scaling CSA in Swaziland.

6.0 Project Visibility and M&E

6.1 Project Monitoring and Reporting: Reports will be provided to COMESA at the end of each quarter highlighting progress on implementation of the project. This will be the task of the technical team comprising of NAMBoard, UNDP, the Ministry of Agriculture, The Ministry of Tourism and Environment (responsible for climate change response), farmer's committees and this team will be chaired by the Principal Secretary of MoA or his designate.

6.2 End of Project Evaluation: to be conducted by an external evaluator, it will take into account what has been covered, successes, failures and lessons for future programming. The evaluation will also provide a basis for future programme design and implementation taking into consideration the baseline and results of pilot project evaluation.

6.3 Project Information dissemination: This will be to highlight the value of the project during implementation, this will be in the form of posters, brochures, publications and T-shirts informing stakeholders and interested people on the project and the value thereof.

2.5 Targeted Farmers

The project is currently targeting a total of 200 farmers operating in 3 garden schemes covering a total of 140ha. This number is expected to gradually increase as the production and management is intensified. It is estimated that for efficient production each farmer will produce in an area of 2500 m², thus with the current 140 ha there is enough capacity to bring on board a total of 560 farmers. With the increase in the number of participating farmers, the total number of beneficiaries will also increase to a potential 3360 people excluding indirect beneficiaries throughout the value chain. The other component of building capacity on Climate Smart Agricultural production will target a total of four hundred farmers country wide during the life of the project, plus 50 extension officers with a potential of doubling this number depending on rate of adoption of the practices and technologies.

2.6 Institutional Capacity

NAMBoard who has been selected by Government as an implementing agency on her behalf is a parastatal entity (fully owned by the Government). The main function of NAMBoard, in line with its establishing Act (Act No. 13 of 1985) is charged with facilitating markets for farmers, assisting them with production, processing, storage, transportation, distribution and sale of scheduled products. NAMBoard is government's vehicle for speedy service delivery outside the government bureaucracy. Structurally, it falls under the Ministry of Agriculture and the Chief



Executive officer reports to the Office of the Permanent/Principal Secretary of the Ministry while the Board of Directors report to the Minister's Office.

The institution has three sections to help achieve its mandate, these are: statutory (controls the importation of scheduled agricultural produce into the Kingdom), Farmer Support and Development Unit (helps farmers to develop their farming businesses), and Encabeni Fresh Produce Market (provides an outlet for produce by Swazi farmers). The current budget for the institution is E25 million (\$0.125 million), and a total staff compliment of 90 people. The project will be managed under the agribusiness office, which will provide support in terms of technical knowledge, budgeting and marketing of produce. With staff capable in this area, the Agribusiness manager also has a background in grants management for major donors and will therefore be able to provide guidance and ensure adherence to requirements.

Additionally NAMBoard has all the requisite financial systems and is subject to a mandatory financial audit every year.

2.7 Project Management, Monitoring and Evaluation

2.7.1 Project Management

The Government has mandated the National Marketing Board (NAMBoard) as an implementing partner of the project. NAMBoard will work closely with the Ministry of Agriculture, collaborating ministries and other stakeholders within the sector to implement the project. The technical team will oversee the implementation of the project and provide advice where needed.

NAMBoard will also facilitate the training of committees elected by the participating farmers to manage the project sites. The committees will be mentored during the implementation period on proper record keeping and accounting to their constituency to enhance. Partners who are particularly strong in this aspect such as SWADE will support the farmers to form themselves into companies and conduct proper social mobilisation to empower the farmers.

2.7.2 Project Monitoring

Periodic monitoring will be in the hands of the technical team, however on a continuous basis, NAMBoard and Government extension officers will ensure that farmers get all the support that they need to manage the project well. NAMBoard will provide monthly reports to the members of the technical team and also provide feedback to farmers on their performance, both in production and marketing.

2.7.3 Reporting

The Ministry of Agriculture will provide quarterly reports, an annual report, and a final report at the end of eighteen months detailing both operational progress and financial status to the donor. A technical team including the Ministry of Agriculture, NAMBoard, SWADE, and other sector partners will be in place and will meet quarterly to review progress and provide advice on implementation. The team will also provide regular visits to the site for advice and streamlining implementation.

2.7.4 Evaluation

There will be a mid-term and end of project evaluation of the project deliverables will be conducted at the end of the project; this will be conducted by an independent evaluator recommended by COMESA and UNDP.

2.8 Auditing

An audited statement of accounts (expenditure) will be provided to UNDP and subsequently to COMESA. An independent and accredited audit firm shall be assigned to prepare audited statements for submission to the donor.

2.9 Sustainability

The project will be implemented as a complimentary action to already ongoing activities, thus it is not in isolation and will leverage resources such as staffing from current NAMBoard personnel. The project management function will over the period be absorbed into NAMBoard's operating structure. Furthermore, all project components will be fully incorporated into regular NAMBoard operations including funds for maintenance and continuing to service farmers. The training programme will also continue as part of NAMBoard facilitation requirements.

3.0 Budget

The total budget requirement for the proposed project is E5 663 250.00 (\$630 250) over a period of eighteen months, the Ministry on behalf of the Government is requesting for \$350, 472 (55.6%), with the remainder set to be sourced from within Government and NAMBoard resources. The breakdown of costs is detailed in attachment 1. The funds provided by COMESA, will be received by UNDP in Swaziland and disbursed to NAMBoard who will in turn facilitate all the activities that require funding and provide full financial reports back via the same route.

1.5	Provision of Supply with harvesting material	Sets of harvesting material purchased	4 sets																Swaziland	200	560
2.0	Capacity Building for Extension Staff and Farmers																				
2.1	Training of Extension staff in CA technologies (ToT):	Number of staff trained (ToT)	50 officers																Swaziland	50	50
2.2	Farmer Training – CA Champion Farmers	Number of c	75 champi																Swaziland	75	75
2.3	Farmer Training – CA (All Farmers):	Number of Farmers Trained	400 farmers																Swaziland	400	400
2.4	CA demonstration plots – onsite	Number of demonstration plots established	4 demonstration plots																Swaziland	400	400
2.5	Exposure and Exchange Visits	Number of visits facilitated	5 visits																Swaziland	40	40
3.0	Conduct a baseline survey																				
5.1	Baseline study on CSA programming	Baseline study conducted	1 study																Swaziland	Nationally	Nationally
6.0	Project Visibility and M&E																				
6.1	Project Monitoring and Reporting																				
6.2	Micro assessment	Assessment conducted	1 assessment																		
		Number of monitorin	7 visits (technical team)																Swaziland	400	400



