

AIRGRAM

DEPARTMENT OF STATE

4930065
PD-110-538

~~UNCLASSIFIED~~
CLASSIFICATION

For each address check one ACTION | INFO

| |
|------------------------------|
| DATE REC'D. 35P lp |
| DATE SENT 6 MAR 70 |

TO - BANGKOK AIDTO A 253

4B

DISTRIBUTION
ACTION

EAB

INFO.

FROM - AID/WASHINGTON

SUBJECT - PROF Approvals.

IS
OLAB
ITAD
ACONT
AAPC

REFERENCE - (A) TOAID A-864; (B) TOAID A-2973; (C) TOAID A-314

The following three ongoing projects have been approved:

BANGKOK
HECTO

ATT

| Project | Date | Approved by |
|--|---------|-------------------------|
| Man and Chi River Basin Ref (A) #493-11-995-187 | 1/30/70 | Director, EA/DP |
| Labor Intensive Water Development Ref (B) #493-11-120-206 ✓ | 2/11/70 | Asst. Administrator, EA |
| Amphur Farmer Groups Ref (C) #493-11-109-180.3 | 2/27/70 | Asst. Administrator, EA |

Attached is one copy each of the Project Authorization and the covering Action Memoranda for each project.

Attachments: a/s

OTHER AGENCY

ROGERS

| | |
|------|-------|
| PAGE | PAGES |
| 1 | OF 1 |

| | | | | |
|-------------------------------|------------------|--------------------|----------------|---|
| DRAFTED BY E. Tumavick:dep | OFFICE LA/SFA | PHONE NO. 29043 | DATE 3/4/70 | APPROVED BY: Gordon K. Pierson, EA/SFA |
|-------------------------------|------------------|--------------------|----------------|---|

AID AND OTHER CLEARANCES

~~UNCLASSIFIED~~
CLASSIFICATION

4930206 (6)
 PD-ADD-1538

AID 1980-1
 (8-63)

PROAG

PROJECT AGREEMENT

BETWEEN THE DEPARTMENT OF STATE, AGENCY FOR INTERNATIONAL DEVELOPMENT (AID),
 AN AGENCY OF THE GOVERNMENT OF THE UNITED STATES OF AMERICA, AND

p

DEPARTMENT OF TECHNICAL AND ECONOMIC COOPERATION

AN AGENCY OF THE GOVERNMENT OF THAILAND

The above-named parties hereby mutually agree to carry out a project in accordance with the terms set forth herein and the terms set forth in any annexes attached hereto, as checked below:

- Project Description Annex A Foreign Currency Standard Provisions Annex
 Standard Provisions Annex Special Loan Provisions Annex

This Project Agreement is further subject to the terms of the following agreement between the two governments, as modified and supplemented:

ECONOMIC & TECHNICAL COOPERATION AGREEMENT DATED SEPTEMBER 19, 1950

MEMORANDUM OF AGREEMENT AS TO CONDUCT OF COUNTERPART PROGRAMS, DATED JULY 24, 1955

(other)

1. Project/Activity No. 493-11-120-206 PAGE 1 OF 1 PAGES

2. Agreement No. 206-0046 3. Original or Revision No. _____

4. Project/Activity Title
 Labor Intensive Water Development

5. Project Description and Explanation
 (See Annex A attached)

6. AID Appropriation Symbol 72-1101006 7. AID Allotment Symbol 056-50-493-00-69-01

| 8. AID FINANCING | Previous Total (A) | Increase (B) | Decrease (C) | Total to Date (D) |
|---|--------------------|--------------|--------------|-------------------|
| <input checked="" type="checkbox"/> Dollars <input type="checkbox"/> Local Currency | | | | |
| (a) Total | | 53,000 | | 53,000 |
| (b) Contract Services | | | | |
| (c) Commodities | | 53,000 | | 53,000 |
| (d) Other Costs | | | | |
| 9. COOPERATING AGENCY FINANCING Dollar Equivalent | | | | |
| \$1.00 = | | | | |
| (a) Total | | | | |
| (b) Technical and Other Services | | | | |
| (c) Commodities | | | | |
| (d) Other Costs | | | | |

AD/FO *mm* 10. Special Provisions (Use Additional Continuation Sheets, if Necessary)

AD/P *mm* This interim ProAg provides additional funds for PIO/C 00175 to complete
 AD/F *mm* procurement under PIO/C No. 493-206-8-80318, as per R 9-D045 CMSS-AD-FC.
 DTEC/R *mm*

11. Date of Original Agreement March 31, 1970 12. Date of This Revision March 31, 1970 13. Final Contribution Date March 31, 1973

14. For the Cooperating Government or Agency *mm* 15. For the Agency for International Development *Frederick F. Simmons*

P. Marshall
 RID

SIGNATURE: *Ma J. Gen. Chan Anusuchote* DATE: 3/31/70
 TITLE: Director-General, DTEC

SIGNATURE: *Frederick F. Simmons* DATE: 3/31/70
 TITLE: Acting Director, USOM/Thailand

AID 1500-1
(9-60)

PRO AG

49302067
PD-ADD-638

PROJECT AGREEMENT
BETWEEN THE DEPARTMENT OF STATE, AGENCY FOR INTERNATIONAL DEVELOPMENT (AID),
AN AGENCY OF THE GOVERNMENT OF THE UNITED STATES OF AMERICA, AND

AN AGENCY OF THE GOVERNMENT OF _____

The above-named parties hereby mutually agree to carry out a project in accordance with the terms set forth herein and the terms set forth in any annexes attached hereto, as checked below:

1. PROJECT/ACTIVITY NO.
493-11-120-206
PAGE 1 OF _____ PAGES

2. AGREEMENT NO.
206-1007
3. ORIGINAL OR
REVISION NO. _____

PROJECT DESCRIPTION ANNEX A FOREIGN CURRENCY STANDARD PROVISIONS ANNEX
 STANDARD PROVISIONS ANNEX SPECIAL LOAN PROVISIONS ANNEX

4. PROJECT/ACTIVITY TITLE
**Labor Intensive Water Development
(NEED)**

This Project Agreement is further subject to the terms of the following agreement between the two governments, as modified and supplemented:

GENERAL AGREEMENT FOR TECHNICAL COOPERATION DATE _____
 ECONOMIC COOPERATION AGREEMENT DATE _____
 (other) DATE _____

5. PROJECT DESCRIPTION AND EXPLANATION
(See Annex A attached)

6. AID APPROPRIATION SYMBOL: 72-1111006
7. AID ALLOTMENT SYMBOL: 156-50-493-00-69-11

| 8. AID FINANCING | PREVIOUS TOTAL (A) | INCREASE (B) | DECREASE (C) | TOTAL TO DATE (D) |
|---|--------------------|--------------|--------------|-------------------|
| <input type="checkbox"/> DOLLAR <input type="checkbox"/> LOCAL CURRENCY | | | | |
| (a) Total | | 134,500 | | 134,500 |
| (b) Contract Services | | | | |
| (c) Commodities | | 133,100 | | 133,100 |
| (d) Other Costs PIO/P | | 1,400 | | 1,400 |
| 9. COOPERATING AGENCY FINANCING - DOLLAR EQUIVALENT | | | | |
| \$1.00= | | | | |
| (a) Total | | | | |
| (b) Technical and other Services | | | | |
| (c) Commodities | | | | |
| (d) Other Costs | | | | |

AD/FO *WLB*
AD/P *B*
AD/E *W*
DTEC/P *San*
RID *Chas*

10. SPECIAL PROVISIONS (Use Additional Continuation Sheets, if Necessary)
This interim ProAg provides additional funds for PIO/C 10004 to complete procurement under PIO/C 90317, and PIO/P No. 1019.

11. DATE OF ORIGINAL AGREEMENT: September 24, 1970
12. DATE OF THIS REVISION: _____
13. ESTIMATED FINAL CONTRIBUTION DATE: September 24, 1973

14. FOR THE COOPERATING GOVERNMENT OR AGENCY
Signature: *Piew Phusevat* DATE: 9/24/70
TITLE: Director-General, DTEC

15. FOR THE AGENCY FOR INTERNATIONAL DEVELOPMENT
Signature: *Rey M. Hill* DATE: 9/24/70
TITLE: Director, USOM/Thailand

Make file

493 0208 (8)

AJD 188Q-1
(8-69)

PROAG

PROJECT AGREEMENT

BETWEEN THE DEPARTMENT OF STATE, AGENCY FOR INTERNATIONAL DEVELOPMENT (AID),
AN AGENCY OF THE GOVERNMENT OF THE UNITED STATES OF AMERICA, AND

23p

DEPARTMENT OF TECHNICAL AND ECONOMIC COOPERATION

PD-AAO-638

AN AGENCY OF THE GOVERNMENT OF THAILAND

The above-named parties hereby mutually agree to carry out a project in accordance with the terms set forth herein and the terms set forth in any annexes attached hereto, as checked below:

1. Project/Activity No.
493-11-120-206

PAGE 1 OF 17 PAGES

2. Agreement No.
206-9064

3. Original or
Revision No. _____

- Project Description Annex A
- Foreign Currency Standard Provisions Annex
- Standard Provisions Annex
- Special Loan Provisions Annex

4. Project/Activity Title
Labor Intensive Water Development
(NEED)

This Project Agreement is further subject to the terms of the following agreement between the two governments, as modified and supplemented:

ECONOMIC & TECHNICAL COOPERATION AGREEMENT
DATED SEPTEMBER 19, 1950

5. Project Description and Explanation
(See Annex A attached)

MEMORANDUM OF AGREEMENT AS TO CONDUCT OF
COUNTERPART PROGRAMS, DATED JULY 24, 1955

6. AID Appropriation Symbol
72-1191006

7. AID Allotment Symbol
956-50-493-00-69-91

(other)

| 8. AID FINANCING | Previous Total (A) | Increase (B) | Decrease (C) | Total to Date (D) |
|---|--------------------|--------------|--------------|-------------------|
| <input checked="" type="checkbox"/> Dollars <input type="checkbox"/> Local Currency | | | | |
| (a) Total | | 417,500 | | 417,500 |
| (b) Contract Services | | | | |
| (c) Commodities ... | | 400,300 | | 400,300 |
| (d) Other Costs <u>PIO/P</u> | | 17,200 | | 17,200 |
| 9. COOPERATING AGENCY FINANCING Dollar Equivalent | | | | |
| \$1.00 = 10 20.00 | | | | |
| (a) Total | | | | |
| (b) Technical and Other Services | | | | |
| (c) Commodities | | | | |
| (d) Other Costs | | | | |

RID *C. Attanasio*

JS

AG. Ext. Dept.

DLB *B. Blankinship*

AD/AG *R. E. D.*

AD/CD *CAH*

CD/CP *Ad. M.*

P/P *WV*

P/EC *M. S.*

AD/F *W*

This ProAg provides funds for PIO/Ps 90888, 90889, 90890 and PIO/C 90317 and 90318.

11. Date of Original Agreement: June 30, 1969
 12. Date of This Revision: June 30, 1969
 13. Fiscal Contribution Date: June 30, 1972

DTEC/P

14. For the Cooperating Government or Agency
Chul

15. For the Agency for International Development
Ray M. Hill

SIGNATURE: Mr. Gen. Chan Anusohote 6/30/69
TITLE: Director General, DTEC

SIGNATURE: Ray M. Hill DATE: 6/30/69
TITLE: Deputy Director, USOM/Thailand

PROJECT AGREEMENT
BETWEEN AID AND
DEPARTMENT OF TECHNICAL AND ECONOMIC
COOPERATION

AN AGENCY OF THE GOVERNMENT OF
THAILAND

1. Project/Activity No.
493-11-120-206

PAGE 2 OF 7 PAGES

2. Agreement No.
206- 9064

3. Original or
Revision No. _____

3. Project/Activity Title
Labor Intensive Water Development
(NEED)

Block 5

Project Description

The region in which this water development program will be carried out is the Northeast, a semi-arid plateau. Heavy rainfall occurs for only a few months each year and, without irrigation facilities, must be used immediately. As the monsoon rains occur irregularly, storage of water for use as needed for agriculture becomes essential if crop yields are to be satisfactory or safeguarded. Currently yields of rice, the principal crop, fluctuate extensively from year to year, with the harvest often dropping below the subsistence level in certain localities. The purpose of this project is to stimulate the economy of the Northeast by providing water and employment through a comprehensive program of labor intensive water storage, distribution, and utilization. The construction of new ponds, tanks, related canals and canal structures, and the rehabilitation of existing systems will: 1) provide the laborers (chiefly farmers) with a source of income they now lack, helping them avoid the current practice of resorting to money-lenders during the dry season; 2) favorably influence the farmers' perception of the government's concern for their welfare and give them a vested interest in the facilities being constructed; and 3) provide Northeast farmers with a much-needed supply of water for agricultural and domestic use. Extension services in the use of this water to raise agricultural production will be provided by the Ministry of Agriculture.

The above purposes will be achieved by a two-pronged effort to produce employment and to increase effective water utilization: 1) Injecting substantial amounts of payroll cash into the communities affected--in the case of the new tank program some of the most sensitive amphurs--will not only relieve hardships for the individuals provided employment, but will through a multiplier effect stimulate the economy of the area. Also, employment on this project should provide the villager with a vested interest in this local and national government at the start of the program, instead of several years later at the completion of the structure, as is the case with many projects. Any terrorist interference with the program may elicit the disfavor of the villager because it would strike directly at a project from which he is personally benefitting, and in which he has participated in developing; 2) Utilization of the water provided through the construction and rehabilitation programs will be assured through the prior organization of farmers for this purpose and through the provision of information to the farmers by the RTG to enable them to utilize effectively the water to be provided.

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____

SIGNATURE: _____ DATE: _____

TITLE: _____

TITLE: _____

AID 1930-1A
(8-63)

PROAG
CONTINUATION
SHEET

ANNEX _____

PROJECT AGREEMENT
BETWEEN AID AND
DEPARTMENT OF TECHNICAL AND ECONOMIC
COOPERATION

AN AGENCY OF THE GOVERNMENT OF
THAILAND

1. Project/Activity No.

PAGE ___ OF ___ PAGES

2. Agreement No.

3. Original or
Revision No. _____

3. Project/Activity Title

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____

SIGNATURE: _____ DATE: _____

TITLE: _____

TITLE: _____

Labor Intensive Water Development
(NEED)

Project Objectives

The objectives of this project, as endorsed by the Agriculture, Water Resources, and Overall Planning Working Groups of the Northeast Economic Development Committee (NEED), are:

1. Acceleration of the tank program of the RID by constructing twelve new water storage tanks and distribution systems in particularly sensitive areas of the northeast during the current five year development plan in addition to the 27 tanks currently planned:
2. Rehabilitation and construction of distribution systems, initially for 9 existing RID water storage tanks; and
3. Institution of a program for the proper utilization of the water provided by this project, both through the organization of Users Associations and through agreement by the Ministry of Agriculture to provide extension services to the areas to be affected by the new and rehabilitated systems.

This project will be administered primarily by the Royal Irrigation Department with the cooperation of the Ministry of Agriculture, and the Departments of Land Development and Land Cooperatives in the Ministry of National Development. More specific detail on the three major subdivisions of this project are contained in the sub-project descriptions below.

SUB-PROJECT NO. 1

New Water Storage and Management Facilities and Distribution Systems

The 12 tanks and distribution systems proposed for construction under this sub-project are listed in the RID's regular long range program, but were not scheduled to be funded during the current five year development plan. With USOM assistance the RTG will be adding them to the current five-year program, thus raising the total number of tanks and distribution systems to be completed from 27 to 39.

The new tanks must meet the following criteria: (1) be located in the sensitive areas in the Northeast and meet counter-insurgency needs; (2) be small enough in size to permit construction in approximately one year with the maximum use of labor and the minimum use of equipment; (3) be located where the local people evidence a strong need for and interest in such a water project; and show through organizing. Water Users Associations or similar groups, the ability to manage the water to be provided; and (4) (continued)

206-9064

Labor Intensive Water Development
(NEED)

(4) be located in areas which soil surveys show can be physically and economically irrigated and cropped. The tank sites selected by the RID are listed in Table I the proposed sequence of construction. They are located in the following Northeast ARD Changwats: Nakhon Phanom, Kalasin, Sakon Nakorn, Nongkhai and Ubol. These selections will be checked against the above criteria, with a report giving appropriate documentation of findings prior to the final designation of project locations. To meet the accelerated schedule of tank construction, the RID will assign additional staff to the Northeast to handle the necessary topographical surveys and mapping, including hydrological, geological, and soils investigations in order to prepare layouts and designs. In the selection of suitable sites for storage and irrigation, RID will take into consideration any soil survey information made available by the Department of Land Development.

The RID will also provide, through assignment to the Northeast, the necessary additional skilled technicians, mechanics, and operators of equipment. It will supervise the construction and handle the payroll of the estimated 3,000 local laborers to be employed. Upon completion of the system the RID will operate and maintain the tanks and main water conveyance systems.

The USG contribution to this sub-project in FY 1969 is to furnish at an estimated cost of \$400,000 the major quantity of imported equipment for two tank construction spreads designed to emphasize labor intensive methods. The equipment spread will maximize the use of labor without sacrifice of quality (e.g. cement mixers will be used to assure uniform quality). U.S. procured equipment as described in Part A of attached commodity schedule will be supplemented by additional RID equipment as required to complete the spread. As the life of each piece of equipment in the spread is variable, equipment which wears out earliest will be replaced by RID's own stock to maintain a full working spread for use on other projects in the second RID plan and projects yet to be developed in the 3rd RID five-year plan after completion of the initial twelve tanks and systems contemplated in this project.

The RTG hereby agrees to provide budget funds to RID to operate this spread which are in addition to the presently contemplated RID budget. RID engineering survey and design work and land classification surveys were started during FY 1968 and will continue through FY 1969 from funds not specifically allocated to this project. Construction funds are required for work presently utilizing RID equipment and upon arrival of the FY 1968 and FY 1969 funded equipment.

Labor Intensive Water Development
(NEED)

The RTG plans to make an estimated total of \$75,768,000 available to the RID in budget funds through 1972 for the construction costs of the twelve tanks to be constructed under this project. Estimated baht costs of each proposed tank are listed in Table I.

Estimates of RTG budget funds required for construction of the twelve tanks are based upon a request for the provision of further foreign assistance in future years, according to the following schedule:

| | <u>FY 1969</u> | <u>FY 1970</u> | <u>FY 1971</u> | <u>FY 1972</u> | <u>Total</u> |
|----------------|----------------|----------------|----------------|----------------|-------------------------|
| Foreign Asst. | \$400,000 | \$400,000 | \$200,000 | - | 1,200,000 ^{2/} |
| RTG \$ (1,000) | <u>1/</u> | 30,834.6 | 27,404.0 | 17,530.0 | 75,768.6 |
| RTG \$ Equiv. | <u>1/</u> | 1,541,730 | 1,370,200 | 876,500 | 3,788,430 |

Construction Schedule

Additional New Tanks
& Distribution Systems
Completed

| | | | | |
|---|---|---|---|----|
| 0 | 3 | 4 | 5 | 12 |
|---|---|---|---|----|

^{1/} Construction using the spreads procured in this Project Agreement is likely to begin in RTG FY 2513, dependent upon delivery date of the equipment.

^{2/} including \$200,000 committed in FY 1968 Project Agreement.

Dependent upon the availability of funds, USOM would consider further requests for assistance for this project as outlined above which are submitted with NEED approval.

Labor Intensive Water Development
(NEED)

SUB-PROJECT # 2

Rehabilitation and Construction of Distribution Systems From Existing Tanks

A companion program of rehabilitating water delivery systems associated with previously built tank projects is included in this project. Due to delays in procurement of the construction equipment with FY 1968 funds, RID will proceed with the rehabilitation of the nine Northeast tank systems tentatively identified in Table II which meet the criteria set forth in Sub-Project I utilizing RID equipment. When the FY 1968 funded construction equipment arrives it will be used to complete rehabilitation on the nine sites listed in Table II, and will be used for rehabilitation of the nine tanks tentatively identified in Table III. Upon completion of the tanks-rehabilitation tentatively identified in Tables II and III, the equipment provided under this program will be used on other of the more than 100 existing tanks in the Northeast as jointly agreed upon by USOM and RID.

The purpose of this project component is to conserve water by rehabilitating and lining existing unlined canals and to insure delivery to farms through the construction of field dikes and ditches including drainage systems. Also included is a capability for lifting dead storage water into canals at certain existing projects where water demands have consistently exceed available supplies during dry seasons. Training of farmers in efficient water utilization and farm management practices is an integral part of this program.

The same criteria listed in Sub-Project I will be used to select tank projects for rehabilitation programs. The three Changwat Nakornrajasi locations listed in Table II and the two Nakorn Ratchasima will be considered for selection if other criteria are met. All other tanks must lie in security-sensitive ARD areas of the Northeast to be considered.

For the distribution systems in this part of the project, the RID will provide the required engineering surveys, layout and construction for conveyance of water and appurtenant structures for water control, from storage areas to the farm, including pumping of water and payment of laborers and equipment operators.

The pump component of this sub-project is expected to have an immediate impact in the Northeast in the event of a particularly dry year when water remains in the tank below the duct or ground level which cannot be used for want of a pump.

Labor Intensive Water Development
(NEED)

If the criteria of need and plans for effective utilization are met, the pumps procured under this project agreement will be used in the following locations:

The 3 stationery pumps (24") will be stationed at Huai Khla, Si Sa Ket Province, Nong Yai and Huai Khilek in Nakhon Phanom Province. The 10 Mobile pumps (12") will be moved along the tanks where the farmers have requested and RID has documented records of levels of water below the sill in dry years. Those tanks include: Nong Sam Rong, Nong Pa Kho, Sok Rang - Udorn Thani Province; Huai Sai Sawang, Huai Sai Khamin - Sakon Nakhon Province; Nong Song Hong - Nong Khai Province; Phu Kratae, Rong Krabao - Nakhon Phanom Province; Nong Eua, Nong Do, Nong Hai - Maha Sarakham Province, Nong Ma Chok, Huai Pho - Kalasin Province; Huai Wang Daeng, Nong Lao Hin - Ubon Ratchathani Province, Suwannapha, Lung Pung - Surin Province.

The U.S. contribution to this sub-project consisted of a one-time commodity purchase in the amount of \$366,000 using FY 1968 funds for the procurement of imported survey and construction equipment and pumps, and the assistance of USOM staff members. The RTG will provide all local costs through regular budget allocations to RID, estimated at \$8,115,000 in construction expenditures for the initial nine tanks (Table II) and at \$10,413,000 in construction expenditures for the second nine tanks (Table III).

USOM will also provide FY 1969 funds for participant training for a limited number of RID technicians. Such training will consist of advanced study for two participants in the U.S. in irrigation engineering practices and short term third-country training for four participants in practical irrigation and farm management. (Short term third country training will consist of 4 weeks in Taiwan and 3 weeks in the Phillipines).

Labor Intensive Water Development
(NEED)

SUB-PROJECT # 3

Water Utilization

Organization of farmers into irrigation users associations will be made a precondition by RID for a decision to proceed with either construction of new tanks or rehabilitation of old systems if functioning associations do not already exist. These organizations will be responsible for delivering water to individual farm units, to construct drainage systems where required, and to aid the introduction of sound farm management practices, particularly in the efficient utilization of irrigation water.

In this work the associations will be assisted by other concerned RTG agencies in addition to the RID, particularly the Ministry of Agriculture and the Departments of Land Development and Land Cooperatives in the Ministry of National Development. A plan of work for this aspect of the program will be developed prior to the initiation of construction or rehabilitation of specific tanks under this project. The plan will be approved by the agencies concerned including the appropriate provincial officers.

The Department of Land Development will provide technical on-site assistance to farmers in the design, layout and construction of farm irrigation systems including land levelling. Six mobile teams of the DID have been trained, have transportation and survey equipment, and are available in the areas proposed for these systems to provide on-site assistance to farmers in the areas proposed for these systems to provide on-site assistance to farmers in the utilization of water. In addition, a mobile soil survey team is available for making detailed soil analyses.

The Ministry of Agriculture has agreed to provide additional extension services in water utilization in the areas to be served. Through the Department of Agriculture, Rice, Livestock and Extension the Ministry will provide assistance in crop varieties, disease and insect control, cropping patterns and use of fertilizers under an irrigated system of intensive cropping. The Department of Fisheries will also be asked to provide technical and on-site assistance as appropriate. Assistance in the provision of such services will be specified in amendments to existing project agreements with these agencies.

| | | | |
|---|--|--|--|
| AID 1330-1A (8-63) PROAG CONTINUATION SHEET ANNEX "A" | PROJECT AGREEMENT BETWEEN AID AND DEPARTMENT OF TECHNICAL AND ECONOMIC COOPERATION AN AGENCY OF THE GOVERNMENT OF THAILAND | 1. Project/Activity No. 493-11-120-206 | PAGE 9 OF 17 PAGES |
| | | 2. Agreement No. 206-9064 | 3. <input checked="" type="checkbox"/> Original or Revision No. _____ |
| | | 3. Project/Activity Title Labor Intensive Water Development (NEED) | |

Block 5 Continued:

II Funding Provisions and Conditions

The funds made available to this project for the current fiscal year and set forth in the "Table of Funds" which is appended hereto and subject to availability may be withdrawn in accordance with the provisions hereof. The funds so allocated will be utilized in accordance with the following conditions and provisions.

A. U.S. Dollar Contribution

The U.S. Dollar Contribution, where made available for this project, will, where applicable, be utilized for the following purposes:

- (a) Participants: To finance direct dollar costs incurred for the training of the participants named in the approved PIO/P issued under this project.
- (b) U.S. Employed Technicians: To finance the direct dollar cost for salaries, international travel, and other direct dollar costs for services of U.S. Employed Technicians employed under AID standard personnel actions for this project. The amount set forth represents the estimated cost for this purpose and does not constitute an obligation on the part of AID to make the amount listed available for the project.
- (c) Contract Services: To finance the direct dollar costs of contract services authorized by an approved PIO/T.
- (d) Commodities: To finance direct dollar costs for the procurement of commodities and services designated in an approved PIO/C.
- (e) Other Costs: To finance those direct dollar costs for this project not provided for in (a), (b), (c) and (d) above.
- (f) It is specifically agreed and understood that all future year funding requirements as may be indicated on the attached schedule of funds are tentative planning figures only and do not constitute or imply any commitment by AID or the United States to make such funds available.

B. Local Currency Costs

Local currency designated as "Cooperating Agency Contribution", where made available for the implementation of this project, is computed at the rate of Bahts 20 equal \$1, and is contributed from the following sources and utilized for the following purposes:

- (a) Counterpart Funds: The counterpart fund is composed of contributions of local currency from these sources.
 - (i) In lieu of deposits by the Thai Government of the commensurate value of commodities furnished under the United States financed grant programs, the Thai Government agrees to provide Bahts to the counterpart fund.
 - (ii) Voluntary contributions by the Thai Government.
 - (iii) Deposit of the sales proceeds of imported commodities under the grant portion of the non-project section of the prior year Supporting Assistance Program; and
 - (iv) Deposit of the sales proceeds of imported commodities under the loan portion of the non-project section of the prior year Supporting Assistance Program.

Contributions made under (i) and (ii) are allocated to meet a portion of the counterpart share of the local currency requirements of the Development Grant Program, with a partial contribution under (iii) providing the balance. The balance of the funds deposited under (iii) and all the deposits under (iv) have been allocated to meet the local requirements of prior year Supporting Assistance Programs.

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____

SIGNATURE: _____ DATE: _____

TITLE: _____

TITLE: _____

- (b) Other Government Funds' Contributions or other contributions of cash to be expended on the project by the sponsoring Ministry from its own budget appropriated to it from the Thai National budget, and the value in kind of services and facilities furnished by the Ministry for the direct use by the project. Included also are contributions in cash and kind by other Thai Government Agencies including Changwads, Amphurs, and so forth.

Counterpart Funds:

- (a) The General Counterpart Funds are subdivided into the following accounts:
Special Account, Sub-Account "D", and Sub-Account "L", with Special Account, and "D", each being further subdivided into a "Trust Account" and Project Account". Special Account is established to support the Development Grant Program Projects, while Sub-Account "D" and "L" support the Supporting Assistance Projects.
- (b) Trust Funds in each instance are used to pay the cost of the local currency support costs of U.S. employed technicians and in some instance of contract personnel assigned to the projects, surface and air transportation within Thailand, travel per diem, quarters allowance and cost of living allowances.
Project Account funds in each instance are used to meet all other approved local currency costs for the project to be funded from counterpart funds.
Disbursements of Trust Funds are made by the USOM Controller against actual requirements and the appropriate Fiscal Year operational budget as approved by DTEC and USOM.
- (c) Disbursements of Project Account Funds are to be made by the "Named Ministry", and/or "Named Project Sponsor", in accordance with the following procedure:
- (1) The total amount of Project Account Funds set forth in this Project Agreement as the maximum counterpart requirements for the calendar year to support the project shall be earmarked for release by DTEC to the "Named Ministry" and/or "Named Project Sponsor".
 - (2) Actual release of such funds shall be on the basis of "Counterpart Project Authorization" forms which shall be prepared pursuant to an approved counterpart budget by object classification on standard budget approval forms in accordance with current instructions and procedures outlined in the "Project Fund Control" manual and in the DTEC/USOM Thailand Program Implementation Manual FY 1961 Program." The initial "Counterpart Project Authorization" shall have attached to it a budget breakdown for each object class code indicating the amount and kind of type of services, materials, or equipment to be procured and the estimated unit cost and total cost. Total costs within any object class code may be increased up to 15% by decreasing other codes in a like amount so long as the total of the obligated funds in the budget is not exceeded. Shifts of funds of more than 15%, without increasing the total budget, may be authorized without Project Agreement amendment by submission by the Project Sponsor (Director) of a written request to DTEC, accompanied by a revised budget showing the original (Project Agreement) budget, the increase and decrease by object class code and the new totals. The detailed items to be added and eliminated by object class code must be shown USOM approval of the revised budget will be considered only upon the recommendation of DTEC. Increases or decreases in budgeted funds which result in changes in the total funds obligated by the Project Agreement require Project Agreement amendment.
 - (3) Upon approval of the counterpart budget as provided in (2) above, an initial advance of funds shall be made to the project upon presentation to DTEC of a letter request from the "Named Ministry" and/or "Named Project Sponsor" concurred in by the senior U.S. technician assigned to the project. Subsequent advances shall be made upon similarly approved letter requests provided (1) that a liquidation schedule is presented, indicating funds on deposit are not sufficient to cover three months advance requirements, (2) that the financial reports required under Block 10, i, are not delinquent, and (3) that an unsatisfactory audit report is not on file. Funds so advanced for each year's project requirements will be deposited in a separate account in the Bank of Thailand entitled with the name of this project and the project number, and separate accounts and records will be maintained thereon.

Other Government Funds:

Simultaneously with the presentation of the counterpart budget as required in 2 c (2), the "Named Ministry" and/or "Named Project Sponsor" shall submit to DTEC and to USOM a local currency budget by object classification detailing expenditures proposed for the project from funds appropriated to the Ministry from the Thai budget together with the value by object classification of the services and facilities being furnished to the project during the fiscal year. Concurrence by DTEC and USOM to this budget shall be made simultaneously with the approval of the "Counterpart Project Authorization."

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Labor Intensive Water Development
(NEED)

III. Additional Explanations and Provisions

Prior to release of funds under Object Code 01, Personnel Services, approval of salary schedules for local employees shall be obtained from DTEC. The salary schedules shall list the number of employees by position title, salary proposed, and duration of employment.

Persons who receive participant training under this project will be employed on project related activities for not less than twice the period of their training unless, in particular cases, another assignment will better serve the over-all development needs of Thailand. Application of this clause in specific cases will be determined jointly by the DTEC and USOM.

An assignment or transfer of a returned participant without regard to the foregoing policy consideration carries with it an obligation to repay the cost of the training program to the project, and jeopardizes future project training.

PROJECT AGREEMENT
BETWEEN AID AND
DEPARTMENT OF TECHNICAL AND ECONOMIC
COOPERATION

AN AGENCY OF THE GOVERNMENT OF
THAILAND

| | |
|--|--|
| 1. Project/Activity No. 493-11-120-206 | PAGE 11 OF 17 PAGES |
| 2. Agreement No. 206-9064 | 3. <input checked="" type="checkbox"/> Original or Revision No. _____ |
| 3. Project/Activity Title Labor Intensive Water Development (NEED) | |

Block 10 - Continued:

- a. Counterpart funds for this project are advanced as a grant without obligation to repay to the counterpart fund when used in accordance with this agreement, except as may otherwise be specifically provided under this Project Agreement.
Unless otherwise provided, the total in Block 9 represents the current fiscal year contribution only, notwithstanding the fact that the project may be of a continuing nature for which previous financing may have been provided and future financing may be required.
- b. The "Named Ministry" and/or "Named Project Sponsor" designated on the "Table of Funds" have the primary responsibility within the Thai Government for carrying out this project under general administrative project control of DTEC, the agency representing the Thai government in its dealings with AID. As project sponsor the "Named Ministry" and/or "Named Project Sponsor" concur with the terms and conditions of the project as specified herein as evidenced by the signature of its authorized representative on the first page of the agreement.
- c. Since the counterpart funds to be released to this project are in whole or in part a United States contribution, such funds shall not be utilized for the acquisition of land nor for the payment of identifiable taxes such as import duties and similar Government revenue items; further, it is agreed that the U.S. Government shall have the same rights with respect to utilization of these counterpart funds as applies under provision "N" of the Standard Provisions Annex.
- d. The project dollar aid to be disbursed will not result in revenue accruing to the Thai Government unless otherwise indicated; therefore, deposits to the counterpart fund of sales proceeds of commensurate value are not required under the Economic and Technical Cooperation Agreement of September 19, 1950, provided that the agreement of the Thai Government to deposit into the counterpart fund a lump sum as its contribution to the Technical Cooperation Program remains in effect and is complied with.
- e. Additional funds for this project will not be borrowed from any source except upon approval by the parties hereto.
- f. Counterpart funds provided herein will not be commingled with other funds, diverted, or loaned for use elsewhere. Moreover, such funds will be used only for purchases made in Thailand and under no circumstances will include payments for bank charges in connection with any imported items purchased with counterpart funds. Counterpart funds may not be used to acquire foreign exchange for any purpose, except for travel outside of Thailand, which is specifically authorized in advance by DTEC/USOM. Commodity purchases in excess of Baht 50,000 and contracts in excess of Baht 500,000 shall be submitted to DTEC and USOM for concurrence on form "Counterpart Project Purchase Authorization Request and Approval".
- g. The counterpart obligation period shall be from the date of this agreement but not prior to October 1 of this current fiscal year, through September 30 of the current fiscal year. Obligations incurred prior to the initial date or subsequent to the terminal date shall not be financed with counterpart funds made available hereby.
- h. Obligations against counterpart funds will be reported to DTEC by October 31 and liquidated by December 31, of the next fiscal year (except for obligations covering contracts which provide for payment on an extended basis), following the end of this fiscal year, and any excess funds shall be returned to the counterpart fund no later than February 28 of the next fiscal year unless otherwise provided in this agreement.
- i. Reports will be prepared and submitted on the obligation and expenditure of the counterpart funds provided hereunder in accordance with the instructions in attached Annex "B" (This Annex being standardized is omitted from information copies).

For the Cooperating Government or Agency

For the Agency for International Development

SIGNATURE: _____ DATE: _____
TITLE: _____

SIGNATURE: _____ DATE: _____
TITLE: _____

- (b) Other Government Funds: CONTRIBUTIONS OF OTHER GOVERNMENT FUNDS consist of cash to be expended on the project by the sponsoring Ministry from its own budget appropriated to it from the Thai National budget, and the value in kind of services and facilities furnished by the Ministry for the direct use by the project. Included also are contributions in cash and kind by other Thai Government Agencies including Changwads, Amphurs, and so forth.

Counterpart Funds:

- (a) The General Counterpart Funds are subdivided into the following accounts: Special Account, Sub-Account "D", and Sub-Account "L", with Special Account, and "D", each being further subdivided into a "Trust Account" and Project Account". Special Account is established to support the Development Grant Program Projects, while Sub-Account "D" and "L" support the Supporting Assistance Projects.
- (b) Trust Funds in each instance are used to pay the cost of the local currency support costs of U.S. employed technicians and in some instance of contract personnel assigned to the projects, surface and air transportation within Thailand, travel per diem, quarters allowance and cost of living allowances.
Project Account funds in each instance are used to meet all other approved local currency costs for the project to be funded from counterpart funds.
Disbursements of Trust Funds are made by the USOM Controller against actual requirements and the appropriate Fiscal Year operational budget as approved by DTEC and USOM.
- (c) Disbursements of Project Account Funds are to be made by the "Named Ministry", and/or "Named Project Sponsor", in accordance with the following procedures:
- (1) The total amount of Project Account Funds set forth in this Project Agreement as the maximum counterpart requirements for the calendar year to support the project shall be earmarked for release by DTEC to the "Named Ministry" and/or "Named Project Sponsor".
 - (2) Actual release of such funds shall be on the basis of "Counterpart Project Authorization" forms which shall be prepared pursuant to an approved counterpart budget by object classification on standard budget approval forms in accordance with current instructions and procedures outlined in the "Project Fund Control" manual and in the DTEC/USOM Thailand Program Implementation Manual FY 1961 Program." The initial "Counterpart Project Authorization" shall have attached to it a budget breakdown for each object class code indicating the amount and kind of type of services, materials, or equipment to be procured and the estimated unit cost and total cost. Total costs within any object class code may be increased up to 15% by decreasing other codes in a like amount so long as the total of the obligated funds in the budget is not exceeded. Shifts of funds of more than 15%, without increasing the total budget, may be authorized without Project Agreement amendment by submission by the Project Sponsor (Director) of a written request to DTEC, accompanied by a revised budget showing the original (Project Agreement) budget, the increase and decrease by object class code and the new totals. The detailed items to be added and eliminated by object class code must be shown USOM approval of the revised budget will be considered only upon the recommendation of DTEC. Increases or decreases in budgeted funds which result in changes in the total funds obligated by the Project Agreement require Project Agreement amendment.
 - (3) Upon approval of the counterpart budget as provided in (2) above, an initial advance of funds shall be made to the project upon presentation to DTEC of a letter request from the "Named Ministry" and/or "Named Project Sponsor" concurred in by the senior U.S. technician assigned to the project. Subsequent advances shall be made upon similarly approved letter requests provided (1) that a liquidation schedule is presented, indicating funds on deposit are not sufficient to cover three months advance requirements, (2) that the financial reports required under Block 10, i, are not delinquent, and (3) that an unsatisfactory audit report is not on file. Funds so advanced for each year's project requirements will be deposited in a separate account in the Bank of Thailand entitled with the name of this project and the project number, and separate accounts and records will be maintained thereon.

Other Government Funds:

Simultaneously with the presentation of the counterpart budget as required in 2 o (2), the "Named Ministry" and/or "Named Project Sponsor" shall submit to DTEC and to USOM a local currency budget by object classification detailing expenditures proposed for the project from funds appropriated to the Ministry from the Thai budget together with the value by object classification of the services and facilities being furnished to the project during the fiscal year. Concurrence by DTEC and USOM to this budget shall be made simultaneously with the approval of the "Counterpart Project Authorization."

Labor Intensive Water Development
(NEED)

COMMODITY SCHEDULE ^{1/}

A. New Tanks and Systems

| No. | Description | Unit Price | Number Required | Amount |
|-----|---|------------|-----------------|----------|
| 1 | 160 HP Bulldozer with blade <u>g/</u> | \$29,500 | 1 | \$29,500 |
| 2 | 115 HP Motor grader <u>2/</u> | 26,500 | 1 | 26,500 |
| 3 | 180 HP Crawler tractor with blade <u>3/</u> | 45,000 | 2 | 90,000 |
| 4 | Sheeps foot roller <u>4/</u> double drum | 2,500 | 2 | 5,000 |
| 5 | 3/4 cu.yd. Crawler dragline <u>5/</u> | 30,000 | 1 | 30,000 |
| 6 | 4 cy.yd. Dump Truck <u>6/</u> | 6,000 | 8 | 48,000 |
| 7 | Flatbed stake truck 22000 GVW <u>7/</u> | 6,000 | 6 | 36,000 |
| 8 | Water Truck 8000 liter <u>8/</u> | 6,000 | 2 | 12,000 |
| 9 | Truck, Utility Pick-up | 3,500 | 2 | 7,000 |
| 10 | 7000 lb. GVW Station Wagon (Jeep Wagoneer) <u>9/</u> | 7,000 | 1 | 7,000 |
| 11 | Soils lab mobile unit fully equipped <u>9/</u> - including soils testing library | 20,000 | 1 | 20,000 |
| 12 | 16 K.W. Generating Set <u>10/</u> | 3,500 | 2 | 7,000 |
| 13 | 300 Amp Welding Machine engine <u>11/</u> driven - portable | 3,750 | 2 | 7,500 |
| 14 | 210 CFM Air compressor <u>12/</u> | 7,500 | 2 | 15,000 |
| 15 | 20 CFM Air Compressor <u>13/</u> | 750 | 2 | 1,500 |
| 16 | 45 LB Jack Hammer <u>14/</u> | 300 | 4 | 1,200 |
| 17 | Tamper, Pneumatic Type <u>15/</u> | 500 | 4 | 2,000 |
| 18 | 6 cu. ft. Concrete Mixer <u>16/</u> | 900 | 6 | 5,400 |
| 19 | Concrete vibrator engine driven <u>16/</u> | 500 | 6 | 3,000 |
| 20 | 4" Water pump, engine driven <u>17/</u> | 750 | 4 | 3,000 |
| 21 | 3" Water pump, engine driven <u>17/</u> | 300 | 6 | 1,800 |
| 22 | Dumpy Level, Tripod and accessories | 500 | 2 | 1,000 |
| 23 | Engineer Transit, Tripod & accessories | 1,000 | 2 | 2,000 |
| 24 | Proctor Penetrometer | 350 | 1 | 350 |
| | Sub-total | | | 361,750 |
| | Spare parts Approx. 10% | | | 38,250 |
| 25 | Text books & Manuals | | | 300 |
| | Total | | | 400,300 |

1/ To be supplemented from RID's current stock of equipment as required.

2/ Access roads, site clearing and spreading earth for dam embankment.

3/ Reservoir clearing and pulling compaction rollers.

4/ Compaction of dam embankment

5/ Excavation of dam foundation, embankment borrow area, and canals

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Labor Intensive Water Development
(NEED)COMMODITY SCHEDULE (continued)

- 6/ Earth moving
- 7/ Material transportation
- 8/ Moistening dam embankment
- 9/ Compaction control and material testing dam construction
- 10/ Power for construction camp lighting and construction area.
- 11/ For equipment and material welding
- 12/ Rock foundation stripping
- 13/ Inflate pneumatic tires
- 14/ Rock foundation stripping
- 15/ Compaction of fill near structures
- 16/ For concrete structures
- 17/ Foundation dewatering
- 18/ Field compaction control.

Participant Table

| <u>PIO/P #</u> | <u>Type of Training Name of Participant</u> | <u>U.S.</u> | <u>3rd</u> | <u>Duration Months</u> | <u>Cost Estimate</u> |
|----------------|--|-------------|------------|----------------------------|--------------------------|
| | Irrigation Engineering Mr. Leck Jindasaguan | X | | | \$ 6,600 |
| | Agricultural Engineering Mr. Nivat Kulkanjanatern | X | | | 6,600 |
| | Observation of Taiwan and Philippines Government agencies practices in or- ganizing farmers for water utilization. | | X | | 4,000 |
| | - Mr. Pracha Wonkskatu | | | | |
| | - Mr. Supote Hamchote | | | | |
| | - Mr. Chamlong Talaluk | | | | |
| | - Mr. Banchong Tanung Sungnoen | | | | |
| | | | | | \$17,200 |

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Labor Intensive Water Development
(NEED)

TABLE OF FUNDS

Named Ministry: Ministry of National Development

Named Sponsoring Agency: Royal Irrigation Department

Cooperating Organizations: Ministry of Agriculture
Department of Land Development
Department of Land Cooperation

| | |
|---|--|
| A. <u>U.S. Dollar Contribution</u> | <u>\$417,500</u> |
| <u>Supporting Assistance</u> | |
| Sub-project 1 - commodities | 400,300 |
| Sub-project 2 - participant training | 17,200 |
| B. <u>Local Currency Financing</u> | |
| <u>Other Government Funds**</u> | <u>41,323,000</u> (<u>\$2,066,150</u>) |
| <u>RID Budget Estimate for FY2513(1970)*</u> | <u>41,249,000</u> (<u>\$2,062,450</u>) |
| Sub-project 1 | 30,835,000 (<u>\$1,541,750</u>) |
| Sub-project 2 | 10,414,000 (<u>\$ 520,700</u>) |
| <u>DTEC</u> (obligated under the technical Support Project) Participant trng | <u>74,000</u> (<u>\$ 3,700</u>) |

* RID will proceed with sub-project 1 and sub-project 2 construction and rehabilitation utilizing RID equipment. Upon arrival at the project construction equipment work will be continued supplementing the project construction equipment with RID equipment as required.

** RID has requested the above funds for its FY 2513(1970) budget for use with U.S. funded construction equipment obligated in FY 68-69 and due to arrive in FY 70.

TABLE ITentative Sites of New Tank and Distribution Facilities 1/

| No. | Tank & Canal | District | Province | Capacity m. ³ | Irrig- able Area | Total Construc- tion Cost (฿) | Proposed Construc- tion Se- quence |
|-----|-------------------|-------------------|-----------------------|-----------------------------|------------------------|--|---|
| 1. | Huey Can | Pla Pak | Nakhon Phanom | 11,095,000 | 5,000 | 11,531,400 | 1970 |
| 2. | Huey Suang | Wanon Niwat | Sakon Nakhon | 6,054,000 | 7,000 | 9,488,200 | 1970 |
| 3. | Huey Mano | Kuchinarai | Kalasin | 6,000,000 | 2,800 | 6,780,000 | 1970 |
| 4. | Huey Chanode | Na Kae | Nakhon Phanom | 2,400,000 | 2,000 | 4,770,000 | 1971 |
| 5. | Huey Kham | Wanon Niwat | Sakhon Nakhon | 6,000,000 | 3,700 | 5,579,000 | 1971 |
| 6. | Huey Sahai | Bung Kan | Nong Khai | 2,500,000 | 1,500 | 3,035,000 | 1971 |
| 7. | Huey Jampang | Kuchinarai | Kalasin | 4,000,000 | 3,000 | 5,455,000 | 1971 |
| 8. | Huey Jampa | Na Rae | Nakhon Phanom | 1,400,000 | 1,000 | 2,385,000 | 1972 |
| 9. | Huey Muk | Khamchae | Nakhon Phanom | 2,000,000 | 2,000 | 3,137,000 | 1972 |
| 10. | Rong Bong | Kuchinarai | Kalasin | 1,000,000 | 800 | 1,608,000 | 1972 |
| 11. | Huey Ling Jone | Loeng Nok Thai | Ubon Ratcha- thani | 10,500,000 | 6,500 | 11,600,000 | 1972 |
| 12. | Huey Pukdog | Na Kae | Nakhon Phanom | 9,000,000 | 6,000 | 10,400,000 | 1972 |
| | | | TOTAL | | 41,300 | 75,768,600 | |

1/ These projects are part of the NEDB Plan and will be financed by the RTG budget. Neither foreign currency nor counterpart fund is needed for labor payment and for procurement of local materials or construction. The sites are located in sensitive areas of N.E. Thailand.

TABLE II

Tentative Sites of Rehabilitation Systems
(To be started in FY 1969 using RID equipment)

| No. | Name of Tank (Existing) | Province | Amphur | Capacity m ³ | Irriga- ble Area Rai | Dry Season Area Rai | Estimated Budget Required |
|-------|----------------------------|---------------------|-------------------|----------------------------|----------------------------|------------------------------|---------------------------------|
| 1. | Huey Ban Yang | Nakornraja- sima | Muang | 6,519,557 | 5,100 | 2,040 | 144,330 |
| 2. | Huey Sakard | Nakornraja- sima | Pimai | 3,578,900 | 3,000 | 1,100 | 162,260 |
| 3. | La Leong Wai | Khon-Kaen | Phol | 2,800,307 | 3,500 | 880 | 799,460 |
| 4. | Huey San | Sri Soket | Muang | 2,706,480 | 3,200 | 780 | 362,580 |
| 5. | Lam Chamuak | Nakornraja- sima | Pimai | 23,445,000 | 10,000 | 6,600 | 2,943,800 |
| 6. | Huey Yang | Nakornraja- sima | Piktongchai | 5,539,607 | 3,400 | 1,760 | 1,355,520 |
| 7. | Huey Talard | Burirum | Muang | 19,578,500 | 14,000 | 5,990 | 675,660 |
| 8. | Huey Sompoy | Chaiyapoom | Juturat | 7,646,623 | 5,000 | 2,490 | 1,011,790 |
| 9. | Lam Pork | Surin | Srikhoro- poom | 13,267,000 | 8,500 | 4,150 | 658,880 |
| TOTAL | | | | 85,081,974 | 55,700 | 25,790 | 8,114,280 |

TABLE III

Tentative Sites of Rehabilitation Systems
(To be started FY 70)

| No. | Name of Tank (Existing) | Province | Amphoe | Capacity M ³ | Irriga- ble Area Rai | Dry Season Irriga- ble Area Rai | Estimated Budget Required |
|-------|----------------------------|-------------------|------------------|----------------------------|----------------------------|---|---------------------------------|
| 1. | Nong Kok | Nakorn Ratchasima | Non Thai | 2,082,560 | 890 | 650 | 830,000 |
| 2. | Bung Katone | " " | Prathai | 7,656,320 | 2,900 | 2,390 | 1,990,000 |
| 3. | Huey Khi Nu | Sisaket | Lamplai- mat | 1,599,040 | 680 | 400 | 790,950 |
| 4. | Huey Khi Lek | Nakhon Phanon | Mukda- han | 26,935,500 | 15,000 | 12,500 | 1,500,000 |
| 5. | Huey Kakang | Mahasarakam | Muang | 4,126,000 | 8,000 | 1,650 | 1,867,000 |
| 6. | Huey Kla | Sisaket | Muang | 3,783,900 | 4,700 | 1,190 | 830,600 |
| 7. | Huey Yang | Khonkaen | Mancha- khiri | 1,097,880 | 1,170 | 620 | 811,000 |
| 8. | Huey Nam Pao | Loei | Muang | 1,363,520 | 4,880 | 770 | 558,500 |
| 9. | Huey Kaew | Surin | Ratana- buti | 13,326,320 | 7,200 | 3,600 | 1,235,554 |
| TOTAL | | | | 61,971,040 | 45,420 | 23,770 | 10,413,604 |

**PROAG
STANDARD
PROVISIONS
ANNEX**

**PROJECT AGREEMENT
BETWEEN AID AND
DEPARTMENT OF TECHNICAL AND ECONOMIC
COOPERATION
AN AGENCY OF THE GOVERNMENT OF
THAILAND**

1. Project/Activity No.

493-11-120-296

2. Agreement No.

206-9064

3.

 Original or Revision No. _____

A. As used herein, the term "AID" refers to the Agency for International Development, any component agency, or any successor agency. References to "this Project Agreement" shall mean the original Project Agreement as modified by any revisions which have entered into effect.

B. (1) AID will make available the amounts specified in Block 8 of this Project Agreement, as necessary for the project, for use for the designated purposes and as may be further described in Annex A, as required by Block 5 hereof. In addition, as may be further specified in Annex A, AID will, subject to the availability of funds and (where required by AID procedures) as provided for in Project Implementation Orders (PIOs) issued by AID in accordance with its procedures, make available funds (a) to pay costs of furnishing technical services to be performed by United States Government employees in connection with the project, (b) to pay a share of the costs of providing training outside the cooperating country in connection with the project for qualified persons from the cooperating country, and (c) to pay such additional costs as may be specified.

(2) The Cooperating Government Agency will make available the amounts specified in Block 9 of this Project Agreement, as necessary for the project, for use for the designated purposes and as may further be described in Annex A. The Cooperating Government Agency will also make, or arrange to have made, additional contributions of property, services, facilities and funds required for carrying out the project as may be specified in Annex A, or as may subsequently be agreed upon by the two parties.

C. AID and the Cooperating Agency may obtain the assistance of other public and private agencies in carrying out their respective obligations under this Project Agreement. The two parties may agree to accept contributions of property, services, facilities and funds for purposes of this Project Agreement from other public and private agencies, and may agree upon the participation of any such third party in carrying out activities under this Project Agreement.

D. AID shall not be required to make any contribution after the expiration of six months following the estimated final contribution date (Block 13 of the Project Agreement form AID 1330-1) or any amended final contribution date specified herein. Except as otherwise specified herein or subsequently agreed

by the parties, all contributions of the Cooperating Agency pursuant to this Project Agreement shall be made on or before said estimated termination date, or amended date. A contribution of goods or services shall be considered to have been made when the goods or services, provided or financed by the contributing party, are delivered in accordance with commercial practice.

E. The procurement of commodities and contract services to be financed in whole or in part by AID may (where so required by AID procedures) be undertaken only pursuant to PIOs issued by AID in accordance with its procedures.

F. Unless otherwise specified in the applicable PIO, the procurement of commodities financed with the AID contribution referred to in Block 8 of this Project Agreement shall be subject to the provisions of AID Regulation 1.

G. Unless otherwise specified in the applicable PIO, title to all property procured through financing by AID pursuant to Block 8(c) of this Project Agreement shall be in the Cooperating Agency, or such public or private agency as it may authorize. This provision is inapplicable to any property which may be used in connection with the project but is not financed pursuant to said Block 8(c).

H. Any property furnished to either party through financing by the other party pursuant to this Project Agreement shall, unless otherwise agreed by the party which financed the procurement, be devoted to the project until completion of the project, and thereafter shall be used so as to further the objectives sought in carrying out the project. Either party shall offer to return to the other, or to reimburse the other for, any property which it obtains through financing by the other party pursuant to this Project Agreement which is not used in accordance with the preceding sentence.

I. (1) If AID and any public or private organization furnishing commodities through AID financing for operations hereunder in the cooperating country, is, under the laws, regulations or administrative procedures of the cooperating country, liable for customs duties and import taxes on commodities imported into the cooperating country for purposes of carrying out this Project Agreement, the Cooperating Agency will pay such duties and taxes unless exemption is otherwise provided by any applicable international agreement.

(2) If any personnel (other than citizens and residents of the cooperating country), whether United

States Government employees, or employees of public or private organizations under contract with, or individuals under contract with, AID, the Cooperating Agency or any agency authorized by the Cooperating Agency, who are present in the cooperating country to provide services which AID has agreed to furnish or finance under this Project Agreement, are, under the laws, regulations or administrative procedures of the cooperating country, liable for income and social security taxes with respect to income upon which they are obligated to pay income or social security taxes to the Government of the United States of America, for property taxes on personal property intended for their own use, or for the payment of any tariff or duty upon personal or household goods brought into the cooperating country for the personal use of themselves and members of their families (not including such personal or household goods as may be sold by any such personnel in the cooperating country), the Cooperating Agency will pay such taxes, tariff, or duty unless exemption is otherwise provided by any applicable international agreement.

J. Any personnel (other than citizens and residents of the cooperating country), whether United States Government employees, or employees of public or private organizations under contract with, or individuals under contract with, AID, the Cooperating Agency or any agency authorized by the Cooperating Agency, who are present in the cooperating country to provide services which AID has agreed to furnish or finance under this Project Agreement shall be subject to the approval of the Cooperating Agency and AID, and shall be under the general direction of the Director of the Mission to the cooperating country.

K. If any commodity is furnished to the Cooperating Agency, or any public or private agency authorized by the Cooperating Agency, on a grant basis through financing by AID pursuant to this Project Agreement under arrangements which will result in the accrual of proceeds to the Cooperating Agency or any authorized agency and if the applicable agreement between the two governments referred to on the first page of this Project Agreement does not provide for the establishment of a Special Account and the deposit therein of currency of the cooperating country, the Cooperating Agency will make such arrangements as may be necessary to establish a Special Account and to deposit therein currency of the cooperating country in amounts equal to such proceeds, in accordance with such terms and conditions as may be agreed upon. Funds in the Special Account may be used only as agreed upon by AID and the Cooperating Agency; provided, that such portion of the funds in the Special Account as may be designated by AID shall be made available to AID to meet the requirements of the United States.

L. The Cooperating Agency will make such arrangements as may be necessary so that funds intro-

duced into the cooperating country by AID or any public or private agency for purposes of carrying out obligations of AID hereunder shall be convertible into currency of the cooperating country at the highest rate which, at the time the conversion is made, is not unlawful in the cooperating country.

M. AID shall expend funds and carry on operations pursuant to this Project Agreement only in accordance with the applicable laws and regulations of the United States Government.

N. The two parties shall have the right at any time to observe operations carried out under this Project Agreement. Either party during the term of the Project Agreement and three years after the completion of the project, shall further have the right (1) to examine any property procured through financing by that party under this Project Agreement, wherever such property is located, and (2) to inspect and audit any records and accounts with respect to funds provided by, or any properties and contract services procured through financing by, that party under this Project Agreement, wherever such records may be located and maintained. Each party, in arranging for any disposition of any property procured through financing by the other party under this Project Agreement, shall assure that the rights of examination, inspection and audit described in the preceding sentence are reserved to the party which did the financing.

O. Upon completion of the project, a Completion Report shall be drawn up, signed by appropriate representatives of AID and the Cooperating Agency, and submitted to AID and the Cooperating Agency. The Completion Report shall include a summary of the actual contributions by both AID and the Cooperating Agency to the project, and shall provide a record of the activities carried out, the objectives achieved, and related basic data. AID and the Cooperating Agency shall each furnish the other with such information as may be needed to determine the nature and scope of operations under this Agreement and to evaluate the effectiveness of such operations.

P. The present Agreement shall enter into force when signed. Either party may terminate this Project Agreement by giving the other party 30 days written notice of intention to terminate it. Termination of this Project Agreement shall terminate any obligations of the two parties to make contributions pursuant to Blocks 8 and 9 of this Project Agreement, except for payments which they are committed to make pursuant to non-cancellable commitments entered into with third parties prior to the termination of the Project Agreement. It is expressly understood that the obligations under paragraph H relating to the use of property shall remain in force after such termination.