

19M 12886

PD-AAL-284

A.I.D. Project No. 615-0217/38

GRANT AGREEMENT

Between The

REPUBLIC OF KENYA ("The Government")

and the

UNITED STATES OF AMERICA

acting through

THE U.S. TRADE AND DEVELOPMENT PROGRAM ("TDP")

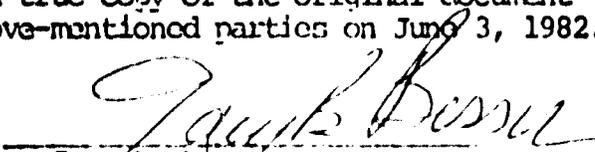
and represented in Kenya by

THE U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT ("A.I.D.")

MOMBASA PORT EXPANSION

Date: June 3, 1982

Certified to be a true copy of the original document
signed by the above-mentioned parties on June 3, 1982.



Gary B. Edson
Senior Regional Legal Advisor

S. J. Miller

FUNDS AVAILABLE	106
BANK OF AMERICA	103
DATE	6/7/82

GRANT AGREEMENT dated the third day of June 1982 between the REPUBLIC OF KENYA and the UNITED STATES OF AMERICA, acting through the U.S. TRADE AND DEVELOPMENT PROGRAM (T.D.P.) OF THE INTERNATIONAL DEVELOPMENT COOPERATION AGENCY, and represented in Kenya by the UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT (A.I.D.). TDP agrees to grant the Government under the terms of this Agreement not to exceed U.S. dollars 300,000 to assist in financing the cost of services required for Phase One of a Feasibility Study of the development of the Dongo Kundu area, Mombasa Port.

A. U.S. DOLLAR FUNDING/LOCAL CURRENCY FUNDING

The funding provided under this Grant will be used to finance services to be performed by a U.S. firm in preparing a Feasibility Study on the development of Dongo Kundu. Although funds under this Grant are expected to be used for technical services, Grant funds may also be used to finance local currency costs of goods that are necessary and directly related to the provision of services as may be agreed to in writing by TDP

B. MOST FAVORABLE CONVERSION RATE

If funds provided by TDP are introduced into Kenya by TDP or any public or private agency for purposes of carrying out obligations of TDP hereunder, the Government of Kenya will make such arrangements as may be necessary so that such funds shall be convertible into the currency of Kenya at the highest rate which, at the time of conversion is made, is not unlawful in Kenya.

C. HOST GOVERNMENT FINANCING

The Government of Kenya agrees to provide, or cause to be provided, all funds in addition to those in this Grant required to finance the Feasibility Study.

D. COMPLETION DATE

The completion date for the Feasibility Study, which is December 31, 1983 or such other date as the Government and TDP may agree to in writing, is the date by which the parties estimate that all services financed under the Grant will have been performed and all goods financed under the Grant will have been furnished as contemplated in this Agreement.

E. PROHIBITION AGAINST FUNDING BEFORE AGREEMENT ENTERED AND AFTER COMPLETION DATE

Except as TDP may otherwise agree in writing, TDP will not issue or approve documentation which would authorize disbursement of Grant funds for services performed or goods procured subsequent to the completion date as contemplated in this Agreement. No goods or services may be financed under the Grant which are procured under orders or contracts firmly placed or entered into before the date of this Agreement, except as the parties may otherwise agree in writing.

F. TIME LIMITATION ON DISBURSEMENT

Disbursement of TDP funds for services performed or goods procured will be made within nine months after the completion date or such other period as TDP agrees to in writing.

G. DISBURSEMENT PROCEDURES

A.I.D.'s Regional Financial Management Center Nairobi will disburse funds to the Contractor.

H. FREEDOM FROM TAXES

This Agreement and the Grant will be free from any taxation or fees imposed under laws in effect in Kenya. To the extent that (A) any contractor, including any consulting firm, any personnel not resident of Kenya, of such contractor financed under the Grant, and any property or transaction relating to such contracts and (B) any commodity procurement transaction financed under the Grant are not exempt from identifiable taxes, tariffs, duties or other levies imposed under laws in effect in the territory of the Grantee, the Grantee will, as and to the extent provided in and pursuant to implementation letters, pay or reimburse the same with funds other than those provided under the Grant and will not claim reimbursement for such taxes, tariffs, duties or other levies under this Grant.

I. CONTRACTING PROCEDURES

Contracting for professional and the technical services is to be carried out on behalf of the Government by A.I.D. according to its established procedures.

J. USE OF U.S. AIR CARRIERS

Grant financed transportation of property or persons will be on carriers holding United States certification, to the extent service by such carriers is available as provided for under U.S. Government regulations.

K. COOPERATION BETWEEN PARTIES

The Parties will cooperate to assure that the purpose of this Agreement will be accomplished. To this end, the Parties, at the request of either, will exchange views on the progress of the Study, the performance obligation under this Agreement, the performance of any consultants, contractors, or suppliers engaged in the Feasibility Study and other matters relating to the Feasibility Study.

L. REPRESENTATIVES OF PARTIES

For all purposes relevant to this Agreement, the Government will be represented by the individual holding or acting in the office of Permanent Secretary or Director of External Aid or Under Secretary (External Aid), Ministry of Finance, and U.S.A.I.D. Mission to Kenya will be represented by the individual holding or acting in the Office of the Director, each of whom, by written notice, may designate additional representatives for all purposes.

M. ADDRESSES OF RECORD FOR PARTIES

Any notice, request, document or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such Party at the following addresses:

To the Government of Kenya:

Mail Address: Permanent Secretary
Ministry of Finance
Post Office Box 30007
Nairobi, Kenya

Address for Cables FINANCE, NAIROBI, KENYA

To A.I.D.:

Mail Address: Director
U.S.A.I.D. Mission to Kenya
Post Office Box 30261
Nairobi, Kenya

Address for Cables USAID, AMEMBASSY, NAIROBI

All such communications will be in English, unless the Parties agree otherwise in writing. Other addresses may be substituted provided reasonable notice is given.

N. EFFECTIVE DATE AND TERMINATION

This Agreement becomes effective when signed by both Parties. Either Party may terminate this Agreement by giving the other Party 30 days advance written notice. Termination of this Agreement will terminate any obligations of the Parties to provide financial or other resources to the Study pursuant to this Agreement, for payments which they are committed to make pursuant to noncancellable commitments entered into with Third Parties prior to the termination of this Agreement.

O. NON-WAIVER OF RIGHTS AND REMEDIES

No delay in exercising any right or remedy accruing to a Party in connection with its financing under this Agreement will be construed as a waiver of such right or remedy.

P. STATEMENT OF SIGNATORIES

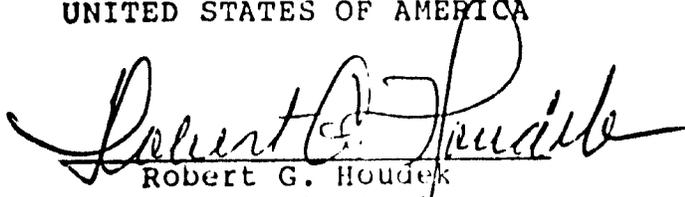
In witness whereof, the Government of Kenya and the United States of America, each acting through its duly authorized representatives, have caused this Agreement to be signed in their names and delivered as of the day and year first written.

THE REPUBLIC OF KENYA

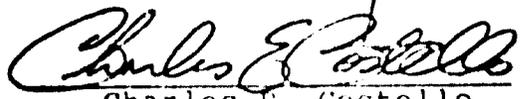


Arthur K. Magu
Minister of Finance

UNITED STATES OF AMERICA



Robert G. Houdek
Charge d'Affairs



Charles E. Costello
Acting Director
USAID/Kenya