

10324 211 00/49
UNITED STATES OF AMERICA

MISSION TO LESOTHO

AGENCY FOR INTERNATIONAL DEVELOPMENT

c/o AMERICAN EMBASSY, P.O. BOX 333 MASERU 100, LESOTHO

TEL 23954

PD-HIN-059
ISN-30940

September 28, 1979

Ms. Karen Jo Nelson
Regional Representative
Fund for Research and
Investment for the
Development of Africa, Ltd.
P.O. Box MS 31
Maseru, Lesotho

Dear Ms. Nelson:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "A.I.D." or "Grantor") hereby grants to the Fund for Research and Investment for the Development of Africa, Ltd. (hereinafter referred to as "FRIDA" or "Grantee") the sum of \$145,000 to provide support for a program in weaving training as more fully described in the attachment to this Grant entitled "Program Description".

This Grant is effective and obligation is made as of the date of this letter and shall apply to commitments made by the Grantee in furtherance of program objectives during the period September 30, 1979 through January 31, 1981.

This Grant is made to FRIDA on condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachment A entitled "Program Description" and Attachment B entitled "Standard Provisions" which have been agreed to by your organization.

Please sign the Statement of Assurance of Compliance, enclosed herein, and the original and seven (7) copies of this letter to acknowledge your acceptance of the conditions under which these

Ms. Karen Jo Nelson
September 28, 1979

Page Two

funds have been granted.

Please return the Statement of Assurance of Compliance and the original and six (6) copies of this Grant to my office.

Sincerely,

Frank D. Correl

Frank D. Correl
Director, USAID/Lesotho
(Grant Officer)

Attachments:

- A. Program Description
- B. Standard Provisions
- C. Payment Provisions
- D. Statement of Assurance of Compliance

Accepted:

Fund for Research and Investment for the Development of Africa,
Ltd.

By: *Karen Jo Nelson*
Title: *Regional Representative*
Date: *12 October 1979*

Fiscal Data

Appropriation: 72-1191021.3
Allotment: 943-50-632-00-69-91
PAF: 79-632-PAF-2
Project: 632-0211
Total Grant Amount: \$145,000
Grant Agreement: 79-632-9

2

ATTACHMENT A

PROGRAM DESCRIPTION

A. Purpose of Grant

The purpose of this Grant is to provide partial support for establishing a weaving training program specifically aimed at the approximately 550 Basotho spinners and weavers, ninety-five percent of whom are women.

B. Specific Objectives

The specific objectives of this Grant are as follows:

1. An upgrading of both technical and creative skills leading to improvement in quality and design
2. An improvement in productivity and efficiency by the weavers and spinners
3. An improvement in the status and self-conception of weavers as artisans and skilled workers
4. An increase in the income of the rural household which ultimately serves as a base to this program
5. A lessening of dependence upon South Africa in the mohair sector.

C. Implementation

To achieve the above objectives, the Grantee shall carry out the following activities with funds provided by this Grant: the preparation and administration of a four-week weaving seminar, and training program follow-up for nine months. There will also be a three-month consultancy by a marketing research specialist to investigate a potential U.S.A. market for Lesotho woven handicrafts.

The program will be implemented in accordance with the procedures and schedules included in the FRIDA proposal dated July 1979 which is hereby incorporated into and made part of this Grant Agreement. Similarly, to achieve the program's objectives as stated in the FRIDA proposal, the Grantee will utilize grant funds in accordance with the budget itemization contained in paragraph D. below. The Grantee may not exceed the total amount of the Grant without the prior written approval of the Grant Officer.

Adjustment in the line items for the Grant as they appear in paragraph D. which have the effect of increasing or decreasing individual line items by more than 30% must have the prior written approval of the Grant Officer.

D. Budget

The funds provided herein shall be used to finance the following items:

1. Technical Assistance - Long and short-term and local staff.	\$82,210
2. Equipment and Materials - Training seminar materials, video equipment, office furniture and equipment, and vehicle and motorcycle.	20,900
3. Other Costs - Office and seminar overhead, vehicle operating costs, and resource manual production.	17,720
4. Inflation and Contingency.	<u>24,170</u>
	\$145,000

E. Reporting

1. Financial Reporting Requirements

The Grantee will submit to the Controller, USAID, Maseru, Lesotho, standardized Financial Status Report, SF 209 (copy attached) to report the status of funds for the program. The report will be on an accrual basis. If the Grantee's accounting records are not normally kept on an accrual basis, the Grantee will develop such accrual information through best estimates based on an analysis of the documentation in his/her possession. The report will be required on a quarterly basis and will be submitted (an original and 2 copies) no later than 30 days after the end of each quarterly period. A final report will be required no later than 90 days after completion of the Grant.

2. Program Reporting Requirements

The Grantee will submit, on a quarterly basis, and at the same time as is submitted the Financial Status Report,

a performance report for the program. The report should provide the following:

- (a) A comparison of actual accomplishments with the goals established for the period,
- (b) If goals were not met, the reasons why,
- (c) Other pertinent information including, when appropriate, analysis and explanation of cost overruns, problems or delays which will materially affect the ability to attain program objectives or preclude attainment of these objectives within the agreed upon time period.

FINANCIAL STATUS REPORT

(Follow instructions on the back)

3. RECIPIENT ORGANIZATION (Name and complete address, including ZIP code)		4. EMPLOYER IDENTIFICATION NUMBER		5. RECIPIENT ACCOUNT NUMBER OR IDENTIFYING NUMBER		6. FINAL REPORT <input type="checkbox"/> YES <input type="checkbox"/> NO		7. BASIS <input type="checkbox"/> CASH <input type="checkbox"/> ACCRUAL					
		8. PROJECT/GRANT PERIOD (See instructions) FROM (Month, day, year) TO (Month, day, year)				9. PERIOD COVERED BY THIS REPORT FROM (Month, day, year) TO (Month, day, year)							
10. STATUS OF FUNDS													
PROGRAMS/FUNCTIONS/ACTIVITIES ▶	(a)	**	(b)	**	(c)	**	(d)	**	(e)	**	(f)	**	TOTAL (g)
a. Not outlays previously reported	\$		\$		\$		\$		\$		\$		\$
b. Total outlays this report period													
c. Less: Program income credits													
d. Not outlays this report period (Line b minus line c)													
e. Not outlays to date (Line a plus line d)													
f. Less: Non-Federal share of outlays													
g. Total Federal share of outlays (Line e minus line f)													
h. Total unliquidated obligations													
i. Less: Non-Federal share of unliquidated obligations shown on line h													
j. Federal share of unliquidated obligations													
k. Total Federal share of outlays and unliquidated obligations													
l. Total cumulative amount of Federal funds authorized													
m. Unobligated balance of Federal funds													
11. REPORTING BASIS	6. TYPE OF RATE (Place "X" in appropriate box) <input type="checkbox"/> PROVISIONAL <input type="checkbox"/> PREDETERMINED <input type="checkbox"/> FINAL <input type="checkbox"/> FIXED		12. CERTIFICATION I certify to the best of my knowledge and belief that this report is correct and complete and that all outlays and unliquidated obligations are for the purposes set forth in the award documents.		SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL			DATE REPORT SUBMITTED					
	7. RATE	8. BASE									9. TOTAL AMOUNT	10. FEDERAL SHARE	TYPED OR PRINTED NAME AND TITLE

5010-101

** By project input

STANDARD FORM 288 (7-59)
 Prescribed by Office of Management and Budget
 CIRCULAR NO. A-118

App 1A, Ch 1, 11B 13
 (TM 13:5)

6

INSTRUCTIONS

Please type or print legibly. Items 1, 2, 3, 6, 7, 9, 10d, 10e, 10g, 10i, 10l, 11a, and 12 are self-explanatory, specific instructions for other items are as follows:

Item	Entry	Item	Entry
4	Enter the employer identification number assigned by the U.S. Internal Revenue Service or FICE (institution) code, if required by the Federal sponsoring agency.	10a	Enter the amount of all program income realized in this period that is required by the terms and conditions of the Federal award to be deducted from total project costs. For reports prepared on a cash basis, enter the amount of cash income received during the reporting period. For reports prepared on an accrual basis, enter the amount of income earned since the beginning of the reporting period. When the terms or conditions allow program income to be added to the total award, explain in remarks, the source, amount and disposition of the income.
5	This space is reserved for an account number or other identifying numbers that may be assigned by the recipient.	10b	Enter amount pertaining to the non-Federal share of program outlays included in the amount on line a.
6	Enter the month, day, and year of the beginning and ending of this project period. For formula grants that are not awarded on a project basis, show the grant period.	10c	Enter total amount of unliquidated obligations for this project or program, including unliquidated obligations to subgrantees and contractors. Unliquidated obligations are: Cash basis—obligations incurred but not paid; Accrued expenditure basis—obligations incurred but for which an outlay has not been recorded. Do not include any amounts that have been included on lines a through g. On the final report, line h should have a zero balance.
10	The purpose of vertical columns (a) through (f) is to provide financial data for each program, function, and activity in the budget as approved by the Federal sponsoring agency. If additional columns are needed, use as many additional forms as needed and indicate page number in space provided in upper right; however, the totals of all programs, functions or activities should be shown in column (g) of the first page. For agreements pertaining to several Catalog of Federal Domestic Assistance programs that do not require a further functional or activity classification breakdown, enter under columns (a) through (f) the title of the program. For grants or other assistance agreements containing multiple programs where one or more programs require a further breakdown by function or activity, use a separate form for each program showing the applicable functions or activities in the separate columns. For grants or other assistance agreements containing several functions or activities which are funded from several programs, prepare a separate form for each activity or function when requested by the Federal sponsoring agency.	10d	Enter the Federal share of unliquidated obligations shown on line h. The amount shown on this line should be the difference between the amounts on lines h and i.
10a	Enter the net outlay. This amount should be the same as the amount reported in Line 10e of the last report. If there has been an adjustment to the amount shown previously, please attach explanation. Show zero if this is the initial report.	10e	Enter the sum of the amounts shown on lines g and j. If the report is final the report should not contain any unliquidated obligations.
10b	Enter the total gross program outlays (less rebates, refunds, and other discounts) for this report period, including disbursements of cash realized as program income. For reports that are prepared on a cash basis, outlays are the sum of actual cash disbursements for goods and services, the amount of indirect expense charged, the value of in-kind contributions applied, and the amount of cash advances and payments made to contractors and subgrantees. For reports prepared on an accrued expenditure basis, outlays are the sum of actual cash disbursements, the amount of indirect expense incurred, the value of in-kind contributions applied, and the net increase (or decrease) in the amounts owed by the recipient for goods and other property received and for services performed by employees, contractors, subgrantees, and other payees.	10f	Enter the unobligated balance of Federal funds. This amount should be the difference between lines b and i.
		11a	Enter rate in effect during the reporting period.
		11b	Enter amount of the base to which the rate was applied.
		11c	Enter total amount of indirect cost charged during the report period.
		11d	Enter amount of the Federal share charged during the report period. If more than one rate was applied during the project period, include a separate schedule showing bases against which the indirect cost rates were applied, the respective indirect rates the month, day, and year the indirect rates were in effect, amounts of indirect expense charged to the project, and the Federal share of indirect expense charged to the project to date.

STANDARD PROVISIONS

A. Allowable Costs and Payment

The Grantee shall be reimbursed for costs incurred in carrying out the purposes of this Grant which are determined by the Grant Officer to be allowable in accordance with the terms of this Grant and Subpart 15.2 of the Federal Procurement Regulations (FPR) (Principles and Procedures for use in Cost Reimbursement Type Supply and Research Contracts with Commercial Organizations) in effect on the date of this Grant. Payment of allowable costs shall be in accordance with Attachment C of this Grant.

B. Accounting, Records and Audit

The Grantee shall maintain books, records, documents, and other evidence in accordance with the Grantee's usual accounting procedures to sufficiently substantiate charges to the grant. The Grantee shall preserve and make available such records for examination and audit by AID and the Comptroller General of the United States, or their authorized representatives (1) until the expiration of three years from the date of termination of the program and (2) for such longer period, if any, as is required to complete an audit and to resolve all questions concerning expenditures unless written approval has been obtained from the AID Grant Officer to dispose of the records. AID follows generally accepted auditing practices in determining that there is proper accounting and use of grant funds. The Grantee agrees to include the requirements of this clause in any subordinate agreement hereunder.

C. Refunds

(1) If use of the Grant funds results in accrual of interest to the Grantee or to any other person to whom Grantee makes such funds available in carrying out the purposes of this Grant, Grantee shall refund to AID an amount equivalent to the amount of interest accrued.

(2) Funds obligated hereunder but not disbursed to the Grantee at the time the grant expires or is terminated, shall revert to AID, except for funds encumbered by the Grantee by a legally binding transaction applicable to this Grant. Any funds disbursed to but not expended by the Grantee at the time of expiration of termination of the Grant shall be refunded to AID.

(3) If, at any time during the life of the Grant, it is determined by AID that funds provided under the Grant have expended for purposes not in accordance with the terms of the Grant, the Grantee shall refund

such amounts to AID.

D. Equal Opportunity Employment

With regard to the employment of persons in the U.S. under this Grant, Grantee agrees to take all reasonable steps to ensure equality of opportunity in its employment practices without regard to race, religion, sex, color or national origin of such persons and that, in accordance with Title VI of the Civil Rights Act of 1964, when work funded by this Grant is performed in the U.S. no person shall, on the grounds of race, religion, sex, color or national origin, be excluded from participation, be denied benefits, or be subjected to discrimination. In addition, the Grantee agrees to comply in accordance with its written assurance of compliance, with the provisions of Part 209 of Chapter II, Title 29 of the Code of Federal Regulations, entitled "Non-Discrimination in Federally Assisted Programs of the Agency for International Development - Effectuation of Title VI of the Civil Rights of 1964." (See Attachment D.)

E. Termination

This Grant may be terminated at any time, in whole or in part, by the Grant Officer upon written notice to the Grantee, whenever for any reason he shall determine that such termination is in the best interest of the Government. Upon receipt of and in accordance with such notice the Grantee shall forthwith take immediate action to minimize all expenditures and obligations whenever possible. Except as provided below, no further reimbursement shall be made after the effective date of termination, and the Grantee shall within thirty (30) calendar days after the effective date of such termination repay to the Grantor all unexpended portions of funds theretofore paid by the Grantor to the Grantee which are not otherwise obligated by a legally binding transaction applicable to this Grant. Should the funds be paid by the Grantor to the Grantee, prior to the effective date of this termination of this Grant, be insufficient to cover the Grantee's obligations pursuant to the aforementioned legally binding transaction, the Grantee may submit to the Grantor within ninety (90) calendar days after the effective date of such termination a written claim covering such obligations, and, subject to the limitations contained in this Grant, the Grant Officer shall determine the amount or amounts to be paid by the Grantor to the Grantee under such claim.

F. Officials Not to Benefit

No member of or delegate to the U.S. Congress or resident U.S. commissioner shall be admitted to any share or part of this Grant or any benefit that may arise therefrom; but this provision shall not be construed to extend to this grant if made with a corporation for its

general benefit.

G. Covenant Against Contingent Fee

The Grantee warrants that no person or selling agency has been employed or retained to solicit or secure this Grant upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee except bona fide employees or bona fide established commercial or selling agencies maintained by the Grantee for the purpose of securing business. For breach or violation of this warranty, AID shall have the right to cancel this Grant without liability or, in its discretion, to deduct from the Grant amount, or otherwise recover, the full amount of each commission, percentage, brokerage, or contingent fee.

H. Nonliability

AID does not assume liability with respect to any claims for damages arising out of work supported by this grant.

I. Amendment

The Grant Agreement may be amended by formal modifications to the basic grant document or by means of an exchange of letters between the AID Grant Officer and an appropriate official of the Grantee.

J. Grant Agreement

The letter to the Grantee signed by the Grant Officer, the Program Description and the Standard Provisions which have been reviewed and agreed to by the Grantee, constitute the Grantee Agreement.

K. Notices

Any notice given by any of the parties hereunder, shall be sufficient only if in writing and delivered in person or sent by telegraph, cable, registered or regular mail as follows:

To the A.I.D. Grant Officer at the address specified in the Grant.

To Grantee - At Grantee's address shown in this Grant, or to such other address as either or such parties shall designate by notice given as herein required. Notices hereunder, shall be effective when delivered in accordance with this clause or on the effective date of the notice, whichever is later.

L. Travel and Transportation

(1) The Grant Officer hereby approves international travel hereunder

provided that the Grantee shall obtain written concurrence from the cognizant technical office in AID prior to sending any individual outside the United States to perform work under the Grant. For this purpose the Grantee shall advise the Project Manager at least thirty (30) days in advance of any travel to be undertaken outside the United States. After concurrence is received the Grantee shall provide the cognizant USAID Mission or U.S. Embassy advance notification with a copy to the project officer of the arrival date and flight identification of Grant financed travellers.

(2) Travel to certain countries shall, at AID's option, be funded from U.S.-owned local currency. When AID intends to exercise this option, it will so notify the Grantee after receipt of advice of intent to travel required above. AID will issue a Government Transportation Request (GTR) which the Grantee may exchange for tickets, or AID will issue the tickets directly. Use of such U.S.-owned currencies will constitute a dollar charge to this grant.

(3) The Grantee agrees to travel by the most direct and expeditious route, and to use less than first class transportation unless such use will result in unreasonable delay or increased costs.

(a) All international air travel under this Grant shall be made on United States flag carriers. Exceptions to this rule will be allowed in the following situations provided that the Grantee certifies to the facts in the voucher or other documents retained as part of his Grant records to support his claim for reimbursement and for post audit:

1. Where a flight by a United States carrier is scheduled but does not have accommodations available when reservations are sought;

2. Where the departure time, routing, or other features of a United States carrier would interfere with or prevent the satisfactory performance of official business;

3. Where a scheduled flight by a United States carrier is delayed because of weather, mechanical, or other conditions to such an extent that use of a non-United States carrier is in the Government's interest;

4. Where the appropriate class of accommodations is available on both United States and non-United States carriers, but the use of the United States carrier will result in higher total United States dollar cost to the grant due to additional per diem or other expenses; and

5. Where the appropriate class of accommodations is available only on a non-United States carrier and the cost of transpor-

tation and related per diem on the non-U.S. carrier is less than the cost of available accommodations of another class on a United States carrier and related per diem.

(b) All international air shipments under this grant shall be made on United States flag carriers unless shipment would, in the judgment of the Grantee, be delayed an unreasonable time awaiting a United States carrier either at point of origin or transshipment, provided that the Grantee certifies to the facts in the vouchers or other documents retained as part of the Grant records to support his claim for reimbursement and for post audit.

(4) Travel allowances shall be reimbursed in accordance with the Federal Travel Regulations (FTR).

M. Regulations Governing Employees Outside the United States

(1) The Grantee's employees, when employed in work overseas, shall maintain private status and may not rely on local U.S. Government Offices or facilities for support while so engaged.

(2) The sale of personal property or automobiles by Grantee employees and their dependents in the foreign country to which they are assigned shall be subject to the same limitations and prohibitions which apply to direct-hire AID personnel employed by the mission, except as this may conflict with host government regulations.

(3) Other than work to be performed under this Grant for which an employee or consultant is assigned by the Grantee, no regular or short term employee or consultant of the Grantee shall engage, directly or indirectly, either in his own name or in the name or through an agency of another person, in any business, profession, or occupation in the foreign countries to which he is assigned, nor shall he make loans or investments to or in any business, profession or occupation in the foreign countries to which he is assigned.

(4) The Grantee's employees, while in a foreign country, are expected to show respect for its conventions, customs, and institutions, to abide by its applicable laws and regulations, and not to interfere in its internal political affairs.

(5) On the written request of the Grant Officer or of a cognizant Mission Director, the Grantee will terminate the assignment of any individual to any work under the Grant and, as requested, will use its best efforts to cause the return to the United States of the individual from overseas or his departure from a foreign country or a particular foreign locale.

(6) Allowances for employees assigned overseas shall be reimbursed in accordance with the Federal Travel Regulations (FTR).

N. Procurement of Goods and Services Under \$250,000

(1) Ineligible Goods and Services

Under no circumstances shall the Grantee procure any of the following under this Grant:

- (a) military equipment,
- (b) surveillance equipment,
- (c) commodities and services for support of police or other law enforcement activities,
- (d) abortion equipment and services,
- (e) luxury goods and gambling equipment, or
- (f) weather modification equipment.

(For a more detailed discussion of the subject, see A.I.D. Handbook 1, Supplement B, Chapter 4D).

If A.I.D. determines that the Grantee has procured any of the ineligible goods and services specified above under the Grant, and has received reimbursement for such purpose, the Grantee agrees to refund to A.I.D. the entire amount of the purchase.

(2) Restricted Goods

The Grantee shall not procure any of the following goods or services from a non-U.S. source (i.e., other than A.I.D. Geographic Code 000) without the prior written authorization of the Grant Officer:

- (a) agricultural commodities,
- (b) motor vehicles,
- (c) pharmaceuticals,
- (d) pesticides,
- (e) plasticizers,
- (f) used equipment, or
- (g) U.S. Government-owned excess property.

(For detailed discussion of the subject, see A.I.D. Handbook 1, Supplement B, Chapter 4C).

If A.I.D. determines that the Grantee has procured any of the restricted goods specified above under this Grant, without the prior written authorization of the Grant Officer, and has received reimbursement for such purposes, of the Grantee agrees to refund to A.I.D. the entire amount of the purchase.

(3) Geographic Source and Order of Preference

Except as may be specifically approved or directed in advance

by the Grant Officer under paragraph (2) above, all other goods, (o.g., equipment, materials, and supplies) and services, the costs of which are to be reimbursed under this Grant and which will be financed with United States dollars, shall be purchased in and shipped from only "Special Free World" countries (i.e. A.I.D. Geographic Code 935) in accordance with the following order of preference:

- (a) the United States (A.I.D. Geographic Code 000),
- (b) "Selected Free World" countries (A.I.D. Geographic Code 941),
- (c) the co-operating country,
- (d) "Special Free World" countries (A.I.D. Geographic Code 935).

(4) Application of Order of Preference

When the Grantee procures goods and services from other than U.S. sources, under the order of preference in (3) above, it shall document its files to justify each such instance. The documentation shall set forth the circumstances surrounding the procurement and shall be based on one or more of the following reasons, which will be set forth in the Grantee's documentation:

(a) the procurement was of an emergency nature, which would not allow for the delay attendant to soliciting U.S. sources,

(b) the price differential for procurement from U.S. sources exceeded by 50% or more the delivered price from the non-U.S. source,

(c) impelling local political considerations precluded consideration of U.S. sources,

(d) the goods or services were not available from U.S. sources, or

(e) procurement of locally available goods or services, as opposed to procurement of U.S. goods and services, would best promote the objectives of the Foreign Assistance Program under the Grant.

(5) The Grantee's Procurement System

(a) The Grantee may use its own procurement policies and procedures provided they conform to the geographic source and order of preference requirements of this provision and paragraph 10.3 of Chapter 1, A.I.D. Handbook 11.

(b) If the Grantee's procurement policies and procedures have been reviewed against the procurement requirements of paragraph 10.3 and have been approved by A.I.D. or another Federal department or agency, the Grantee shall furnish the Grant Officer a copy of such approval; otherwise the Grantee's procurement policies and procedures shall conform to those specified in paragraph 10.3 of Chapter 1,

A.I.D. Handbook 13.

(6) Small Business

To permit A.I.D. in accordance with the small business provisions of the Foreign Assistance Act of 1961, as amended, to give United States small business firms an opportunity to participate in supplying commodities and services procured under this Grant, the Grantee, shall, to the maximum extent possible, provide the following information to the Small Business Office, A.I.D., Washington, D.C. 20523 at least 45 days prior (except where shorter time is requested of, and granted by the Small Business Office) to placing any order or contract in excess of \$25,000.

- (a) Brief general description and quantity of goods or services,
- (b) Closing date for receiving quotations, proposals, or bids, and
- (c) Address where invitation or specifications can be obtained.

(7) Ineligible Suppliers

Funds provided under this Grant shall not be used to procure any commodity or commodity-related services furnished by any supplier whose name appears on the list of Ineligible Suppliers under A.I.D. Regulation No. 8, "Suppliers of Commodities and Commodity-Related Services Ineligible for A.I.D. Financing" (22 CFR 208). The Grantee agrees to review said list prior to undertaking any procurement the cost of which is to be reimbursable under this Grant. A.I.D. will provide the Grantee with this list.

0. Title To and Use of Property

Title to all equipment and other personal property procured with Grant funds will vest in the Grantee upon acquisition. Such equipment and property will be used in the program for which it was acquired. Upon completion of the AID-financed program, and unless the Grant Officer should require otherwise, title to this equipment and personal property will be transferred by the Grantee to the Kingdom of Lesotho Handicrafts (Pty) Ltd.

ATTACHMENT C

PAYMENT PROVISIONS

- (a) Each month the Grantee shall submit to the A.I.D. Controller an original and 3 copies of SF 1034, "Public Voucher for Purchases and Services Other Than Personal"; each voucher shall be identified by the Grant number and shall state the total amount of costs incurred for which reimbursement is being requested. (SF 1034 available from USAID Controller.)

- (b) In addition to the SF 1034, each non-construction grant voucher shall be supported by an original and 2 copies of SF 270, "Request for Advance or Reimbursement", and each construction grant voucher shall be supported by an original and 2 copies of SF 271, "Outlay Report and Request for Reimbursement for Construction Programs". (See attached copies).

REQUEST FOR ADVANCE OR REIMBURSEMENT

Approved by Office of Management and Budget, No. 50-RO183

PAGE OF PAGES

(See instructions on back)
K. FEDERAL SPONSORING AGENCY AND ORGANIZATIONAL ELEMENT TO WHICH THIS REPORT IS SUBMITTED

1. TYPE OF PAYMENT REQUESTED
 ADVANCE REIMBURSEMENT
 FINAL PARTIAL ACCRUAL

2. BASIS OF REQUEST
 CASH
 FEDERAL GRANT OR OTHER IDENTIFYING NUMBER ASSIGNED BY FEDERAL AGENCY
 PARTIAL PAYMENT REQUEST NUMBER FOR THIS REQUEST

L. EMPLOYER IDENTIFICATION NUMBER

M. RECIPIENT'S ACCOUNT NUMBER OR IDENTIFYING NUMBER

N. PERIOD COVERED BY THIS REQUEST
 FROM (month, day, year) TO (month, day, year)

O. RECIPIENT ORGANIZATION

P. PAYEE (Where check is to be sent if different than item O)

Name

Name

Number and Street

Number and Street

City, State and ZIP Code

City, State and ZIP Code

11. COMPUTATION OF AMOUNT OF REIMBURSEMENTS/ADVANCES REQUESTED

PROGRAMS/FUNCTIONS/ACTIVITIES ➤	(a)	(b)	(c)	TOTAL
a. Total program outlays to date (As of date)	\$	\$	\$	\$
b. Less: Cumulative program income				
c. Net program outlays (Line a minus line b)				
d. Estimated net cash outlays for advance period				
e. Total (Sum of lines c & d)				
f. Non-Federal share of amount on line e				
g. Federal share of amount on line e				
h. Federal payments previously requested				
i. Federal share now requested (Line g minus line h)				
j. Advances required by month, when requested by Federal grantor agency for use in making pre-scheduled advances	1st month			
	2nd month			
	3rd month			

12. ALTERNATE COMPUTATION FOR ADVANCES ONLY

a. Estimated Federal cash outlays that will be made during period covered by the advance	\$
b. Less: Estimated balance of Federal cash on hand as of beginning of advance period	
c. Amount requested (Line a minus line b)	\$

13.

CERTIFICATION

I certify that to the best of my knowledge and belief the data above are correct and that all outlays were made in accordance with the grant conditions or other agreement and that payment is due and has not been previously requested.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL

DATE REQUEST SUBMITTED

TYPED OR PRINTED NAME AND TITLE

TELEPHONE Area Code Number Extension

This space for agency use

17

INSTRUCTIONS

Please type or print legibly. Items 1, 3, 5, 9, 10, 11c, 11e, 11f, 11g, 11i, 12 and 13 are self-explanatory; specific instructions for other items are as follows:

Item	Entry	Item	Entry
2	Indicate whether request is prepared on cash or accrued expenditure basis. All requests for advances shall be prepared on a cash basis.		use as many additional forms as needed and indicate page number in space provided in upper right; however, the summary totals of all programs, functions, or activities should be shown in the "total" column on the first page.
4	Enter the Federal grant number, or other identifying number assigned by the Federal sponsoring agency. If the advance or reimbursement is for more than one grant or other agreement, insert N/A; then, show the aggregate amounts. On a separate sheet, list each grant or agreement number and the Federal share of outlays made against the grant or agreement.	11a	Enter in "as of date", the month, day, and year of the ending of the accounting period to which this amount applies. Enter program outlays to date (net of refunds, rebates, and discounts), in the appropriate columns. For requests prepared on a cash basis, outlays are the sum of actual cash disbursements for goods and services, the amount of indirect expenses charged, the value of in-kind contributions applied, and the amount of cash advances and payments made to subcontractors and subrecipients. For requests prepared on an accrued expenditure basis, outlays are the sum of the actual cash disbursements, the amount of indirect expenses incurred, and the net increase (or decrease) in the amounts owed by the recipient for goods and other property received and for services performed by employees, contracts, subgrantees and other payees.
6	Enter the employer identification number assigned by the U.S. Internal Revenue Service, or the FICE (institution) code if requested by the Federal agency.	11b	Enter the cumulative cash income received to date, if requests are prepared on a cash basis. For requests prepared on an accrued expenditure basis, enter the cumulative income earned to date. Under other basis, enter only the amount applicable to program income that was required to be used for the project or program by the terms of the grant or other agreement.
7	This space is reserved for an account number or other identifying number that may be assigned by the recipient.	11d	Only when making requests for advance payments, enter the total estimated amount of cash outlays that will be made during the period covered by the advance.
8	Enter the month, day, and year for the beginning and ending of the period covered in this request. If the request is for an advance or for both an advance and reimbursement, show the period that the advance will cover. If the request is for reimbursement, show the period for which the reimbursement is requested.	13	Complete the "certification" before submitting this request.
<p>Note: The Federal sponsoring agencies have the option of requiring recipients to complete Items 11 or 12, but not both. Item 12 should be used when only a minimum amount of information is needed to make an advance and outlay information contained in Item 11 can be obtained in a timely manner from other reports.</p>			
11	The purpose of the vertical columns (a), (b), and (c), is to provide space for separate cost breakdowns when a project has been planned and budgeted by program, function, or activity. If additional columns are needed,		

OUTLAY REPORT AND REQUEST FOR REMBURSEMENT FOR CONSTRUCTION PROGRAMS <small>(See instructions on back)</small>		Approved by O.M. of Management and BUREAU OF Budget, No. 80-110181		PAGE#	
		1. TYPE OF REQUEST <input type="checkbox"/> FINAL <input type="checkbox"/> PARTIAL		2. BASIS OF REQUEST <input type="checkbox"/> CASH <input type="checkbox"/> ACCRUAL	
3. FEDERAL AGENCY AND ORGANIZATIONAL ELEMENT TO WHICH THIS REPORT IS SUBMITTED		4. FEDERAL GRANT OR OTHER IDENTIFYING NUMBER ASSIGNED BY FEDERAL AGENCY		5. PARTIAL PAYMENT REQUEST NO.	
6. EMPLOYER IDENTIFICATION NUMBER		7. RECIPIENT ACCOUNT OR OTHER IDENTIFYING NUMBER		PERIOD COVERED BY THIS REPORT	
				FROM (Month, day, year)	
				TO (Month, day, year)	
8. RECIPIENT ORGANIZATION		9. PAYEE (Where check should be sent if different than item 8)			
Name :		Name :			
No. and Street :		No. and Street :			
City, State and ZIP Code :		City, State and ZIP Code :			

CLASSIFICATION	STATUS OF FUNDS			TOTAL
	PROGRAMS—FUNCTIONS—ACTIVITIES			
	(a)	(b)	(c)	
a. Administrative expense	\$	\$	\$	\$
b. Preliminary expense				
c. Land, structures, right-of-way				
d. Architectural engineering basic fees				
e. Other architectural engineering fees				
f. Project inspection fees				
g. Land development				
h. Relocation expense				
i. Relocation payments to individuals and businesses				
j. Demolition and removal				
k. Construction and project improvement cost				
l. Equipment				
m. Miscellaneous cost				
n. Total cumulative to date (sum of lines a thru m)				
o. Deductions for program income				
p. Net cumulative to date (Line n minus line o)				
q. Federal share to date				
r. Rehabilitation grants (100% reimbursement)				
s. Total Federal share (sum of lines q and r)				
t. Federal payments previously requested				
u. Amount requested for reimbursement	\$	\$	\$	\$
v. Percentage of physical completion of project	%	%	%	%

12. CERTIFICATION I certify that to the best of my knowledge and belief the billed costs or disbursements are in accordance with the terms of this project and that the reimbursement represents the Federal share due which has not been previously requested and that an inspection has been performed and all work is in accordance with the terms of the award.	a. RECIPIENT	SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	DATE REPORT SUBMITTED
		TYPED OR PRINTED NAME AND TITLE	TELEPHONE (Area code, number and extension)
	b. Representative certifying to line iv.	SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	DATE BILLED
		TYPED OR PRINTED NAME AND TITLE	TELEPHONE (Area code, number and extension)

INSTRUCTIONS

Please type or print legibly. Items 3, 4, 5, 6, 9, 10, 11a, and 11v are self-explanatory; specific instructions for other items are as follows:

Item	Entry	Item	Entry
1	Mark the appropriate box. If the request is final, the amounts billed should represent the final cost of the project.	11j	Enter gross salaries and wages of employees of the recipient and payments to third party contractors directly engaged in performing demolition or removal of structures from developed land. All proceeds from the sale of salvage or the removal of structures should be credited to this account; thereby reflecting net amounts if required by the Federal agency.
2	Show whether amounts are computed on an accrued expenditure or cash disbursement basis.	11k	Enter those amounts associated with the actual construction of, addition to, or restoration of a facility. Also, include in this category, the amounts for project improvements such as sewers, streets, landscaping, and lighting.
6	Enter the employer identification number assigned by the U.S. Internal Revenue Service (or FICA (institution) code if requested by the Federal agency).	11l	Enter amounts for all equipment, both fixed and movable, exclusive of equipment used for construction. For example, permanently attached laboratory tables, built-in audio visual systems, movable desks, chairs, and laboratory equipment.
7	This space is reserved for an account number or other identifying number that may be assigned by the recipient.	11m	Enter the amounts for all items not specifically mentioned above.
11	The purpose of vertical columns (a) through (c) is to provide space for separate cost breakdowns when a large project has been planned and budgeted by program, function or activity. If additional columns are needed, use as many additional forms as needed and indicate page number in space provided in upper right; however, the summary totals of all programs, functions, or activities should be shown in the "total" column on the first page. All amounts are reported on a cumulative basis.	11n	Enter the total cumulative amount to date which should be the sum of lines a through m.
11a	Enter amounts expended for such items as travel, legal fees, rental of vehicles and any other administrative expenses. Include the amount of interest expense when authorized by program legislation. Also show the amount of interest expense on a separate sheet.	11o	Enter the total amount of program income applied to the grant or contract agreement except income included on line j. Identify on a separate sheet of paper the sources and types of the income.
11b	Enter amounts pertaining to the work of locating and designing, making surveys and maps, sinking test holes, and all other work required prior to actual construction.	11p	Enter the net cumulative amount to date which should be the amount shown on line n minus the amount on line o.
11c	Enter all amounts directly associated with the acquisition of land, existing structures and related right-of-way.	11q	Enter the Federal share of the amount shown on line p.
11d	Enter basic fees for services of architectural engineers.	11r	Enter the amount of rehabilitation grant payments made to individuals when program legislation provides 100 percent payment by the Federal agency.
11e	Enter other architectural engineering services. Do not include any amounts shown on line d.	11t	Enter the total amount of Federal payments previously requested, if this form is used for requesting reimbursement.
11f	Enter inspection and audit fees of construction and related programs.	11u	Enter the amount now being requested for reimbursement. This amount should be the difference between the amounts shown on lines s and t, if different, explain on a separate sheet.
11g	Enter all amounts associated with the development of land where the primary purpose of the grant is land improvement. The amount pertaining to land development normally associated with major construction should be excluded from this category and entered on line k.	11v	To be completed by the recipient official who is responsible for the operation of the program. The date should be the actual date the form is submitted to the Federal agency.
11h	Enter the dollar amounts used to provide relocation advisory assistance and net costs of relocation hearing (last resort). Do not include amounts needed for relocation administrative expenses; these amounts should be included in amounts shown on line a.	11w	To be completed by the official representative who is certifying to the percent of project completion as provided for in the terms of the grant or agreement.
11i	Enter the amount of relocation payments made by the recipient to displaced persons, farms, business concerns, and nonprofit organizations.		

ATTACHMENT D

ASSURANCE OF COMPLIANCE WITH THE AGENCY FOR INTERNATIONAL
DEVELOPMENT REGULATION UNDER TITLE VI OF THE CIVIL RIGHTS
ACT OF 1964

Fund for Research and Investment for the Development of
Africa (hereinafter called the "Grantee")

HEREBY AGREES THAT it will comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and all requirements imposed by or pursuant to the Regulation of the Agency for International Development (22 CFR Part 209, 30 FR 317) issued pursuant to that title, to the end that, in accordance with Title VI of that Act and the Regulation, no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Grantee receives Federal financial assistance from the Agency; and HEREBY GIVES ASSURANCE THAT it will immediately take any measures necessary to effectuate this agreement.

If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to the Grantee by the Agency, this assurance shall obligate the Grantee, or in the case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits. If any personal property is so provided, this assurance shall obligate the Grantee for the period during which it retains ownership or possession of the property. In all other cases, this assurance shall obligate the Grantee for the period during which the Federal financial assistance is extended to it by the Agency.

THIS ASSURANCE is given in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property, discounts or other Federal financial assistance extended after the date hereof to the Grantee by the Agency, including installment payments after such date on account of applications for Federal financial assistance which were approved before such date. The Grantee recognizes and agrees that such Federal financial assistance will be extended in reliance on the representations and agreements made in this assurance, and that the United States shall have the right to seek judicial enforcement of this assurance. This assurance is binding on the Grantee, its successors,

transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Grantee.

Fund for Research and Investment for the Development of Africa

Grantee

BY ..*Karen Jo Nelson*.....

TYPED NAMEKaren Jo Nelson.....

TITLERegional Representative.....

DATE12 - 10 - 79.....

ACTION MEMORANDUM

TO : Mr. Frank D. Correl, Director, USAID/Lesotho

FROM : Steve Norton, Capital Projects Development Officer *SN*

SUBJECT: Approval of Weaving Training OPG (632-0211)

PROBLEM: AA/AFR Delegation of Authority No. 140 authorized the Director, USAID/Lesotho to approve projects where the life-of-project funding does not exceed \$500,000. Therefore, your approval is requested for an OPG of \$145,000 to the fund for Research and Investment for the Development of Africa, Ltd. (FRIDA), a registered PVO.

DISCUSSION: The purpose of this proposed 16-month project (as Phase I of a two-phased proposal) will be to establish a weaving training program specifically aimed at the approximately 550 Basotho spinners and weavers, ninety-five percent of whom are women. The goals of this training program are as follows: A) upgrading of both technical and creative skills leading to improvement in weaving quality and design; B) improvement in productivity and efficiency by the weavers and spinners; C) increase in the income of the rural household; D) improvement in the status and self-conception of the weavers as artisans and skilled workers; and E) lessening of dependence upon South Africa in the mohair sector.

The project inputs will be the following: A) long-term technical assistance (\$24,500); B) short-term consultancies (\$37,790); C) local salary support (\$19,920); D) passenger vehicle and motor bike plus operating costs (\$17,350); E) office rent, overhead, furniture and equipment (\$8,750); F) training seminar materials (\$2,350); G) video equipment and rental (\$2,000); H) seminar overhead (\$4,170); I) resource manual production costs (\$4,000); and J) inflation and contingency (\$24,170).

The expected outputs from this project will be the following: A) four-week introductory training seminar; B) a weaving resource manual; C) spinners and weavers training program; D) establishment of resource center and office; E) examination and establishment of international marketing outlets; and F) preparation for the establishment of a spinners and weavers guild (see Attachment C - FRIDA Project Proposal).

Since mohair weaving is the largest handicraft industry in Lesotho, the Government of Lesotho strongly supports this proposed project and has requested FRIDA to implement and assist in the coordination of a weaving training program along with the Lesotho National Development Corporation (See Attachment D).

An IEE was conducted as part of the FRIDA OFG proposal and the project has been deemed to be environmentally benign (see Attachment C).

AID/Washington will forward a Congressional Notification on this project once it is approved.

The combined contribution to this project from FRIDA, GOL agencies and other local contributors fulfills the 25 percent local contribution requirement.

RECOMMENDATION:

It is recommended that you (a) approve the subject project by signing this memorandum, (b) concur in the environmental negative determination recommended by signing this memorandum, (c) approve a vehicle waiver by signing the attached vehicle waiver request (Attachment B), and (d) authorize execution of a grant agreement, subject to expiration of the Congressional Notification waiting period and availability of funds, by signing the attached PAF (Attachment A).

APPROVED:

Frank A. Correll

DISAPPROVED:

DATE:

Sept. 12th 1979

Attachments:

- A. PAF II
- B. Vehicle Waiver
- C. FRIDA Project Proposal
- D. GOL Request for Assistance

PROJECT AUTHORIZATION AND REQUEST
FOR ALLOTMENT OF FUNDS

PART II

Country: Lesotho

Project: Weaving Training

Project Number: 632-0211

Pursuant to Part I, Chapter 1, Section 103 of the Foreign Assistance Act of 1961, as amended, I hereby authorize an Operational Program Grant to Fund for Research and Investment for the Development of Africa, Ltd. (FRIDA) of not to exceed One Hundred Forty Five Thousand United States Dollars (\$145,000), the authorized amount, to help in financing certain foreign exchange costs of goods and services required for the project as described in the following paragraph. The entire amount of the A.I.D. financing herein authorized for the project will be obligated, subsequent to the allotment of funds, when the Grant Agreement is executed.

The purpose of the project is to establish a training program specifically aimed at the approximately five hundred and fifty Basotho spinners and weavers, ninety-five percent of whom are women. Within this training program the goals are as follows: 1) an upgrading of both technical and creative skills leading to improvement in quality and design; 2) an improvement in productivity and efficiency by the weavers and spinners; 3) an improvement in the status and self-conception of the weavers as artisans and skilled workers; 4) an increase in the income of the rural household; and 5) a lessening of dependence upon South Africa in the mohair sector.

I hereby authorize, subject to the expiration of the Congressional Notification waiting period and the availability of funds, the initiation of negotiation and execution of the Grant Agreement with FRIDA by the officer to whom such authority has been delegated in accordance with A.I.D. regulations and Delegations of Authority together with such other terms and conditions as A.I.D. may deem appropriate.

Frank D. Correl

Frank D. Correl
Director
U.S.A.I.D. Lesotho

Sept. 12th 1979

Date

Vehicle Source and Origin Waiver for Weaving Training OFG (632-0211)

Country: Lesotho

Project: Weaving Training

Project Number: 632-0211

Grantee: Fund for Research and Investment for the Development of Africa, Ltd. (FRIDA)

Vehicles and Cost: One 9-passenger vehicle and spares (\$9,800)
One motorcycle and spares (\$2,000)

Total Value of Waiver: (\$11,800)

Source: Lesotho and Republic of South Africa

Origin: Republic of South Africa and Japan

Problem: AA/AFR Delegation of Authority No. 140 authorized the Director, U.S.A.I.D. Lesotho to approve motor vehicle waivers where the amount is limited to \$25,000 per project. Therefore, your approval is requested for a vehicle source and origin waiver for the above referenced vehicles which total \$11,800.

Discussion: The Weaving Training Project will require a substantial amount of logistical support for the various weaving centers and the central office and resource center. This support, provided by a 9-passenger vehicle, will entail the movement of training materials and equipment plus participants and consultants for the initial 4-week training seminar and the other seminars, workshops and weaving center meetings held throughout the life of the project. In addition, the Assistant Coordinators will utilize the motorcycle to organize meetings and workshops at the various weaving centers as well as conduct training sessions.

The need for this vehicle waiver is based on the following:

- 1) the lack of spare parts in Lesotho for U.S.-manufactured vehicles with the resultant long downtimes as parts are obtained;
- 2) the lack of mechanics with an understanding or experience in maintaining and repairing U.S.-manufactured vehicles which results

in improper and inadequate repair and maintenance; and 3) the safety hazard presented to the driver and occupants of a left-hand drive vehicle on narrow, twisting mountain roads and as other vehicles are approached or passed.

Virtually the only vehicles of U.S. manufacture in Lesotho are those which A.I.D. has provided under other projects. While these vehicles have provided good service, there have been problems in securing spare parts. The need for spares is accentuated by the normal, heavy use of the vehicles, amounting to over 20,000 kilometers per year, over 80 percent of which is on dirt or low standard roads. As the vehicles grow older and require more frequent and extensive repairs, the problems become more serious.

The problem of spare parts is compounded by the lack of mechanics who understand the componentry of U.S. vehicles. Consequently, even when spare parts are available, they are often improperly utilized resulting in a prompt need for additional repairs and additional downtimes. The lack of service and spare parts of U.S.-manufactured vehicles also presents a risk to the health and lives of the persons required to operate the vehicles.

Perhaps more importantly, the left-hand drive of U.S. vehicles is a genuine safety hazard accentuated by the large and clumsy configuration of these vehicles designed for wide and well-maintained roads. In Lesotho, the narrow, extremely dusty and rough mountain roads with sharp curves and steep grades demand visibility not possible with a left-hand drive vehicle. Passing other vehicles is particularly hazardous.

Recommendation:

It is recommended that you approve this waiver to permit procurement of a passenger vehicle and motorcycle plus spares, approximate value \$11,800, which have as their source and origin countries included in A.I.D. Geographic Code 935 (Special Free World) instead of A.I.D. Geographic Code 000 (U.S. only).

In addition, it is recommended that you certify, by approving this waiver, that exclusion of procurement of the above commodities from Free World countries other than the cooperating country and countries included in A.I.D. Geographic Code 941 would seriously impede attainment of U.S. foreign policy objectives and objectives of the foreign assistance program.

APPROVED: Frederic A. Conwell

DISAPPROVED: _____

DATE: Sept. 12th 1979

23

FRIDA PROJECT PROPOSAL

(Fiscal Year 1979)

TITLE: Weaving Training

LOCATION: Lesotho (Maseru, Tebetebeng)

PVO, NAME AND LOCATION: FRIDA (Fund for Research and Investment for the Development of Africa)
38 King Street, London WC2, England

REGIONAL HEADQUARTERS: FRIDA, Box 31, Maseru, Lesotho

CONTACT PERSONS: Diego Hidalgo, Chairman (London);
Karen Jo Nelson, Regional Representative, (Lesotho)

DATE OF SUBMISSION TO USAID: July, 1979

TOTAL REQUEST: \$145,000

OUTLINE

I.	Project Background	Page 2
	A. Introduction	Page 2
	B. The Sector	Page 3
	C. Summary	Page 3
II.	Project Description	Page 4
	A. Purpose	Page 4
	B. Design Summary	Page 5
	C. Phase I	Page 6
	D. Phase II	Page 9
III.	Project Implementation	Page 10
	A. Office Administration	Page 10
	B. Staff Requirements	Page 11
	C. Materials Requirements	Page 11
	D. End of Phase I status	Page 12
IV.	Enviromental Analysis	Page 12
V.	Financial Plan	Page 13
	A. Other Donors	Page 13
	B. Government of Lesotho Support	Page 14
	C. AID Project Support	Page 16
	D. Total Project Support	Page 18
VI.	Financial Reporting and Disbursements	Page 19
	A. Title To and Use of Property	Page 19
	B. Salries	Page 19
	C. Accounting, Records and Audit	Page 19
	D. Financial Reporting Requirements	Page 19
	E. Program Performance Reporting Requirements	Page 20
VII	Evaluation	Page 20

I. Project Background

A. Introduction

Lesotho, a small country completely surrounded by the Republic of South Africa, is critically dependent on its neighbor. Lesotho has struggled with this situation since Independence. The Second Five Year Development Plan - 1974-1979 call for a lessening of dependence on South Africa. Two means of achieving this goal are:

1. To promote trade and economic cooperation with other countries;
2. To develop local skills as a basis for employment expansion.

Lesotho has few exportable products at present. Handspun and handwoven crafts are two of the few exports with development potential that Lesotho has to offer. Lesotho is the world's fourth largest producer of mohair, one of its only abundant resources, and these handspun and handwoven crafts utilize this commodity. The handicraft industry is sufficiently established in the country and a reservoir of skills exists.

The first projects were started around 1920 by the Anglican Sisters at the Leribe Craft Centre and the Catholic Brothers of Mazenod at Kopano Weavers. However, the craft was not indigenous to Lesotho, and serious promotion of weaving and the first exports did not begin until Lesotho's Independence in 1966, with the establishment of Thabana Li-'Mele Handicraft Centre, Royal Lesotho Tapestry Weavers, and Tullycraft.

Furthermore, there has been little market exposure outside of Southern Africa and local management lacks understanding of and experience in international markets.

The continuation of an uncoordinated and uninformed handicraft industry only favours the South African merchants who have and will continue to obtain first class materials for their markets at low cost. In addition, the South African market differs from others in that it prefers non-ethnic or non-African designs. In producing for this market it is both destructive to Lesotho's attempts to enter other markets, and to its own cultural heritage and esteem.

This training program should instill an understanding of international markets and will complement other assistance Lesotho is receiving in this field, e.g. recent handicraft trade missions to Western Europe by the Commonwealth Secretariat, ITC (UNCTAD/GATT) (International Trade Centre, United Nations Conference on Trade and Development, General Agreement on Trade Tariffs). ITC will sponsor at least two more study tours on trade in 1980.

B. The Sector

The handweaving and spinning enterprises, conscious of the slow growth of the sector (gross turnover only \$1,433,500 in 1977¹), and conscious of their inability to change this situation without coordinated action, have formed the Lesotho Handicrafts Association. The latter has been meeting regularly since early 1978 to discuss matters of mutual concern and to conceptualize the Weaving Training Program which has given the Association its primary impetus.

There are approximately fifteen active spinning and weaving groups in Lesotho. These include Government, private, industrial, cooperative, Church and community groups. All are represented in the Association and all will be an integral part of the training program. They include:

Sherra, Royal Lesotho Tapestry Weavers (RLTW), Setsoto Design, Thabana Li-'Mele, Thorkhild, 'Moteng, Thabong, Mazenod Womens' Group, BEDCO Enterprises, Leribe Craft Centre, Lesotho Council of Women, Meshu, CARE, and Lesotho Cooperative Handicrafts (LCH).

C. Summary

The Government of Lesotho is in support of a program to upgrade and increase the output of handwoven products. The situation of slow growth in economic terms of the mohair and wool industry has forced Lesotho to look into a method of coordination and cooperation with her donors. Plans are now being made to include all of the major donors in Lesotho. The

following have expressed interest and are awaiting the initial US input or are participating in the first phases:

Canadian International Development Agency (CIDA);
Danish Aid (DANIDA); German Embassy; Swiss Aid;
Taiwan; Barclays Development Fund; British Council;
US Peace Corps; and Anglo American Corporation.

The Lesotho Government has requested that FRIDA (Fund for Research and Investment for the Development of Africa), a registered PVO, implement and assist in the coordination of the Training Program together with the Lesotho National Development Corporation (LNDC).

FRIDA was founded as a non-profit voluntary organization, registered in London in 1976. Its initial capital has been provided from a \$6 million endowment of its Chairman, Mr. Diego Hidalgo. Its purpose is to assist by means of research and investment the development of Africa. It has established regional offices in Africa, one of which is in Lesotho. It has also a recruitment, consultancy and marketing division.

Its main experience in Lesotho has been in handicrafts. With active Government support, it has established a joint enterprise with LNDC, Kingdom of Lesotho Handicrafts (Pty) Ltd., as a marketing agency for all handicraft enterprises. This Company holds an agency agreement with FRIDA Marketing Services in London, and it is assisted in management by FRIDA personnel. FRIDA now also holds equity in two Lesotho companies. One is a weaving enterprise and the other is a sheepskin factory. It is FRIDA's intention to extend its activities into training in support of its marketing program.

As previously stated, handwoven and handspun products are among the few export products Lesotho possesses. Although no resident weaving seminar has been held in Lesotho before, both Government officials and some weaving supervisors have been exposed to related training activities abroad. Sufficient basic knowledge and experience therefore exist in every workshop to support a seminar and ongoing training program.

II. Project Description

A. Purpose

To establish a training program specifically aimed at the approximately five hundred and fifty Basotho spinners and weavers,

ninety-five percent of whom are women. Within this program the goals are fivefold:

1. An upgrading of both technical and creative skills leading to improvement in quality and design.
2. An improvement in productivity and efficiency by the weavers and spinners.
3. An improvement in the status and self-conception of the weavers as artisans and skilled workers.
4. An increase in the income of the rural household which ultimately serves as a base to this proposal.
5. A lessening of dependence upon South Africa in the mohair sector.

This program is directly aimed at the individual weavers and spinners themselves. It is the goal of this Program to improve the skills and productivity of these craftswomen to that they may therefore receive increased salaries. This will provided the possibility of a higher standard of living for their families.

It is furthermore envisaged that through improving the handwoven products of Lesotho, the market will expand. This will increase the demand and create the opportunity for more employment in this sector.

By the institution of a guild, these craftswomen will have a clear framework in which technical standards will be established. Guidelines will thus be identified for employment and salary qualifications and assist the weaver in aspiring her to develop her skills.

The improvement of the quality of both the workmanship and design of handwoven products will encourage a pride amongst the craftswomen. Furthermore, the strengthening of a more ethnic design will be a positive contribution to the cultural pride of this nation.

B. Design Summary

The project will consist of two phases:

Phase I September, 1979 - December 1980. The preparation and administration of a four week weaving seminar and training program follow-up for nine months. There will also be contracted a three month consultancy for an American marketing research technician, who will work in close cooperation with Mr. Chris Mohapi, Marketing Specialist for the Lesotho National Development Corporation and Kingdom of Lesotho Handicrafts Ltd. in researching the potential Lesotho market in the USA for weaving handicrafts. Phase I will include a two-week visit of the technician and Mr. Mohapi to the USA for this purpose. The American technician will also offer expatriate marketing technician to function as advisor in Phase II.

Phase II January, 1981 -December 1982. Continuation of the training program and establishment of a handicraft guild. Marketing research and analysis will be carried on in-depth with a goal of effective production for American and other foreign markets. There will be an exploration and establishment of a National Handicraft Training Centre. Further weaving consultants from Latin America and West Africa will be employed to give further guidance in design creativity and technique. (Funding for this Phase is not being requested under this proposal but is mentioned to give an overall view of the internal program)

C. Phase I: September, 1979-December, 1980

1. September, 1979-December, 1980 - Establishment of office and its organization, short and long-term planning, the recruiting of a Mosotho Coordinator for Weaving Training Project, coordination of various Lesotho weaver organizations, establishment of a basic weaving and handicraft reference library and fostering of international contact within the weaving and mohair handicraft marketing world.
2. The establishment of a four week seminar; March 1 - March 30, 1980. The first and last weeks will be held at Sherra Weaving Centre (LNDC), five kilometres south of Teyateyaneng in a rural and secluded environment conducive to learning. During the second and third weeks, the various consultants will visit each workshop giving in-house demonstrations and working closely with the supervisors/participants in their own environment and monitoring the assignments given during the first week.
3. Seminar participants - Will include approximately fifteen supervisors (representing the active weaving/spinning centres in Lesotho), one to three observers from each centre (a possible forty-five), ten local experts, three international weaving resource people, one international video technician, and one local video technician.
4. Workshop elements - The supervisors will attend this seminar on the principle agreed upon by the Lesotho Handicraft Association, i.e. that any supervisor must have a thorough knowledge of all stages of production of the finished goods. The basic element of technique, color, design, quality control, and on-the-job training will be covered through a combination of practical and theoretical sessions throughout the seminar. The local and international experts will organize and teach the contents of this course.
5. Marketing - A special section on marketing will be given by the Trade Promotion Unit of the Ministry of Commerce and Industry. The International Trade Centre (ITC) representative from the United Nations, and one local expert will go over the following areas: costing and pricing, market concepts, handicraft trends in the international demands, and consumer attitudes towards Lesotho's hand-spun and woven crafts.
6. Health and Nutrition - A further area to be studied in the course will be a section on health, nutrition, and budgeting. This will give guidance and instruction to new wage earners and increased

35

wage earners on how best to use their money in providing better health for their families and for themselves. This section will be given by representatives from the Prime Minister's special Food and Nutrition Coordinating office. The obvious goal of this part of the program is to improve both family diet and family health maintenance.

7. Video film - The international and local video experts will produce a film based on the contents of the seminar. This will complement a resource manual and will be used as a training aid in all workshops.

8. Resource Manual - The British weaving expert, fluent in Sesotho and extremely familiar with the Lesotho spinning and weaving sector, will assist with the final editing work on the resource manual, along with the Lesotho Distance Teaching Centre (LDTC) and the National Teachers Training College (NTTC).

9. Nine month training program, April 1-December 31, 1980 - This will be a follow-up on workshops coordinated by an international coordinator, with two assistant coordinators (one a Mosotho and one a Peace Corps volunteer). An office will be established which will also maintain a small resource centre. This office will also coordinate the activities and meetings of the Lesotho Handicraft Association. The role and objectives of this office (shared by the three coordinators) will be:

- (a) To be responsible for the necessary preparations for the publishing of the resource manual in its final form in Sesotho (the local language). The manual will cover all course items and will act as a source of reference for supervisors in imparting in-house training to the weavers and spinners. It will also be the basis for establishing national standards in realization of the Guild. The initial contents and editing will be shared by the fifteen centres involved in the program.
- (b) To work regularly with all centres to discuss and implement the contents of the seminar, assisted by the use of the manual and the video film as training aids.
- (c) To identify specific problems in the realization of the benefits of the program, and to propose and work out solutions.
- (d) To establish a liaison between Kingdom of Lesotho Handicrafts marketing organization and the centres. This will provide up-to-date market feedback on design, color, and type of product to

ensure that the workshops are meeting the identified market demands. Conversely, any problems or grievances of the centres can be corrected by the coordinators.

- (e) To organize at least three more short seminars or equivalent expert missions during 1980 to consolidate progress and to introduce Basotho weavers and spinners to other techniques and new design ideas. Local and international experts, especially African experts will be required.
- (f) To develop and acquire materials for a resource centre including books, periodicals, films, slides, etc. and to influence the local libraries to include appropriate material in their collections. (The National Library has agreed to order a range of books related to the weaving and spinning sector.)
- (g) To correspond with other related organizations outside Lesotho and to keep in touch with international activities and exhibitions related to the program. To ensure that Lesotho is attaining international recognition for its unique and high quality wool and mohair products. Such international organizations include the World Craft Council, which because of the assistance by FRIDA, has invited at its expense two Basotho craftpersons to attend and give demonstrations at the World Craft Council 9th International Conference in Vienna, in 1980. This will be the first time Lesotho has participated in such an event. There are other important and effective international opportunities of which Lesotho must take advantage. The coordinators will research and follow-up these opportunities and contacts.
- (h) To work with the Lesotho Handicrafts Association and with appropriate Governmental departments to prepare the way for establishment of the handweavers and spinners guild.
- (i) To coordinate regular inputs by the Food and Nutrition Coordinating Office, the Trade Promotion Unit, and the Ministry of Commerce and Industry.
- (j) To identify and design the next steps to be taken in the coordinated Training Program.

10. During Phase I an American marketing research specialist with experience in mohair, textile furnishings and other handicraft commodities will be recruited to serve as a consultant to the project from March 1-May 31, 1980. The marketing research specialist will be expected to:

- (a) Analyse the potential capabilities and production of the Lesotho mohair resources.

- (b) Research the US market for the potential importation of Lesotho mohair and other handicraft products.
- (c) Advise the KLIH General Manager and various Lesotho mohair cooperatives on the pragmatic, technical and financial factors in formulating marketing policies and strategies to initiate an effective production and distribution system of mohair products to the USA.
- (d) To assist in the coordination of the various Lesotho mohair cooperatives into a unified approach for export marketing.
- (e) To prepare and effect a two week marketing research tour of the USA for the KLIH General Manager at the end of his consultancy.
- (f) To formulate a critical evaluation of the feasibility of long-term marketing in the USA and to assess the need for a two-year American marketing consultant in Phase II.
- (g) To evaluate the feasibility of the formulation of a guild of Lesotho weavers and the establishment of a permanent handicraft training centre.

D. Phase II: January, 1981-December, 1982

General plans are being formulated for a Phase II of the Lesotho Weaving Training Project and after the mid-evaluation of Phase I, various donors will be approached on their interest in supporting the continuation and expansion of the project. Those plans will include:

1. Follow-up seminars and training workshops;
2. Recruiting an expatriate marketing specialist to work as an advisor for two years to the Mosotho General Manager on research and marketing toward the goal of opening up promotional lines and markets in the USA, Canada and Europe;
3. The publication of a Lesotho Handicraft catalogue;

4. The establishment of an institutional framework for the weavers' and spinners' craft in the form of a guild. The guild would assist in the determination of quality standards and proficiency skills to be agreed upon by the Lesotho Handicraft Association. It would also provide a framework for encouragement and instruction, so that the weaver/spinner might aspire to the status of skilled artisan/craftsperson with the ability to earn commensurate with these acquired skills;
5. The establishment of a National Handicraft Training Centre. Activities of the Centre would concentrate on:
 - (a) Teaching of basic and advanced techniques with the goal of training increasingly more people with a resulting increased income,
 - (b) Research and experimentation in design and concept development,
 - (c) Regular seminars with local and visiting handicraft specialists,
 - (d) Research and documentation of Lesotho's ethnic crafts and designs with the formation of a research centre in handicrafts,
 - (e) A permanent office for marketing research of Lesotho's handicrafts.

III. Implementation: PHASE I

A. Office Administration

Before the seminar is held, FRTDA in conjunction with LNDC, its partner in KLII, will be charged with the following:

1. Design of the seminar and close monitoring to ensure the program runs on schedule.
2. Appointing and organizing coordinators and their office facilities and transportation.

3. Determination of resource requirements including inventory available at site, equipment, accommodation, transportation and procurement of materials.
4. To undertake necessary administration to ensure timely arrival of international experts from USA and Britain.
5. Coordinate production of the resource book, the delivery of visual aid materials and the procurement of all necessary video equipment.
6. Establishment of separate, accurate and efficient accounting and reporting systems for the program. (It is intended that USAID funds, will be channelled through the FRIDA Lesotho office. See VI on Financial Reporting and Disbursements.)

These actions are being undertaken and, as a matter of fact, have been underway since August, 1978 at the expense of FRIDA and LNDC. They will continue to be carried out simultaneously through December, 1979.

Monitoring and regular reporting of the implementation plan will continue to be undertaken jointly by FRIDA and LNDC. The reporting will be done through the Lesotho Handweavers Association.

B. Staff Required to Administer Phase I

The above would include:

- (a) One marketing research consultant;
- (b) Three international weaving consultants;
- (c) Ten local weaving specialists;
- (d) One international video technician;
- (e) One local video technician;
- (f) Two administrative coordinators from FRIDA and LNDC;
- (g) One expatriate coordinator;
- (h) One expatriate assistant coordinator;
- (i) One Mosotho coordinator;
- (j) One driver;
- (k) One secretary;
- (l) Three auxiliary personnel.

C. Materials Required (All these various materials will be procured loc

- (a) One office, furniture and materials;
- (b) One vehicle;
- (c) One motorbike;
- (d) Sufficient mohair, warp, and dyes to provide for all components of the program;
- (e) Loan of equipment as required from the various workshops;
- (f) Seminar materials for participants;
- (g) Food, beverages, bedding and related materials;
- (h) Other equipment;

D. End of Phase I Status:

It is envisioned that the activities initiated in this Program will be absorbed by the Kingdom of Lesotho Handicrafts at the end of the Programme.

One major goal of the program, that of improving and maintaining quality, will be continued even after the expiry of the Program through the following:

1. The resource manual, the video film, and the thorough training received by the supervisors will ensure the basis for ongoing training and maintenance of skills and quality.
2. The establishment of a guild which would insist on the maintaining of certain standards.
3. The creation of the Lesotho Handicrafts Association, comprised of members with a strong interest in not only maintaining, but constantly improving the quality achieved during the Program.
4. The active interest and assistance given by the KLH through the continuation of the activities of the Weaving Training Program.

These activities will be supervised by the Mosotho Handicrafts Coordinator trained during the Program.

IV. Enviromental Impact Analysis:

The program can be justifiably designated as 'enviromentally benign'.

A. Cultural

The project should upgrade the existing socio-cultural enviroment of Lesotho. In all cases women will be the chief beneficiaries, mostly from rural areas. The program will have a definite impact in strengthening the relationship between the workers and their work. Insofar as design of products is affected, the use of local symbols or local scenes will be enhanced. One aim is to create a Lesotho product that is a true reflection of the culture of the country.

B. Socio-Economic

A definite positive impact, through the increased employment and income to be generated by the project. There will be no redistribution of people as a direct result of the program, as the enterprises in the sector are fairly distributed geographically, and increased incomes will not be of such an order that social displacement could result. The project intends to raise the level of skills already in use in handweaving and spinning. Equipment used by the project will be of an appropriate technological nature and will not be machine powered, polluting or dangerous in any form.

C. Health

A positive secondary impact through improved nutrition and family life due to the comlementation of increased incomes, and increased awareness and knowledge through the series of seminars by the Food and Nutrition Coordinating Office. No change to the natural enviroment is involved.

D. Land Use

No primary impact.

E. Water Quality

No primary impact. The minute amounts of residue from the natural and chemical dyes used will not be disposed of in the Country's water systems.

F. Natural resources

No negative impact. The natural resources of mohair and wool will be used but by no means will be depleted or threatened by the impact of this project. There will be no destruction of other scarce local resources.

V. Financial Plan

A. Other Donors

1. British Council - As the cultural arm of the British aid program, they have agreed to sponsor the visit of a British weaving specialist. In terms of their mandate and the funds available to Lesotho, they have been only able to agree on the provision of one return air fare and to subsidise his per diem costs of staying in Lesotho for the six-week period.

It should be emphasised that this specialist is seen as a critical input to the whole project. The suggested person founded Sherra, one of the participating enterprises and is thoroughly familiar with the handweaving and spinning sector. He is a self-employed weaver who is internationally renowned for his command of spinning and weaving techniques. For this reason and because of his wide knowledge of the sector, he is being asked (as part of his fee) to complete the editing of the resource manual, prior to its final translation into Sesotho, in order that the book can be effectively used in Phase II of the program.

2. Barclays Bank International Development Fund - The Fund, created for the financing by grant or soft loan of development projects from 1% of Barclays Bank International annual profits, has expressed an interest in increasing the level of activities in Lesotho. Already in 1978, a grant of some R6,000 to one of the poorer participant enterprises (Leribe Craft Centre) for equipment and building extensions had been approved. A further project for assistance to

Thabong Weavers has been discussed, and thus involvement in the Weaving Training Program is a logical extension for the Fund to make. The BBIDF is expected to cover the fee of the British weaving consultant and the airfare of the British design consultant.

3. CARE - The Cooperative for American Relief Everywhere (CARE) has been closely involved in the development of handspinning of mohair into yarn in Lesotho since 1974. The project intends to develop primary cooperative groups of women spinners in a number of rural locations, which will be serviced by a secondary cooperative to be developed from the current project team. CARE will be closely involved in the Weaving Training Program, not only as a participant and the supplier of mohair yarn to the weaving workshops, but as the organiser of a supplementary spinning workshop to Phase I (and possibly workshops at a later stage).
4. FRIDA - FRIDA was founded in 1976 as a private non-profit voluntary organization, and established a regional office in Lesotho following the signing of an agreement with the Government of Lesotho in Maseru in November, 1977. The scope of their activities has been outlined earlier. The extent of their financial involvement in Phases I and II of the program can be summarised as the provision of all normal expenses and normal time of FRIDA personnel in FRIDA office and Kingdom of Lesotho Handicrafts (a FRIDA subsidiary) in the preparation and execution of the project. Assistance is requested from USAID in meeting extraordinary expenses, as these are extra-budgetary costs from the point of view of FRIDA and its subsidiary. It is intended that Kingdom of Lesotho Handicrafts will take on some of these extraordinary costs at the end of the project.

B. Government of Lesotho Support

1. LNDC - Lesotho National Development Corporation will be providing Sherra (a wholly owned LNEC company) as the main venue for the seminar and three of its subsidiaries will be actively involved in the program, Sherra, RLTV and K.L.H. Furthermore, as co-administrator of the program, LNDC has offered full assistance from its training component in the format development of the seminar and its required materials and aids. It will assist in accounting and secretarial

services, . . . provide transportation when needed, and offer loan of its video and audio visual equipment along with skilled operators for the duration of the program.

2. Food and Nutrition Coordinating Office - (Office of the Prime Minister) - This office will provide at least two persons to prepare and give a seminar during Phase I on their subject relevant to the participants. In Phase II they will visit each workshop at least once with a follow-up workshop. All costs will be borne by this office.
3. Trade Promotion Unit, Ministry of Commerce and Industry - One international marketing expert from ITC (UNCTAD/GATT) and one local authority from the TPU will prepare and deliver a one-day session during the Phase I seminar covering specific areas relevant to the handspun and woven products of Lesotho. They will also follow this up with at least one seminar at each workshop during Phase II.

TPU has just carried out a study tour of European markets with several participants from the handicraft sector, and are planning at least two more during 1980. These tours are a definite complement to the Training Program.

4. Community Support - The local chief of the Tbetebeng area will arrange accommodation for as many participants to the seminar as possible. The village has offered other support in whatever areas of assistance can be determined and are enthusiastic towards the seminar.

C. AID Project Support

		\$
(a) Long-term TA		<u>24,500</u>
(b) Short-term consultancies	Navaho weaver (1 mo - travel, per diem, salary)	6,760
	Chris Mohapi (US travel & per diem for 15 days)	3,750
	Video consultant (30 days - travel, per diem, salary)	6,760
	Marketing Specialist (3 mo - 2 mo Lesotho, 1 mo USA)	<u>20,520</u>
		<u>37,790</u>
(c) Local salary & support	Ass. Coordinator support (16 mo)	800
	Local Training Coordinator (14 mo)	11,200
	Local video technician (30 days)	530
	Driver (16 mo)	2,590
	Secretary	<u>4,800</u>
		<u>19,920</u>
(d) Vehicles & operating costs	Passenger vehicle (VW Combi or equivalent)	9,800
	Motor bike (approximately 125 cc trail bike)	2,000
	Operating costs for above	<u>5,550</u>
		<u>17,350</u>

HS

(e) Office rent, overheads, furniture and equipment	Rent (16 mo at \$150/mo)	2,400
	Post, telex and 'phone (16 mo at \$100/mo)	1,600
	Furniture & equipment	1,500
	Printing & stationery	2,000
	Chairs	500
	Other equipment	<u>750</u>
		<u>8,750</u>
(f) Training seminar materials	Mohair, warp, dyes, etc.	1,500
	Frames (15)	150
	Participant materials	200
	Training aids	<u>500</u>
		<u>2,350</u>
(g) Video equipment and rental	Video screen, camera rentals and film	<u>2,000</u>
(h) Seminar overheads	Rental of sites, equipment and utilities	3,200
	Accommodation & transport	500
	Dinner & films at Blue Mtn.	230
	Cooking and cleaning	<u>240</u>
		<u>4,170</u>
(i) Resource manual production costs		<u>4,000</u>
	TOTAL	120,830
	10% inflation	12,083
	10% contingency	12,083
		<u>\$144,996</u>

17

D. Total Project Support

<u>Technical Assistance</u>	AID	FRIDA	GOL	Other Donors	Total
A. Long-term	\$24,500	-	\$600	-	\$25,100
B. Short-term	37,790	-	-	\$10,700	48,490
C. Local staff	19,920	-	18,000	22,897	60,817
 <u>Equipment and Materials</u>					
A. Training seminar materials	2,350	-	-	1,000	3,350
B. Video equipment	2,000	-	1,500	-	3,500
C. Office furniture and equipment	4,750	-	-	-	4,750
D. Vehicle and motorcycle	11,800	-	-	-	11,800
 <u>Other Costs</u>					
A. Overhead	8,170	\$6,510	12,130	370	27,180
B. Vehicle operating	5,550	925	925	1,000	8,400
C. Resource Manual Production	4,000	-	1,500	1,500	7,000
D. Evaluations	-	450	450	-	900
<hr/>					
Sub-total	120,830	7,885	35,105	37,467	201,287
10% inflation	12,083	789	3,511	3,747	20,129
10% contingency	12,083	789	3,511	3,747	20,129
<hr/>					
	\$144,996	\$9,463	\$42,127	\$44,961	\$241,545

18 -

VI. Financial Reporting and Disbursements

A. Title To and Use of Property

Title to all equipment and other personal property procured with Grant funds will vest in the Grantee upon acquisition. Such equipment and property will be used in the program for which it was acquired. Upon completion of the AID-financed program, and unless the Grant Officer should require otherwise, title to this equipment and personal property will be transferred by the Grantee to the Kingdom of Lesotho Handicrafts (Pty) Ltd.

B. Salaries

All salaries, wages, fees and stipends reimbursed under its Grant shall be in accordance with the Grantee's standard policy and practice as reviewed by the Grant Officer and as reflected in the Grantee's program proposal.

C. Accounting, records and Audit

The Grantee shall maintain books, records, documents and other evidence in accordance with the Grantee's usual accounting procedures to sufficiently substantiate charges to the Grant. The Grantee shall preserve and make available such records for examination and audit by AID and the Comptroller General of the United States, or their authorized representatives (1) until the expiration of three years from the date of termination of the program, and (2) for such longer period, if any, as is required to complete and audit and to resolve all questions concerning expenditures unless written approval has been obtained from the AID Grant Officer to dispose of the records. AID follows generally accepted auditing practices in determining that there is proper accounting and use of Grant funds. The Grantee agrees to include the requirements of this clause in any subordinate agreement hereunder.

D. Financial Reporting Requirements

The Grantee will submit to the Controller, USAID/Lesotho, Maseru, Lesotho, standardised Financial Status Report, SF 269 (copy attached), to report the status of funds for the program. The report will be on an accrual basis. If the Grantee's accounting records are not normally kept on an accrual basis, the Grantee will develop such accrual information through best estimates based on an analysis of the documentation in its possession.

The report will be required on a quarterly basis and will be submitted (an original and two copies) no later than thirty days after the end of each quarterly period. A final report will be required no later than ninety days after completion of the Grant.

E. Program Performance Reporting Requirements

The Grantee will submit, on a quarterly basis, and at the same time as is submitted the Financial Status Report, a performance report for the program. The report should be adequate to provide:

- (a) A comparison of actual complements with the goals established for the period;
- (b) If goals were not met, why;
- (c) Other pertinent information including, when appropriate, analysis and explanation of cost overruns, problems or delays which will materially affect the ability to attain program objectives or preclude attainment of these objectives within the agreed upon time period. (see SF 269 (7-76).)

VII. • Evaluations

There will be two evaluations during the Weaving Training Project Phase I:

- A. The first will be held in the first week of May, 1980 just before the marketing research advisor and the marketing research coordinator are to depart for the USA on the market research tour. The evaluation team will consist of a FRIDA staff representative, representative of LNDC, USAID/Lesotho officer and possibly a member of USAID, REDSO/East Africa. Two prime foci of the evaluation will be an analysis of progress to date in achieving the goals and targets of Phase I and the feasibility of Phase II. Various donors should be furnished with the results of this evaluation with a view to soliciting support for Phase II.
- B. A summary evaluation will be held in late November, 1980 by the FRIDA staff and the USAID/Lesotho officer with a view to finalising the reports of the Phase I project and doing specific detailed planning for Phase II, if there is to be one.

Attachment D

Cable address: PLANNOP

Telephone: 3811 Maseru



CENTRAL PLANNING AND
DEVELOPMENT OFFICE
P.O. BOX MS 630
MASERU
LESOTHO

Ref: CPO/75/0572

13th August, 1979.

Mr. Frank Campbell,
Director,
USAID Operations,
US Embassy,
Maseru.

Dear Mr. Campbell,

FRIDA - Spinning and Weaving Training Programme

I refer to the Project Proposal submitted under cover of my evenly numbered letter dated the 20th July, 1979, for a Spinning and Weaving Training Programme for Lesotho. As indicated in that earlier letter, FRIDA will be charged with the responsibility of coordinating and supervising the Project.

This Project enjoys a high priority by the Lesotho Government and we have long felt the need for establishing a programme to assist in the upgrading of our handicrafts and to improve our marketing capabilities. We would deeply appreciate USAID intervention in this important project and we reiterate our request accordingly.

In my earlier submission, project costs were estimated at some \$24,600. However, after further preparatory work has been put in, it has been found necessary to considerably increase the scope of the Project to render its coverage and impact much more effective. In consequence, the estimated cost for the first phase now stands at \$145,000. We request this sum be provided by your Agency from the OPG funds.

We look forward to your sympathetic but timely consideration of this request as well as your assured cooperation.

Yours sincerely,

A. M. Monyake
Permanent Secretary for Planning and Statistics