



U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

USAID THAILAND
BANGKOK, THAILAND

PO-AYM-514
LSN = 47681

81

CABLE : USAID THAILAND

TELEPHONE: 252-8191-9

September 11, 1986

J. v. de ...

Mr. Marshall French
Director
Cooperative for American Relief
Everywhere (CARE)
18 A Sub Soi Aree 4 (North)
Paholyothin 7
Bangkok

MISSION AUTHORIZATIONS

EM/LMD (if loan)
EM/PAID
GC/ANE
AMB/TR Officer
AMB/Desk
AMB/DP
✓ AMB/AB/RPA
AMB/PD Officer & File

Dear Mr. French:

Subject: AID Grant No. GR-493-0342-G-SS-6102-00

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "AID") under PVO Co-Financing II, Project No. 493-0342, agrees to grant CARE/Thailand (hereinafter referred to as the "Grantee") under the terms of this agreement the amount of Baht 3,008,420 (Three Million Eight Thousand Four Hundred and Twenty Baht) not to exceed the Baht equivalent of US\$115,709.00 (exchange rate of US\$1=Baht 26.00) to provide support for a one-year project entitled "Ubon Micro-Enterprise Extension", as more fully described in Annex A, "Project Description", to this grant and Annex D, CARE proposal dated August 28, 1986. During the period involved, it is understood that the grantee will contribute the equivalent of an additional non-AID \$40,019 both in cash and in kind.

Component

The effective date of this grant will be the date accepted by the Grantee.

This Grant is made to the Grantee on condition that the funds will be administered in accordance with the terms and conditions as set forth in Annex A entitled "Project Description", and Annex B entitled "Standard Provisions".

Please sign the Statement of Assurance of Compliance enclosed herein (Annex E), and the original and three (3) copies of this letter to

acknowledge your acceptance of the conditions under which these funds have been granted.

Sincerely,


John R. Eriksson
Director

Accepted:

CARE/Thailand

By :



Title: Director

Date : Sept. 11, 1986

- Annexes: 1. Project Description (Annex A)
2. Standard Provision OMB Control No. 0412-0510 (Annex B)
3. Financial Report Format (Annex C)
4. CARE Proposal dated August 28, 1986 (Annex D)
5. Statement of Assurance of Compliance (Annex E)

Annex A

Project Description

A. Purpose of Grant:

The purpose of this Grant is to enable the Grantee to undertake a one-year operational design project to most effectively meet the goals stated below.

B. Project Goals:

1. To establish a replicable, sustainable micro-enterprise and entrepreneur extension system in Ubon Ratchthani Province.
2. To increase employment, income, and value-added productivity for rural, micro-level entrepreneurs.
3. To supplement, facilitate, and link rural based micro-entrepreneurs to more effectively utilize the existing services and programs of government agencies and institutions in cooperation with the private sector.
4. To supplement and assist the government to achieve the national planning goals of increased rural incomes, employment and decentralization of the industrial base in the provincial areas.

The above goals will be accomplished through coordinating the application of the following already existing and available services.

1. Small business management and marketing;
2. Skills training;
3. Credit;
4. Appropriate technology.

C. Implementation:

The project financed by this Grant and its manner of implementation are described in CARE proposal dated August 28, 1986 (Annex 'D').

D. Reporting:

The Grantee will prepare and submit detailed progress reports from the date of the Grant and such reports will become due within 30 days following the 3rd, 6th, 9th and 12th months of the project. Reports will describe the progress and problems of project activities as set forth in the project proposal.

E. Evaluation:

An evaluation report will be due within 60 days following the 12th month (the terminal date of the project). Such evaluation report will be in sufficient detail so that AID can judge the effectiveness of the project and the efficiency with which it was implemented.

F. Budget:

1. The project budget is summarized as follows and is provided as part of Annex 'D':

Expense Category	<u>CARE in Baht</u>	<u>USAID in Baht</u>
- Direct Program Expenses:	454,000	
Materials & Equipment		832,000
Personnel and Consultants		1,258,000
Operation Expenses		636,500
- Indirect Program Expenses:	336,500	
10.34% Headquarters Indirect Cost		281,920
- Local Inputs	<u>250,000</u>	<u>-</u>
Total	<u>1,040,500</u>	<u>3,008,420</u>

2. The amount of \$115,709 or the Baht equivalent (US\$1=Baht26), represents the total contribution of AID for this project. The Grantee will provide a minimum of 25% of the Grant total amount to the project.

3. After the agreement has become effective, and in accordance with Standard Provisions (Annex 'B'), Payment Periodic Advance (November 1985), the grantee shall submit to the Controller, USAID Office of Finance, 37 Soi Somprasong 3, Petchburi Road, Bangkok 10400; monthly advance and quarterly expenditure reports per instructions provided in this Standard Provision. However, further to the Standard Provision, each advance or expenditure report will be accompanied by a Grantee-prepared SF-1034, Public Voucher form.

4. To maintain the conditions of certification of eligibility, the Grantee is required to supply USAID the following information reports annually:

- a. Annual audited financial statement including a statement of income and expenditures within 90-150 days after completion of its fiscal year; and,

b. Current operational year budget, detailing sources of income, administrative expenses and program costs, within 30 days after completion of its fiscal year. This information should also be provided as part of annual progress reports for the project.

Following completion of the sixth month of the Grant period and on the terminal date of the project (the 12th month), the Grantee will submit an accounting of the expenditure for the non-AID portion of the budget.

5. The Grantee may make adjustments among line items of up to 15% of the amount of any line item provided, however, the total amount of the Grant may not be exceeded.

G. Audit:

In accordance with Mandatory Standard Provision 2, in the event that the independent audit report on a U.S./non-U.S. sub-grantee or contractor, as provided for, and/or program reports, do not satisfy AID's requirements as determined by the AID Inspector General (Audit), and the AID Inspector General chooses to make an on site fiscal or program audit, the Grantee agrees to AID taking reasonable steps to coordinate the scheduling and conduct of such audit with the Grantee in advance, and to providing unrestricted access to its books and records.

H. Overhead (Indirect Cost) Rate:

Pending establishment of final overhead rates for the period beginning July 1, 1984, payment of indirect cost shall be on a provisional basis, applicable to the base, and for the period specified below:

<u>Rate</u>	<u>Base Applies to</u>	<u>Period</u>
10.34%	Total direct costs but excluding value of agricultural commodities, in-kind contributions, and ocean freight costs	From July 1, 1984 until amended

I. Special Provisions

The Standard Provisions to this Grant contained in Annex 'B' consist of Mandatory and Optional Standard Provisions for U.S. Nongovernmental Grantees (November 1985). The following Optional Standard Provisions are hereby deleted:

- a) Payment - Letter of Credit
- b) Payment - Cost Reimbursement

4

- c) Patent Rights
- d) Negotiated Indirect Cost Rates - Predetermined
- e) Participant Training
- f) Voluntary Population Planning
- g) Protection of the Individual as a Research Project
- h) Care of Laboratory Animals
- i) Government Furnished Excess Personal Property
- j) Title To and Care of Property (U.S. Government Title).

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

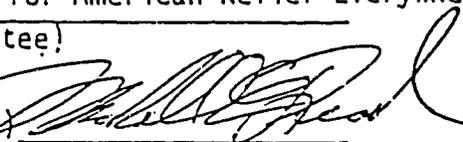
Cooperative for American Relief Everywhere (hereinafter called the "Grantee")
(Name of Grantee)

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.

Cooperative for American Relief Everywhere
(Grantee)

BY (Signature)  TITLE Director

TYPED NAME Marshall French

DATE September 11, 1986