

PD - AAW-370
52317

A.I.D. Project No. 664-0315

Amendment No. 7

April 23, 1987

AMENDMENT No. 7
TO
PROJECT GRANT AGREEMENT
BETWEEN
THE REPUBLIC OF TUNISIA
AND
THE UNITED STATES OF AMERICA
FOR
TECHNOLOGY TRANSFER

The attached amendment is certified to be a true copy of the original signed by Jay F. Morris, Deputy Administrator.


Timm A. Harris
AID/ANE/PD/MNE
April 23, 1987

A.I.D. Project No. 664-0315
Amendment No. 7

AMENDMENT No. 7, dated April 23, 1987 to the Project Grant Agreement, dated August 31, 1981 and amended August 30, 1983, April 27, 1984, December 26, 1984, August 30, 1985, June 26, 1986 and on September 30, 1986 (the "Agreement") between the REPUBLIC OF TUNISIA ("Grantee") acting through the Ministry of Foreign Affairs and the UNITED STATES OF AMERICA acting through the Agency for International Development ("A.I.D.").

WHEREAS, the REPUBLIC OF TUNISIA and the UNITED STATES OF AMERICA entered into an Agreement for Economic, Technical and Related Assistance dated March 26, 1957, pursuant to which this Amendment is entered into by the Grantee and A.I.D.

WHEREAS A.I.D. has agreed to provide an additional contribution of \$5,000,000 for the Project which the Parties have mutually agreed shall be used to support the Grantee's program of training students in the U.S.

WHEREAS the Grantee is meeting its commitments to the Project, and

WHEREAS the Parties confirm their mutual responsibilities under the Project,

NOW THEREFORE the Parties agree as follows:

1. SECTION 3.1 of the Agreement is amended by deleting the words "not to exceed Twenty Million One Hundred and Fifty Thousand (\$20,150,000) United States (US) Dollars (the Grant)" and substituting in lieu thereof "not to exceed Twenty Five Million One Hundred Fifty Thousand (\$25,150,000) United States (U.S.) Dollars (the Grant)".

2. SECTION 3.2(b) is amended by deleting "Nineteen Million, Nine Hundred and Sixty Nine Thousand and Thirty (\$19,969,030) U.S. Dollars including costs borne on an 'in-kind' basis," and substituting in lieu thereof "Fourteen Million Nine Hundred and Sixty Nine Thousand and Thirty (\$14,969,030) U.S. Dollars, including costs borne on an 'in-kind' basis,".

3. The Project Assistance Completion Date in Section 3.3 of the Agreement is extended to August 31, 1989.

4. ARTICLE 5 is amended to add the following sections:

SECTION 5.8 : The Grantee agrees to limit the total number of students in the program and to shift emphasis to more advanced level training consistent with program budgetary resource availability and trained manpower demands in the Tunisian economy.

SECTION 5.9: The Grantee agrees to reduce the number of new undergraduate students entering the program to 25 or less by the start of the 1987/88 school year and consider further reduction of all new undergraduate starts in future years.

SECTION 5.10: The Grantee agrees to increase emphasis on graduate level training by entering approximately 60 M.S. level students per year comprised both of new M.S. starts and students who have completed their B.S. degree and continue on for the M.S.

SECTION 5.11: The Grantee agrees to limit the number of new Ph.D. students to approximately 20 new starts.

SECTION 5.12: The Grantee agrees to expand the range of studies allowed under the program to include management; economics; statistics; finance; accounting; other management science related fields; and agricultural economics.

SECTION 5.13: The Grantee agrees to provide active employment placement assistance to returned program graduates, including development of on-the-job training and summer intern programs where possible.

SECTION 5.14: The Grantee agrees to link identified Tunisian labor market demand with placement of students in appropriate fields of study in U.S. universities.

SECTION 5.15: The Grantee agrees to simplify the work methods and procedures of the Mission Universitaire Scientifique pour la Tunisie (MUST) and to increase its efficiency in data collection and analysis and reporting.

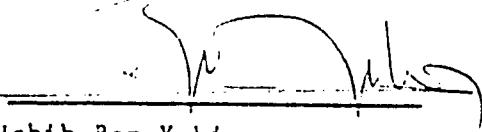
5. Annex I is revised by Attachment 1 to this Amendment.

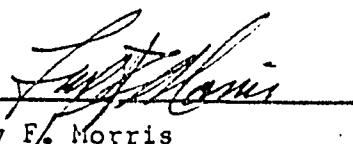
6. Except as amended hereby, the Agreement remains unchanged and shall continue in full force and effect.

IN WITNESS WHEREOF, the REPUBLIC OF TUNISIA and the UNITED STATES OF AMERICA, each acting through its duly authorized representative, have caused this Amendment No. 7 to be signed in their names and delivered as of the day and year first above written.

REPUBLIC OF TUNISIA

UNITED STATES OF AMERICA

By: 

By: 

Habib Ben Yahia
Ambassador

Jay F. Morris
Deputy Administrator

Embassy of Tunisia

Agency for International

Date: April 23, 1987

Date: Development April 23, 1987

BPC QES7-87-27664-KG-13

Amount of Obligation: \$5,000,000

The following changes are hereby made to Annex I of the Project Grant Agreement, as amended, and incorporated therein by reference:

1. Page 5, fourth paragraph entitled "4. Training Program," replace "2266 person years" with "2766 person years".
2. Page 8, first full paragraph entitled "6. A.I.D. Training Costs", replace "2266 person years" with "2766 person years"; and replace "\$18.7 million" with "\$23.7 million".
3. Page 8, second full paragraph entitled "E. PROJECT INPUTS", in second line, replace "\$20,150,000" with "\$25,150,000". In third line, replace "\$19,969,030" with "\$14,969,030".
4. Page 9, fourth full paragraph entitled "b. Training" is deleted in its entirety and replaced by the following:

"b. Training

The largest component of A.I.D. funding will be used for training and will total U.S. \$23.7 million. This component will consist of \$23.53 million for approximately 2766 person-years of training benefitting an estimated 500 Tunisian students in the U.S., and \$170,000 for other costs such as project evaluation and audits."
5. Page 10, first full paragraph entitled "2. Government of Tunisia Inputs." In first line replace "50 percent" with "37 percent".
6. Page 10, section entitled "F. PROJECT BUDGET" is deleted in its entirety and replaced by the following:

*F. PROJECT BUDGET

<u>Total Project Cost</u>	<u>GOT (TD)</u>	<u>GOT (\$)</u>	<u>AID (\$)</u>	<u>TOTALS (\$)</u>
1. <u>AED Contract for Technical Assistance and Short Term Faculty Exchanges</u>			1,450,000	1,450,000
2. <u>GOT Previous Undergraduate Scholarships '81-'83</u>		3,327,346		3,327,346
3. <u>Fall '82-Spring '84 Grad. + Undergraduate Scholarship Costs</u>		856,391	3,200,000	4,056,391
4. <u>GOT Airfares</u>		4,913,635		4,913,635
5. <u>GOT Administrative, Logistic Support and Placement Costs</u>				
Academic Affairs Office	400,000			
Salaries	126,700			
Logistical Support	48,300			
English Language Training	170,000			
R/T Airfares for Tunisian Faculty and MHESR Visits to US	80,000			
Subtotal	825,000			
(U.S. \$1.00 equals TD 0.720) subtotal dollar equivalent:			1,145,833	1,145,833

	<u>GOT (TD)</u>	<u>GOT (\$)</u>	<u>AID (\$)</u>	<u>TOTALS (\$)</u>
6. Estimated additional costs for completion of current students' degrees, fall '84 to estimated end of degree program:				25,055,825
Share of degree completion		4,725,825		
USAID share of degree completion ('84-'85 school year)			\$4,680,000	
USAID share of degree completion ('85 -'86 school year)			\$5,150,000	
USAID share of degree completion ('86- '87 school year)			5,500,000	
USAID share of degree completion ('87 - '88 school year)			5,000,000	
7. Project assessments, evaluation, financial audits, and English Language instruction in Tunisia			170,000	170,000
TOTALS		\$14,969,030	\$25,150,000	\$40,119,030

NB: .720 DT equals \$1.00 is projected average exchange rate from 8/81-8/89."

Except as hereby amended, Annex I to the Project Grant Agreement remains unchanged and shall continue in full force and effect.

PM/MHKarns:nbs
04/16/87