

UNITED STATES OF AMERICA  
AGENCY FOR INTERNATIONAL DEVELOPMENT  
MISSION TO NEPAL

September 25, 1979

KATHMANDU, NEPAL



Mr. Carl J. Johansson  
Executive Director  
United Mission to Nepal  
1/29 Thapathali, P.O. Box 126  
Kathmandu, Nepal

Subject: Grant No. 498-0251 (367-0139)(OPG) (Nepal)  
Bio-Gas Research, Development/Construction

Dear Sir:

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 United Mission to Nepal, 1/29 Thapathali, P.O. Box 126, Kathmandu, Nepal (hereinafter referred to as "UMN" or "Grantee") the sum of seventy five thousand United States Dollars (\$75,000) to provide support for a three year program in Nepal as more fully described in the attachment to this Grant entitled "Program Description."

This amount is the initial increment of A.I.D.'s support to your program. Subsequent increments will be subject to the availability of funds to A.I.D. for this purpose, and to our mutual agreement at the time of a subsequent increment, to proceed.

This Grant is effective and obligation is made as of the date of this letter and shall apply to commitments made by A.I.D. during the period September 25, 1979 through September 24, 1982.

This Grant is made to the UMN on the condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachment A entitled "Program Description", Attachment B entitled "Standard Provision" and Attachment C entitled "Financial Plan" 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 funds have been granted.

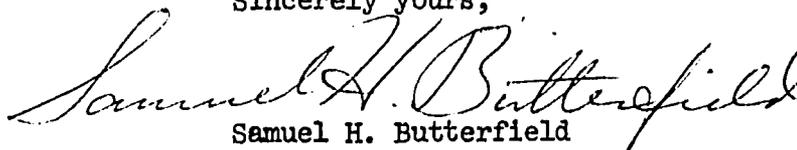
Mr. Carl J. Johansson

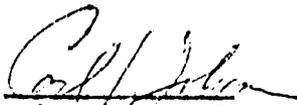
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September 25, 1979

Please return the Statement of Assurance of Compliance and the original and six (6) copies of this Grant to USAID/Nepal.

Sincerely yours,

  
Samuel H. Butterfield  
Director

Accepted:   
United Mission to Nepal  
By : Carl J. Johansson  
Title: Executive Director  
Date : *Sept 25, 1979*

Fiscal Data

Appropriation: 72-1191021.3  
Allotment : 943-60-367-00-69-91  
Project No. : 498-0251 (367-0139)  
Total Grant Amount: \$75,000

PROGRAM DESCRIPTION

A. Purpose of the Grant

The purpose of this Grant is to provide support to a project to make bio-gas, an alternative, renewable energy resource (in replacement of wood and kerosene), available to more people in Nepal, especially to poorer farmers and to people living in the hills areas of Nepal.

B. Specific Objectives

The specific objectives of the Project which this grant support are.

1. To expand upon the program of constructing bio-gas plants in Nepal, training people in their use, maintenance and construction;
2. To expand the UMN program of research and development in the design of bio-gas plants and equipment that are more appropriate to the needs of the people of Nepal;
3. To expand manufacturing facilities in Nepal for equipment related to bio-gas;
4. To train extension workers to teach farmers to use gas plants, gas and slurry;
5. To develop the concept of community plants, based on detailed socio-economic studies of the possible constraints on such plants ;
6. To continue a program of study of the impact of bio-gas development on socio-economic and cultural patterns of living in Nepal, and
7. To make the benefits of bio-gas available to a wider range of people, i.e., lower income groups, communities of poor farmers, people living in the hills of Nepal, and women as a group.

Implementation

The project will be implemented in several different parts: construction, research and development, manufacturing facilities for bio-gas components, training and extension work, community plants, and sociological studies.

1. Construction Program

The UMN, together with the HMG/Nepal government agencies, the Agricultural Development Bank and the Fuel Corporation of Nepal, has set up the "Gobar Gas Tatha Krishi Yantra Bikash Company

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(Private) Limited (Bio-Gas and Rural Equipment Development Company)" to construct bio-gas plants in Nepal. This project will expand this company to most, if not all, parts of Nepal. Expansion into the hill areas of Nepal will be particularly emphasized.

UMN will continue to cooperate with the Agricultural Development Bank and the Agricultural Department of HMG/Nepal in their programs to encourage the use of bio-gas in Nepal (The Agricultural Development Bank makes loans, at subsidized interest rates, available to farmers who have a bio-gas plant built by the Gobar Gas and Agricultural Equipment Development Company).

UMN will train staff and construction workers in the Gobar Gas Company in the construction, use, and maintenance of bio-gas plants. Staff will also be given training in other areas of importance to the Company, such as in management and in sales techniques.

UMN will carry out a systematic follow-up program of all gas plants built by the Company, to ensure their continual usage and to provide a maintenance service to farmers.

## 2. Research and Development

This part of the project will be the responsibility of the Development and Consulting Services of the United Mission to Nepal, based in Butwal. The objectives of this phase of the project are multiple:

- the improvement of bio-gas production efficiency. There is little data available, anywhere, on gas production from actual field gas plants. Detailed study of the factors involved in producing gas should ensure more efficient use of bio-gas plants.
- making plants cheaper to build. The manufacture of steel gas drums, and their transportation, is the biggest cost factor for a gas plant. Different designs and materials for gas plants will be tested, including the "Chinese design" and the use of ferrocement and plastics.
- making of bio-gas plants that will work in colder areas, at higher altitudes. The production of bio-gas is affected by temperature, so means of heating and/or insulating the bio-gas plant will be designed and tested, such as the use of solar heaters.

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- making plants more reliable and easy to maintain. This will involve making improvements to many individual components of the gas plant, especially the burners and lamps.
- finding commercial uses for bio-gas. Large scale individual and community plants could be used to provide fuel for water pumps and small-scale cottage industries, such as making cheese. These ideas will be investigated for their feasibility and tested where appropriate.

3. Manufacturing Facilities for Bio-Gas Components

The Butwal Engineering Works (Pvt.) Ltd. (BEW) is a totally owned subsidiary of the Butwal Technical Institute, which was set up as a UMN project, but is due to be handed over to HMG/Nepal, as soon as negotiations are completed. BEW at present manufactures some of the components of bio-gas plants, but other components must be purchased outside Nepal, and are of low quality.

This part of the project will have the objectives of improving the quality of components presently made in BEW by obtaining new equipment (for example: metal surface treating equipment); and manufacturing more bio-gas plant components in Nepal. To ensure better quality and availability of supply, efforts will be made to obtain further equipment, such as a small foundry, for BEW.

4. Training and Extension Work

This part of the project is designed to expand the dissemination of information about the benefits of bio-gas plants to the farmers of Nepal. Bio-gas plants can provide an effluent, which is a good manure, as well as a clean, efficient gas for fuel. Extension workers from HMG's extension agencies, and also from the Gobar Gas Company, will be trained in the subject of bio-gas. They will then be able to:

- (a) teach farmers how to use their gas plants most efficiently,
- (b) teach women how to use the gas, and
- (c) teach farmers the best way of using the plant effluent as manure on their fields.

UMN, in cooperation with other groups, such as the HMG/N Department of Agriculture, will continue to disseminate information on bio-gas, through radio, magazines, pamphlets and newspapers.

5. Community Plants

The most effective way of making the benefits of bio-gas available to poorer farmers, who may only have one cow or a few pigs, is for many of them to cooperate together to contribute their dung to a community plant. The farmers then share the benefit of the slurry, on their fields, and the gas, either for cooking, or for driving a pump for irrigation, or for running a small cottage industry. However, there are many problems in this idea, particularly that of getting communities of Nepali farmers to work together.

Therefore this part of the project is designed to:

- study the possible problems facing the introduction of community plants, particularly the sociological problems, within communities of Nepali farmers;
- identify communities of farmers who are willing to work together on such a project;
- build at least one community bio-gas plant, as a pilot project, for further detailed sociological study; and
- extend the lessons learned to other possible community bio-gas plants, which could form part of larger integrated rural development projects.

UMN intends to work very closely with the Agricultural Development Bank and with local Small Farmer Development Groups, in this part of the project.

6. Sociological Studies

In addition to sociological studies on community bio-gas plants, the sociological effects of individual bio-gas plants will also be studied. UMN will look at the impact of bio-gas on socio-economic and cultural patterns of living in Nepal.

D. End-of-Project Evaluation Benchmarks

At the end of the three year project period:

The Gobar Gas and Rural Equipment Development Company should be in a strong financial position and have well-trained construction, sales and managerial Nepali staff. The Company should have built at least 1,700 more gas plants in Nepal, and have branch offices, sub-branch

offices or depots in most districts of Nepal, including the Far West Region and hilly regions.

As a result of the research program, there should be designs of gas plants available, for the Gobar Gas Company and other agencies, that satisfy the following conditions:

- (a) efficient in production of gas,
- (b) economically attractive,
- (c) suitable for cooler regions,
- (d) reliable and easy to maintain.

There should be equipment available to run irrigation pumps and small cottage industries from bio-gas. Nepali researchers should have been trained to do bio-gas research, and they will be able to join the Gobar Gas Company to continue this work at the end of the project period.

Butwal Engineering Works, as well as other Nepali workshops, should be able to produce most bio-gas plant components in Nepal.

At least 90 extension workers, from government and other agencies, should have been trained in bio-gas.

There should be a more detailed understanding of the problems of community bio-gas plants and some guidelines to the solutions. At least one community bio-gas plant should have been built.

UMN and HMG/Nepal should have a better understanding of the socio-economic effects of bio-gas in Nepal.

E. Reporting

1. Fiscal and Accounting Reports: UMN shall submit to A.I.D. the reports in prescribed forms for each calendar quarter and annually, as specified in Paragraph 11 of the attached Standard Provisions (Attachment B).
2. Program Performance Reports: UMN shall submit to A.I.D. a program performance report (or technical report) in narrative detail for each calendar quarter and annually. This report shall include (a) a brief discussion of progress against established program objectives for each program, activity or function involved, significant program developments, projected accomplishments for

the coming quarter (or year in the case of annual report), audit findings, and any other pertinent information, problems, delays, etc. and (b) tabular information on total accrued expenditures against total obligations by project input (cost element).

3. Final Reports: UMN shall submit to A.I.D. a final program performance report or technical report as well as a final financial status report not later than 90 days after completion of the grant project.
4. Evaluation Reports: UMN will undertake jointly with HMG/N and A.I.D. an interim evaluation of the project at the end of approximately 18 months and a final evaluation close to the end of the Grant period. Five copies of the evaluation reports will be for the use of A.I.D.

F. Financial Plan

A detailed financial plan is attached as Attachment C. The A.I.D. contribution indicated therein is for budgeting purposes, but, since A.I.D.'s funds are being provided incrementally, the total amount is subject to the availability of funds to a A.I.D. and the agreement of A.I.D. and UMN to proceed with A.I.D.'s support to the project at the time of subsequent increments.

G. Non-Objection by the HMG/Nepal

UMN hereby certifies that it has made the responsible offices of HMG/Nepal fully aware of the pertinent and significant elements of the Bio-Gas Research, Development and Construction project which this Grant is supporting and that it has received assurances that HMG/Nepal has no objection to UMN receiving this Grant for this purpose.

H. Title to Property

All property purchased with funds provided by this Grant shall be titled in the name of the UMN or one of its subsidiary organizations for the duration of the Project period. Title to the property after the end of the project period shall be agreed upon by UMN, A.I.D. and HMG/Nepal, taking into account all applicable laws and regulations of HMG/Nepal.

I. Further Details of the Program Description

This program description is based upon the project proposal titled "BIO-GAS RESEARCH, DEVELOPMENT AND CONSTRUCTION" received under cover of letter from Mr. Carl J. Johansson dated July 31, 1979. Greater details of the project can be found in that document. The UMN may not

vary the program from this Program Description, and is not expected to vary from its own proposal, without the prior written agreement of A.I.D.

J. Overhead

The Grant funds provided herein will be used to provide support only for the direct costs of the Project and will not be used to pay overhead or indirect costs of UMN or any of its subordinate organizations.

STANDARD PROVISIONS  
FOR  
NON-U.S. GRANTEES

1. 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 (Contracts with Commercial Organizations) of the Federal Procurement Regulations (41 CFR 1-15.2) in effect on the date of this Grant. Payment of allowable costs shall be in accordance with the payment provision of this Grant.

2. ALLOWABLE COSTS AND PAYMENT (EDUCATIONAL INSTITUTIONS) - Deleted (inapplicable)

3. 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 (a) until the expiration of three years from the date of termination of the program and (b) 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.

4. REFUNDS

(a) 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, the Grantee shall refund to AID an amount equivalent to the amount of interest accrued.

(b) 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 or termination of the Grant shall be refunded to AID.

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

5. EQUAL OPPORTUNITY IN EMPLOYMENT

(This provision is applicable to all grantees and subgrantees who either perform work in the United States or who recruit personnel in the United States to do work abroad.)

(a) With regard to the employment of persons in the U.S. under this Grant, the Grantee agrees to take all reasonable steps to ensure equality of opportunity in its employment practices without regard to race, 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, 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 22 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 Act of 1964."

(b) In addition, the grantee agrees to take all reasonable steps to ensure equality of opportunity in its employment practices without regard to sex, religion, age and handicap, in accordance with P.L. 92-261, P.L. 93-259, P.L. 93-112 and P.L. 93-508, when work funded by A.I.D. under this grant is performed in either the U.S. or overseas no person shall, on the grounds of sex, religion, age or handicap, be excluded from participation, be denied benefits, or be subjected to discrimination.

6. NEGOTIATED OVERHEAD RATES - PREDETERMINED - Deleted (inapplicable)

7. NEGOTIATED OVERHEAD RATES - OTHER THAN EDUCATIONAL INSTITUTIONS - Deleted (inapplicable)

8. NEGOTIATED OVERHEAD RATES - EDUCATIONAL INSTITUTIONS - Deleted (inapplicable)

9. LIMITATION OF FUNDS

(This provision is applicable to all incrementally or partially funded grants; it becomes inapplicable when the grant is fully funded.)

(a) It is estimated that the cost to the Government for the performance of this Grant will not exceed the estimated cost set forth in Attachment 1 (hereinafter referred to as "the Schedule") to this Grant, and the Grantee agrees to perform the work specified in the Schedule and all obligations under this Grant within such estimated cost.

(b) The amount presently available for payment and obligated under the Grant, the items covered thereby, and the period of performance which it

is estimated the obligated amount will cover, are specified in the Schedule. It is contemplated that from time-to-time additional funds will be obligated under this Grant up to the full estimated cost set forth in the Schedule. The Grantee agrees to perform or have performed work on this Grant up to the point at which the total amount paid and payable by the Government pursuant to the terms of this Grant approximates but does not exceed the total amount actually obligated under the Grant.

(c) If at any time the Grantee has reason to believe that the costs which it expects to incur in the performance of this Grant in the next succeeding 30 days, when added to all costs previously incurred, will exceed 75 percent of the total amount then obligated under the Grant, the Grantee shall notify the Grant Officer in writing to that effect. The notice shall state the estimated amount of additional funds required to continue performance for the period set forth in the Schedule. Thirty days prior to the end of the period specified in the Schedule, the Grantee will advise the Grant Officer in writing as to the estimated amount of additional funds, if any, that will be required for the timely performance of the work under the Grant or for such further period as may be specified in the Schedule or otherwise agreed to by the parties. If, after such notification, additional funds are not obligated by the end of the period set forth in the Schedule or an agreed date substituted therefor, the Grant Officer will, upon written request by the Grantee, terminate this Grant pursuant to the "Termination" provision of this Grant on such date. If the Grantee, in the exercise of its reasonable judgment, estimates that the funds available will allow it to continue to discharge its obligations hereunder for a period extending beyond such date, it shall specify the later date in its request and the Grant Officer, in his discretion, may terminate this Grant on that later date.

(d) Except as required by other provisions of this Grant specifically citing and stated to be an exception from this provision, the Government shall not be obligated to reimburse the Grantee for costs incurred in excess of the total amount obligated under the Grant, and the Grantee shall not be obligated to continue performance under the Grant (including actions under the "Termination" provision) or otherwise to incur costs in excess of the amount obligated under the Grant, unless and until the Grant Officer has notified the Grantee in writing that such obligated amount has been increased and has specified in such notice an increased amount constituting the total amount then obligated under the Grant. To the extent the amount obligated exceeds the estimated cost set forth in the Schedule, such estimated cost shall be correspondingly increased. No notice, communication or representation in any other form or from any person other than the Grant Officer shall affect the amount obligated under this Grant. In the absence of the specified notice, the Government shall not be obligated to reimburse the Grantee for any costs in excess of the total amount then obligated under the Grant,

whether those excess costs were incurred during the course of the Grant or as a result of termination. When and to the extent that the amount obligated under the Grant has been increased, any costs incurred by the Grantee in excess of the amount previously obligated shall be allowable to the same extent as if such costs had been incurred after such increase in the amount obligated; unless the Grant Officer issues a termination or other notice and directs that the increase is solely for the purpose of covering termination or other specified expenses.

(e) Nothing in this provision shall affect the right of the Government to terminate this Grant. In the event this Grant is terminated, the Government and the Grantee shall negotiate an equitable distribution of all property produced or purchased under the Grant based upon the share of cost incurred by each.

10. PAYMENT - FEDERAL RESERVE LETTER OF CREDIT (FRIC) ADVANCE - Deleted (inapplicable)

11. PAYMENT -- PERIODIC ADVANCE

(This provision is applicable when any one of the following conditions is met: (1) the sum of all the advances under the Grantee's contracts and grants with AID does not exceed \$120,000 per annum; or (2) the sum of all such advances to the Grantee exceeds \$120,000 per annum, but there is not a continuing relationship with the Grantee of at least one year; or (3) the Grantee's commercial bank does not have ready access to a U.S. Federal Reserve Bank.)

a. Each quarter after the initial cash advance, the Grantee shall submit to the AID Controller voucher form SF 1034 (original) and SF 1034-A (three copies); i.e., "Public Voucher for Purchases and Services Other Than Personal."

b. Each voucher shall be identified by the appropriate grant number and shall be accompanied by an original and three copies of a report in the following format:

FEDERAL CASH ADVANCE STATUS REPORT  
(Report Control No. W-245)

A. Period covered by this report: Period covered by the next report:  
FROM (month, day, year) \_\_\_\_\_ FROM (month, day, year) \_\_\_\_\_  
TO ( " " " ) \_\_\_\_\_ TO ( " " " ) \_\_\_\_\_

B. Cash Advance Use and Needs

1. Cash advance on hand at the beginning of this reporting period .....\$ \_\_\_\_\_
2. U.S. Treasury check advance(s) received during this reporting period .....\$ \_\_\_\_\_
3. Interest earned on cash advance during this reporting period .....\$ \_\_\_\_\_
4. GROSS cash advance available during this reporting period (Lines 1, 2, & 3) .....\$ \_\_\_\_\_
5. LESS, interest remitted to AID during this reporting period .....\$ \_\_\_\_\_
6. NET cash advance available during this reporting period (Line 4 minus Line 5).....\$ \_\_\_\_\_
7. Total disbursements during this reporting period, including subadvances, see footnote 1) .....\$ \_\_\_\_\_
8. Amount of cash advances available at the end of this reporting period (Line 6 minus Line 7) .....\$ \_\_\_\_\_
9. Projected disbursements, including subadvances, for the next reporting period (see footnote 2) .....\$ \_\_\_\_\_
10. Additional cash advance requested for the next reporting period (Line 9 minus Line 8)...\$ \_\_\_\_\_
11. Total interest earned on cash advance from the start of the Grant to the end of this reporting period, but not remitted to AID,...\$ \_\_\_\_\_
12. Total cash advances to subgrantees, if any, as of the end of this reporting period .....\$ \_\_\_\_\_

FOOTNOTES:

1. The Grantee shall submit a cumulative detailed report of disbursement by BUDGET line item quarterly; the monthly cash advance status report does not require a detailed report of disbursements.
2. The Grantee shall attach to this summary a detailed projection, by BUDGET line item, of its anticipated needs for the next reporting period.

C. Certification

The undersigned hereby certifies: (1) that the report in para. B. 9 above represents the best estimates of funds needed for the disbursements to be incurred over the period described, (2) that appropriate refund or credit to the Grant will be made in the event of disallowance in accordance with the terms of the Grant, (3) that appropriate refund or credit to the Grant will be made in the event funds are not expended, and that any interest accrued on the funds made available therein will be refunded to AID.

BY \_\_\_\_\_

DATE \_\_\_\_\_ TITLE \_\_\_\_\_

c. AID funds shall not be commingled with other Grantee owned or controlled funds. The Grantee shall deposit all AID cash advances in a separate bank account and shall make all disbursements for goods and services from this account.

12. PAYMENT - REIMBURSEMENT - Deleted (inapplicable)

13. TRAVEL AND TRANSPORTATION

(This provision is applicable when domestic or international air travel or shipments costs are reimbursable under the Grant.)

(a) The Grant Officer hereby approves international travel hereunder provided that the Grantee shall obtain written concurrence from the cognizant Project Officer 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 Officer at least 30 days in advance of any travel to be undertaken outside the United States. After concurrence is received the Grantee shall provide the cognizant 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.

(b) 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.

(c) All international air travel and all international air shipments 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 and other documents retained as part of his Grant records to support his claim for reimbursement and for post audit:

(1) Where the traveler, while enroute, has to wait 6 hours or more to transfer to a U.S. flag air carrier to proceed to the intended destination, or

(2) Where a flight by a U.S. flag air carrier is interrupted by a stop anticipated to be 6 hours or more for refueling, reloading, repairs, etc. and no other flight by a U.S. flag air carrier is available during the 6 hour period, or

(3) Where by itself or in combination with other U.S. flag air carriers (if U.S. flag air carriers are "unavailable") it takes 12 hours or longer from the original airport to the destination airport to accomplish the Grantee's program than would service by a non-U.S. flag air carrier or carriers, or

(4) When the elapsed traveltime on a scheduled flight from origin to destination airports by non-U.S. flag air carrier(s) is 3 hours or less, and services by U.S. flag air carrier(s) would involve twice such traveltime.

NOTE: Where U.S. Government funds are used to reimburse Grantee's use of other than U.S. flag air carriers for international transportation, the Grantee will include a certification on vouchers involving such transportation which is essentially as follows:

**CERTIFICATION OF UNAVAILABILITY OF U.S. FLAG AIR CARRIERS**

I hereby certify that the transportation service for personnel (and their personal effects) or property by U.S. flag air carrier was unavailable for the following reason(s): (State appropriate reason(s) as set forth above; see 41 CFR 1-1.323-3 for further guidance).

(d) Travel allowances shall be reimbursed in accordance with the Federal Travel Regulations (FTR); however, if the Grantee's domestic and international travel allowance policies and procedures have been reviewed and approved by AID or another Federal department or agency pursuant to the applicable Federal cost principles, the Grantee may use its travel allowance system in lieu of the FTRs after it has furnished the Grant Officer with a copy of such approval.

**14. OCEAN SHIPMENT OF GOODS**

(This provision is applicable when ocean shipment costs are reimbursable under the Grant.)

(a) 50% of all international ocean shipment made by the Grantee, to be financed hereunder, shall be made on U.S. flag vessels. Where U.S. flag vessels are not available, or their use would result in a significant delay, the Grantee may request a release from this requirement from the Transportation Support Division, Office of Commodity Management, AID, Washington, D.C. 20523, giving the basis for the request.

(b) When the AID Transportation Support Division makes and issues a determination to the Grantee that U.S. flag vessels are not available, the ocean shipment costs on foreign flag vessels, as named in the determination, will be eligible for reimbursement under the Grant. In all instances Grantee vouchers submitted for reimbursement under the Grant which include ocean shipment costs will include a certification essentially as follows: "I hereby certify that a copy of each ocean bill of lading concerned has been submitted to the Maritime Administration, Cargo Preference Control Center, Commerce Building, Washington, D.C. 20235, and that such bill(s) of lading state all of the carrier's charges including the basis for calculation such as weight or cubic measurement, and indicate the applicable A.I.D. Grant Number."

(c) Shipments by voluntary non-profit relief agencies (i.e., FVO's) shall be governed by paragraphs (a) and (b) above and by AID Regulation 2, "Overseas Shipments of Supplies by Voluntary Non-Profit Relief Agencies" (22 CFR 202).

15. PROCUREMENT OF GOODS AND SERVICES UNDER \$250,000

(This provision is applicable when the total procurement element (i.e., the sum of all purchase orders and contracts for goods and services) of this Grant does not exceed \$250,000.)

(a) Ineligible Goods and Services

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

- (1) military equipment,
- (2) surveillance equipment,
- (3) commodities and services for support of police or other law enforcement activities,
- (4) abortion equipment and services,
- (5) luxury goods and gambling equipment, or
- (6) weather modification equipment.

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

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

(b) Restricted Goods

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

- (1) agricultural commodities,
- (2) motor vehicles,
- (3) pharmaceuticals,
- (4) pesticides,
- (5) plasticizers,
- (6) used equipment, or
- (7) U.S. Government-owned excess property.

(For a detailed discussion of the subject, see AID Handbook 1, Supplement B, Chapter 4C.)

If AID 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 purpose, the Grantee agrees to refund to AID the entire amount of the purchase.

(c) Geographic Source and Order of Preference

Except as may be specifically approved or directed in advance by the Grant Officer under paragraph 15(b) above, all other goods (i.e., 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., AID Geographic Code 935) in accordance with the following order of preference:

- (1) the United States (AID Geographic Code 000),
- (2) "Selected Free World" countries (AID Geographic Code 941),
- (3) the cooperating country,
- (4) "Special Free World" countries (AID Geographic Code 935).

(d) Application of Order of Preference

When the Grantee procures goods and services from other than U.S. sources, under the order of preference in 15(c) 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:

- (1) the procurement was of an emergency nature, which would not allow for the delay attendant to soliciting U.S. sources,
- (2) the price differential for procurement from U.S. sources exceeded by 50% or more the delivered price from the non-U.S. source,
- (3) impelling local political considerations precluded consideration of U.S. sources,
- (4) the goods or services were not available from U.S. sources, or
- (5) 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.

(e) The Grantee's Procurement System

- (1) 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 1U.3. of Chapter 1, AID Handbook 13.
- (2) If the Grantee's procurement policies and procedures have been reviewed against the procurement requirements of paragraph 1U.3. and have been approved by AID 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 AID Handbook 13, Chapter 1, paragraph 1U.3.

(f) Small Business

To permit AID, 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, AID, Washington, D.C. 20523 at least 45 days prior (except where a shorter time is requested of, and granted by the Small Business Office) to placing any order or contract in excess of \$25,000:

- (1) Brief general description and quantity of goods or services;
- (2) Closing date for receiving quotations, proposals, or bids; and
- (3) Address where invitations or specifications can be obtained.

(g) 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 AID Regulation 8,

"Suppliers of Commodities and Commodity-Related Services Ineligible for AID 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. AID will provide the Grantee with this list.

16. PROCUREMENT OF GOODS AND SERVICES OVER \$250,000 - Deleted (inapplicable)
17. GOVERNMENT FURNISHED EXCESS PERSONAL PROPERTY - Deleted (inapplicable)
18. TITLE TO AND USE OF PROPERTY (GRANTEE TITLE)  
(This provision is applicable when the Government vests title in the Grantee only.)

Title to all property financed under this Grant shall vest in the Grantee, subject to the following conditions:

(a) The Grantee shall not charge for any depreciation, amortization, or use of any property, title to which remains in the Grantee under this provision under this Grant or any other U.S. Government grant, subgrant, contract or subcontract.

(b) The Grantee agrees to use and maintain the property for the purpose of the Grant in accordance with the requirements of paragraph IT of Chapter 1, Handbook 13.

(c) With respect to nonexpendable property having an acquisition cost of \$1,000 or more, title to which vests in the Grantee, the Grantee agrees:

(1) To report such items to the Grant Officer from time to time as they are acquired and to maintain a control system which will permit their ready identification and location.

(2) To transfer title to any such items to be Government in accordance with any written request therefor issued by the Grant Officer at any time prior to final payment under this Grant.

19. TITLE TO AND CARE OF PROPERTY (U.S. GOVERNMENT TITLE) - Deleted (inapplicable)
20. TITLE TO AND CARE OF PROPERTY (COOPERATING COUNTRY TITLE) - Deleted (inapplicable)
21. CONVERSION OF UNITED STATES DOLLARS TO LOCAL CURRENCY

Upon arrival in the Cooperating Country, and from time to time as appropriate, the Grantee's Chief of Party shall consult with the Mission Director who shall provide, in writing, the procedure the Grantee and its employees shall follow in the conversion of United States dollars to

local currency. This may include, but is not limited to, the conversion of said currency through the cognizant United States Disbursing Officer or Mission Controller, as appropriate.

22. TERMINATION

(a) For Cause. This Grant may be terminated for cause at any time, in whole or in part, by the Grant Officer upon written notice to the Grantee, whenever for any reason he/she shall determine that such termination is in the best interest of the Government.

(b) For Convenience. This Grant may be terminated for convenience at any time by either party, in whole or in part, if both parties agree that the continuation of the Grant would not produce beneficial results commensurate with the further expenditure of funds. Both parties shall agree upon termination conditions, including the effective date and, in the case of partial terminations, the portion to be terminated. The agreement to terminate shall be set forth in a letter from the Grant Officer to the Grantee.

(c) Termination Procedures. Upon receipt of and in accordance with a termination notice as specified in either paragraph (a) or (b) above, the Grantee shall forthwith take immediate action to minimize all expenditures and obligations financed by this Grant, and shall cancel such unliquidated obligations whenever possible. Except as provided below, no further reimbursement shall be made after the effective date of termination, and the Grantee shall within 30 calendar days after the effective date of such termination repay to the Government all unexpended portions of funds theretofore paid by the Government to the Grantee which are not otherwise obligated by a legally binding transaction applicable to this Grant. Should the funds paid by the Government to the Grantee prior to effective date of the 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 Government within 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 Government to the Grantee under such claim in accordance with the applicable Federal cost principles.

23. VOLUNTARY PARTICIPATION

(This provision is applicable to all grants involving any aspect of family or population assistance activities, and all Title X grants in particular.)

(a) The Grantee agrees to take any steps necessary to ensure that funds made available under this grant will not be used to coerce any individual to practice methods of family planning inconsistent with such individuals' moral, philosophical, or religious beliefs. Further, the Grantee agrees to conduct its activities in a manner which safeguards the rights, health and welfare of all individuals who take part in the program.

(b) The Grantee shall insert paragraphs (a) and (b) of this provision in all subgrants, subcontracts, purchase orders, and any other subordinate agreements hereunder.

24. PROHIBITION ON ABORTION-RELATED ACTIVITIES

(This provision is applicable to all grants involving any aspect of family or population assistance activities, and all Title X grants in particular.)

(a) No funds made available under this Grant will be used to finance, support, or be attributed to the following activities: (1) procurement of distribution of equipment intended to be used for the purpose of inducing abortions as a method of family planning; (2) special fees or incentives to women to coerce or motivate them to have abortions; (3) payments to persons to perform abortions or to solicit persons to undergo abortions; (4) information, education, training, or communication programs that seek to promote abortion as a method of family planning.

(b) The Grantee shall insert paragraphs (a) and (b) of this provision in all subgrants, subcontracts, purchase orders, and any other subordinate agreements hereunder.

25. VOLUNTARY PARTICIPATION REQUIREMENTS FOR STERILIZATION PROGRAMS

(This provision is applicable when any surgical sterilization will be supported in whole or in part from funds under this Grant.)

(a) None of the funds made available under this grant shall be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to practice sterilization.

(b) The Grantee shall insure that any surgical sterilization procedures supported in whole or in part by funds from this grant are performed only after the individual has voluntarily presented himself or herself at the treatment facility and has given his or her informed consent to the sterilization procedure. Informed consent means the voluntary, knowing assent from the individual after he or she has been advised of the surgical procedures to be followed, the attendant discomforts and risks, the benefits to be expected, the availability of alternative methods of family planning, the purpose of the operation and its irreversibility, and his or her option to withdraw consent anytime prior to the operation. An individual's consent is considered voluntary if it is based upon the exercise of free choice and is not obtained by any special inducement or any element of force, fraud, deceit, duress or other forms of coercion or misrepresentation.

(c) Further, the Grantee shall document the patient's informed consent by (1) a written consent document in a language the patient understands and speaks, which explains the basic elements of informed consent, as set out above, and which is signed by the individual and by the attending

physician or by the authorized assistant of the attending physician; or (2) when a patient is unable to read adequately a written certification by the attending physician or by the authorized assistant of the attending physician that the basic elements of informed consent above were orally presented to the patient, and that the patient thereafter consented to the performance of the operation. The receipt of the oral explanation shall be acknowledged by the patient's mark on the certification and by the signature or mark of a witness who shall be of the same sex and speak the same language as the patient.

(d) Copies of informed consent forms and certification documents for each voluntary sterilization (VS) procedure must be retained by the Grantee for a period of three years after performance of the sterilization procedure.

(e) The Grantee shall insert paragraphs (a), (b), (c), (d) and (e) of this provision in all subgrants, subcontracts, purchase orders, and any other subordinate agreements hereunder involving the performance of any sterilization which will be supported in whole or in part from funds under this Grant.

26. PUBLICATIONS

(This provision is applicable to any grant which produces any book, publication, or other copyrightable materials.)

(a) If it is the Grantee's intention to identify AID's contribution to any publication resulting from this Grant, the Grantee shall consult with AID on the nature of the acknowledgement prior to publication.

(b) The Grantee shall provide the Project Manager with one copy of all published works developed under the Grant. The Grantee shall provide the Project Manager with lists of other written work produced under the Grant.

(c) In the event Grant funds are used to underwrite the cost of publishing, in lieu of the publisher assuming this cost as is the normal practice, any profits or royalties up to the amount of such cost shall be credited to the Grant.

(d) The Grantee is permitted to secure copyright to any publication produced or composed under the Grant in accordance with paragraph IT8.b. of Chapter 1, Handbook 13. Provided, the Grantee agrees to and does hereby grant to the Government a royalty-free, non-exclusive and irrevocable license throughout the world to use, duplicate, disclose, or dispose of such publications in any manner and for any purpose and to permit others to do so.

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27. PATENTS

(This provision is applicable to any Grant which produces patentable items, patent rights, processes, or inventions.)

(a) Grantee agrees to notify the Grant Officer, in writing, of any invention or discovery conceived or first actually reduced to practice in the course of or under this Grant. The Grant Officer will determine the patent rights to be afforded the Grantee in accordance with the Presidential Memorandum and Statement of Government Patent Policy (36 FR 16889) and paragraph 1T8.a. of Chapter 1, Handbook 13.

(b) Nothing contained in this provision shall imply a license to the Government under any patent or be construed as affecting the scope of any license or other right otherwise granted to the Government under any patent.

28. REGULATIONS GOVERNING EMPLOYEES OUTSIDE THE UNITED STATES

(This provision is applicable only to the Grantee's U.S. and third-country national employees; it is not applicable to the Grantee's cooperating country national employees.)

(a) 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.

(b) 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.

(c) 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.

(d) 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.

(e) In the event the conduct of any Grantee employee is not in accordance with the preceding paragraphs, the Grantee's chief of party shall consult with the Mission Director and the employee involved and shall recommend to the Grantee a course of action with regard to such employee.

(f) The parties recognize the right of the U.S. Ambassador to direct the removal from a country of any U.S. citizen or the discharge from this Grant of any third country national when, in the discretion of the Ambassador, the interests of the United States so require.

(g) If it is determined, under either (e) or (f) above, that the services of such employee shall be terminated, the Grantee shall use its best efforts to cause the return of such employee to the United States, or point of origin, as appropriate.

#### 29. SUBORDINATE AGREEMENTS

The placement of subordinate agreements (e.g., leases, options, etc.), grants, or contracts with other organizations, firms or institutions and the provisions of such subordinate agreements are subject to prior written consent of the Grant Officer if they will be funded hereunder, unless the Grantee's procurement system has been reviewed and approved pursuant to the appropriate section(s) of paragraph 1U, Chapter 1 of AID Handbook 13. In no event shall any such subordinate agreement, grant, or contract be on a cost-plus-a-percentage-of-cost basis. Subordinate contractors (including suppliers) shall be selected on a competitive basis to the maximum practicable extent consistent with the obligations and requirements of this Grant.

#### 30. U.S. 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 to 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.

#### 31. COVENANT AGAINST CONTINGENT FEES

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 bonafide employees or bonafide 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.

#### 32. NONLIABILITY

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

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33. AMENDMENT

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

34. THE GRANT

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 Grant.

35. 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 AID Grant Officer at the address specified in the Grant

To Grantee - At Grantee's address shown in the Grant,

or to such other address as either of such parties shall designate by notice given as herein required. Notices hereunder shall be effective when delivered in accordance with this provision, or on the effective date of the notice, whichever is later.

FINANCIAL PLAN

This is an estimate of the budget required for the project over 3 years, starting September 1979. The costs are broken down by categories, by year and by source of funding. An analysis of the costs, as broken down by project is also given.

Funding Sources:

AID OPG: \$150,000

UMN Contribution: \$225,000

This consists of equivalent salaries for UMN personnel working on the project.

HMG Contribution: \$92,610

This consists of the ADB subsidy of interest for loan to farmers buying bio-gas plants from the Gobar Gas Company.

Total Funding for Project: \$467,610

Funding Breakdown by Categories

The funding breakdown is by categories: Personnel, Commodities, Training Costs and Other Costs.

Personnel Costs

	Details in \$ 000s per year											
	Year 1			Year 2			Year 3			Totals		
	AID	UMN	HMG	AID	UMN	HMG	AID	UMN	HMG	AID	UMN	HMG
US pers	-	5.0	-	-	5.0	-	-	5.0	-	-	15.0	-
3rd cont.	-	70.0	-	-	70.0	-	-	70.0	-	-	210.0	-
Local	8.0	-	-	8.0	-	-	8.0	-	-	24.0	-	-
Total	8.0	75.0	-	8.0	75.0	-	8.0	75.0	-	24.0	225.0	-

Foreign personnel are accounted at \$25,000 per person per year (according to USAID rates), but are paid from UMN funds.

Local personnel are accounted at \$1,000 per person per year (according to local rates), and are charged to USAID funds.

The above nationality patterns for foreign workers may change as the project progresses, but reflects the present situation (i.e. one worker from USA giving 1/5th time to this project):

The foreign posts considered are:

Bio-Gas Consultants (2) at 19.2 man months per year  
 Technical Assistants (1) at 4.8 " " " "  
 Sociologists (2) at 12.0 " " " "

The total contribution by UMN personnel is assessed at 36 man-months per year.

The local posts considered are: (Local means Nepali)

Research Assistants (2) full-time  
 Technical Assistants (2) full-time  
 Construction Workers (3) full-time  
 Social Study Assistants (1) full-time

and their total construction is assessed at 96 man-months per year.

Commodity Costs

	Details in \$ 000s per year											
	Year 1			Year 2			Year 3			Totals		
	AID	UMN	HMG	AID	UMN	HMG	AID	UMN	HMG	AID	UMN	HMG
US Procur	28.0	-	-	10.0	-	-	-	-	-	38.0	-	-
Local	6.0	-	-	19.6	-	-	9.1	-	-	35.3	-	-
Total	34.6	-	-	29.6	-	-	9.1	-	-	73.3	-	-

List of Commodities by Category

	Details in \$ per year			
	Year 1	Year 2	Year 3	Totals
1. Steel Supply for Gobar Gas Co.	23,000	-	-	23,000
2. Foundry & other Equip. - HEW	3,500	20,000	-	23,500
3. Research Equip. (Field, Lab)	3,500	2,000	2,000	7,500
4. Building Materials	2,800	5,800	5,300	13,900
5. Manufacturing Materials	1,000	1,000	1,000	3,000
6. Gas-use equip. for tests	800	800	800	2,400
Total	34,600	29,600	9,100	73,300

'Building Materials' includes: Bricks, Cement, Gas pipe etc.

'Manufacturing Materials' includes: steel stock, nuts and bolts, standard components etc.

'Gas-use Equipment' includes: lamps, burners, pumps etc. for testing.

Training Costs

	Details in \$ 000s									Totals		
	Year 1			Year 2			Year 3					
	AID	UMN	HMG	AID	UMN	HMG	AID	UMN	HMG	AID	UMN	HMG
In USA )	11.0	-	-	5.0	-	-	-	-	-	16.0	-	-
In other)												
Local	2.5	-	-	1.5	-	-	2.5	-	-	6.5	-	-
Total	13.5	-	-	6.5	-	-	2.5	-	-	22.5	-	-

Training Costs by Categories

	Details in \$ per year			
	Year 1	Year 2	Year 3	Totals
1. Management Training for Gas Co.	10,000	-	-	10,000
2. Training for Foundry Work (BEW)	-	5,000	-	5,000
3. Train BEW workers in new equip.	1,000	-	1,000	2,000
4. Visit by Overseas Consultant	1,000	-	-	1,000
5. Train Gas Co. workers - new design	1,000	1,000	1,000	3,000
6. Extension - train outsiders	500	500	500	1,500
Total	13,500	6,500	2,500	22,500

Other Costs

	Details in \$ 000s per year									Totals		
	Year 1			Year 2			Year 3					
	AID	UMN	HMG	AID	UMN	HMG	AID	UMN	HMG	AID	UMN	HMG
Transport	10.5	-	-	6.5	-	-	0.5	-	-	17.5	-	-
Office	0.5	-	-	0.5	-	-	0.5	-	-	1.5	-	-
Travel For.	2.5	-	-	2.0	-	-	0.5	-	-	5.0	-	-
Travel Loc.	2.1	-	-	2.1	-	-	2.0	-	-	6.2	-	-
Subsidy	-	-	7.9	-	-	26.9	-	-	57.8	-	-	92.6
Total	15.6	-	7.9	11.1	-	26.9	3.5	-	57.8	30.2	-	92.6

'Transport' covers costs of transport of materials from overseas, as well as within Nepal.

'Office' covers costs of office rental, stationary costs and miscellaneous costs.

'Travel' covers 'For' foreign travel, to courses overseas, seminars and study trips; and 'Local' travel within Nepal.

The subsidy covers HMG's contribution to the project in the form of a subsidy on the interest paid on loans to farmers buying bio-gas plants the Gobar Gas

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Company. The Agricultural Development Bank gives these loans at 6% interest, a saving of 9% on the commercial interest rates (15%).

The value of the subsidy on the 1,700 bio-gas plants that the Gobar Gas Company plans to build in the three years of the project is calculated as follows:

Year 1 :	300 plants	@ \$ 588	@ 9 %	over $\frac{1}{2}$ year	\$ 7,938
Year 2 :	300 plants	@ \$ 504	@ 9 %	over 1 year	\$13,608
	500 plants	@ \$ 588	@ 9 %	over $\frac{1}{2}$ year	\$13,230
Year 3 :	300 plants	@ \$ 420	@ 9 %	over 1 year	\$11,340
	500 plants	@ \$ 504	@ 9 %	over 1 year	\$22,680
	900 plants	@ \$ 588	@ 9 %	over $\frac{1}{2}$ year	\$23,814
					<u>\$92,610</u>

Since the loan is repaid back over 7 years, the principle will reduce by 1/7 each year.

Cost Breakdown by Project Component

Project

1. Construction Program

Item	Details \$ per year			Totals
	Year 1	Year 2	Year 3	
Personnel	-	-	-	-
Commodities	23,000	-	-	23,000
Training	11,000	1,000	1,000	13,000
Other	11,000	-	-	11,000
ADB Subsidy	7,900	26,900	57,800	92,600
<b>Totals</b>	<b>52,900</b>	<b>27,900</b>	<b>58,800</b>	<b>139,600</b>

2. Research and Development

2.1 <u>Gas Production</u>	UMN Pers.	15,000	15,000	15,000	45,000
	Local Pers.	2,000	2,000	2,000	6,000
	Commodities	3,500	2,000	2,000	7,500
	Training	1,000	-	-	1,000
	Others	1,500	400	500	2,400
	<b>Totals</b>	<b>23,000</b>	<b>19,400</b>	<b>19,500</b>	<b>61,900</b>

2.2 Better Designs

	UMN Pers.	15,000	15,000	15,000	45,000
	Local Pers.	2,000	2,000	2,000	6,000
	Commodities	2,000	2,000	1,500	5,500
	Training	-	-	-	-
	Others	500	400	500	1,400
	<b>Totals</b>	<b>19,500</b>	<b>19,400</b>	<b>19,000</b>	<b>57,900</b>

2.3 Product Development

	UMN Pers.	10,000	10,000	10,000	30,000
	Local Pers.	1,000	1,000	1,000	3,000
	Commodities	800	800	800	2,400
	Training	-	-	-	-
	Others	300	200	500	1,000
	<b>Totals</b>	<b>12,100</b>	<b>12,000</b>	<b>12,300</b>	<b>36,400</b>

2.4 New Bio-Gas Uses

	UMN Pers.	10,000	10,000	10,000	30,000
	Local Pers.	1,000	1,000	1,000	3,000
	Commodities	1,800	1,800	1,800	5,400
	Training	-	-	-	-
	Others	300	200	500	1,000
	<b>Totals</b>	<b>13,100</b>	<b>13,000</b>	<b>13,300</b>	<b>39,400</b>

		Details \$ per year			
	Item	Year 1	Year 2	Year 3	Totals
3.	<u>Manufacturing Facilities</u>				
	Pers.	-	-	-	-
	Commodities	3,500	20,000	-	23,500
	Training	1,000	5,000	1,000	7,000
	Others	500	9,000	200	9,700
	Totals	5,000	34,000	1,200	40,200
4.	<u>Extension</u>				
	Local Pers.	500	500	500	1,500
	Commodities	-	-	-	-
	Training	500	500	500	1,500
	Others	500	500	300	1,300
	Totals	1,500	1,500	1,300	4,300
5.	<u>Community Plants</u>				
	UMN Pers.	20,000	20,000	20,000	60,000
	Local Pers.	1,000	1,000	1,000	3,000
	Commodities	-	3,000	3,000	6,000
	Training	-	-	-	-
	Others	500	300	500	1,300
	Totals	21,500	24,300	24,500	70,300
6.	<u>Sociological Surveys</u>				
	UMN Pers.	5,000	5,000	5,000	15,000
	Local Pers.	500	500	500	1,500
	Commodities	-	-	-	-
	Training	-	-	-	-
	Others	500	300	500	1,300
	Totals	6,000	5,800	6,000	17,800

The Grantee may not exceed the total amount of the Grant provided by A.I.D. and should be aware that A.I.D.'s contribution is incrementally provided so that only a portion of the budgeted A.I.D. contributions may be provided so that the Grantee will have to prolate the Grant amount among the budgeted items until and unless subsequent increments of funding are provided. Adjustments among line items within project components may be made without restriction. Adjustments between project components may be made without A.I.D. approval up to 15% of the budgeted amount.

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

The UNITED MISSION TO NEPAL (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.

United Mission To Nepal  
(Grantee)

BY (Signature) Carl J. Johansson

TITLE EXECUTIVE DIRECTOR

TYPED NAME CARL J. JOHANSSON

DATE September 25, 1979

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