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ORIGINAL 61860

Wm - M McNamee  
Reg - J Trout  
Afr DE/EPD

DEPARTMENT OF STATE  
AGENCY FOR INTERNATIONAL DEVELOPMENT  
WASHINGTON, D.C. 20521

28 SEP 1978

American ORT Federation  
817 Broadway  
New York, New York 10003

Attention: Mr. Paul Bernick

Subject: Grant AID/afr-G-1478

Dear Mr. Bernick:

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 American ORT Federation (Hereinafter referred to as "ORT" or "Grantee") the sum of \$724,800 in partial support of a project for improvement of living conditions and productivity of the Rural Population of Begemdir-Simen Province in Northwest Ethiopia, as more fully described in Attachment 1 to this Grant Agreement 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 first period of the two year Grant as shown in the budget.

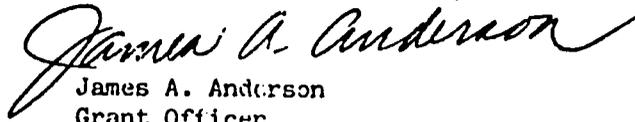
The Grant is made to ORT, on condition that the funds will be administered in accordance with the terms and conditions set forth in Attachment 1 entitled "PROGRAM DESCRIPTION," and Attachment 2 entitled "STANDARD PROVISIONS" which have been agreed to by your organization.

The total estimated cost of this Grant is \$1,782,000. Subject to the availability of funds and AID programming decisions, AID may provide additional funds to fully fund it. However, the amount presently obligated is \$724,800 and AID shall not be obliged to reimburse the Grantee for any costs in excess of the obligated amount.

Please sign the Statement of Assurance of Compliance, enclosed herein, and seven (7) copies of this letter to acknowledge your acceptance of the con-

ditions under which these funds have been granted. Please return the Statement of Assurance of Compliance and six (6) copies of this Grant to the Office of Contract Management.

Sincerely yours,



James A. Anderson  
Grant Officer  
Regional Operations Division, Africa  
Office of Contract Management

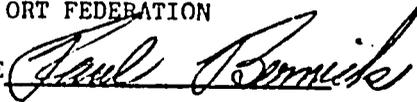
ATTACHMENT:

1. PROGRAM DESCRIPTION
2. STANDARD PROVISIONS
3. STATEMENT OF ASSURANCE OF COMPLIANCE

ACCEPTED:

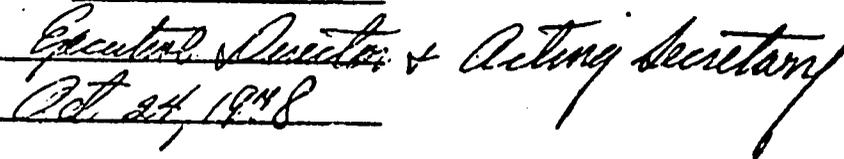
AMERICAN ORT FEDERATION

SIGNATURE

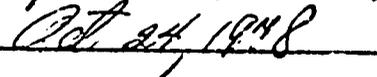


TYPED NAME

TITLE



DATE



ACCOUNTING AND APPROPRIATION DATA

Appropriation No. 72-1181021.3  
Allotment No. 843-50-663-00-69-81  
PIO/T No. 663-78-3-30005  
Project No. 663-0214



PROGRAM DESCRIPTIONARTICLE I - PROGRAM DESCRIPTIONA. PURPOSE OF GRANT

The overall purpose of this project is to improve the living conditions and productivity of the rural population of Begemdir-Simen Province and its periphery. Its primary beneficiaries will be 6000 subsistence farmers and their families, a total of approximately 28,000 people, who live in 14 target village areas. As development activity in these areas takes effect, the benefits of the project will be systematically carried outward to reach other inhabitants of the province, who are now outside the radius of Government development programs.

B. GENERAL PROJECT OBJECTIVES

This project should generate tangible economic effects more rapidly than most. The advance groundwork done by the Project Director designate in gaining village support and starting sub-project should bring concrete results within the first year.

By the end of the project, the following benefits can be expected to accrue to the target population:

1. A \$365,000 revolving credit fund will have enabled farmers to purchase improved seeds, fertilizer, plows, draft oxen, and livestock, and therefore to increase the quantity and quality of the crop and meat production to the point of achieving marketable surplus. This fund will function at an interest rate of  $\frac{1}{4}$  percent per month. No other source exists for production input loans. Village artisans and builders will draw start-up capital from this and a demonstration grant fund for such enterprises as mudblock manufacturing, weaving, metalworking, and ceramics.
2. Marketing advice and assistance in negotiation with buyers will be provided by sector supervisors in agriculture and village industries. This should provide a breakthrough in opening markets for village artisans, especially women, and in allowing the farmers to sell their surplus crops at the best obtainable prices.
3. The training workshops will give basic training and skill upgrading to adult artisans and teach fundamental skills to young people providing both groups with an increase in earning potential.
4. Working time lost due to water borne illnesses among livestock and the general population will be reduced by the construction of a minimum of 100 seepage wells in the target area. Given the prevalence of debilitating diseases caused by polluted water, these wells will bring about an estimated 15 percent increase in available working days per capita and sharply cut the loss of oxen.

5. Stepped-up health delivery services will bring nutrition, education, MCH care, school feeding, immunization, and sanitation to the target areas, enhancing the physical well-being of the population and laying a base for long-term economic productivity. Sixteen dispensaries will carry out these services.
6. Forty-five kilometers of rough trails between villages will be built. This will increase the possibilities of inter-village commerce for men and women alike.

C. SPECIFIC OBJECTIVES

First 12 months of the project. Establish project office in Addis Ababa and operational center in Gondar. Project Director and Assistant Director will locate in Addis Ababa for dealings with GOF ministries and USAID office, although Director will spend half of his time in Gondar. Executive Officer and sector supervisors will work out of Gondar office. First field priority will be collection of pre-project baseline for all sectors - average productivity per hectare, seed and fertilizer usage, animal inventories, disease incidence, water sources, access to existing dispensaries, diet patterns, literacy and numeracy figures, achievement levels of children attending school, craft output, number of non-agricultural artisans listed by trade, etc.

Agriculture: establish revolving credit fund (RCF) with limit of \$90,000, enabling farmers to purchase oxen, seed, fertilizer, plows, and harrows on basis of publicly drawn lots. Link this with the field counterpart training of first 24 local agricultural trainers, concentrating on basic grain cultivation techniques. Do intensive field work with farmers who have taken RCF loans. Begin demonstration introduction period for raising of chickens and improved sheep breeds. Construct 20 seepage wells for clean water in village areas. Train one person per area as sanitarian responsible for water stagnation problem well construction and maintenance, and latrine sanitation.

Health: organize, equip, and staff a mobile team which will operate in three village areas, concentrating on MCH, immunization, health education, and school feeding. The team will use a 12 seat Landrover. Repair two existing dispensaries, and start construction of four new ones. Assign dispensaries, and start construction as mobile team (see above). Begin training of local dresser aides for each dispensary.

Education: commence training of 85 elementary-school teacher candidate. Rebuild and equip 20 existing grade 1-2 schools in target area as necessary, supplying blackboards, desks, writing material, and other essentials. Expand 6 grade school. Construct five new two-room school and three vocational workshops. Equip and staff these. Construct seven and eighth grade junior high school with vocational education facilities.

Village industries/handicrafts: concentrate on demonstration and motivation. Providing milling equipment for start-up of flour-mill demonstration project. Establish demonstration weaving project. Open RCF to \$31,000 limits for milling and weaving operations. In each, train the most capable participant as trainers. Explore market possibilities.

Roads: survey prospective courses between villages. Build first five km of improved trail.

D. REPORTS

Copies of all evaluations, both internal and external (at the end of six months and at the end of year one) will be submitted to the USAID Mission in Ethiopia within one month from date of evaluation. At the end of year one, the grantee will submit to AID/W five copies of their evaluation report which will be used as a basis for requesting second year funding and also as a tool to be used in any modification of the project.

ARTICLE II - BUDGET

AID financing of the project is expected to be \$1,782,000 for the two year period of the Grant. The funds provided herein shall be used to finance the items set forth below:

BUDGET  
9/29/78 - 9/28/79

1. Agriculture Sector

a. Personnel Costs	\$ 53,800	
b. Commodity Costs	60,000	
c. Other Direct Costs	128,000	
	SUBTOTAL	<u>\$241,800</u>

2. Education Sector

a. Personnel Costs	\$ 81,200	
b. Training Costs	11,500	
c. Commodity Costs	68,000	
d. Other Direct Costs	30,500	
	Subtotal	<u>\$191,200</u>

3. Health Sector

a. Personnel Costs	29,000	
b. Training Costs	5,300	
c. Commodity Costs	48,000	
d. Other Direct Costs	11,500	
	SUBTOTAL	<u>\$ 93,800</u>

4. Cottage Industry

a. Personnel Costs	3,800	
b. Other Direct Costs	30,000	
c. Road Construction	3,100	

d. Commodity Costs		1,500	
	SUBTOTAL		<u>\$ 38,400</u>
5. <u>Project Field Office Gondar</u>			
a. Personnel Costs		46,500	
b. Other Direct Costs		12,400	
	SUBTOTAL		<u>\$ 58,900</u>
6. <u>Project Office Addis Ababa</u>			
a. Personnel Costs		61,500	
b. Commodity Costs		8,000	
c. Other Direct Costs		10,200	
	SUBTOTAL		<u>\$ 79,700</u>
7. <u>ORT - Geneva Backstopping Services</u>			
a. Personnel Costs		17,000	
b. Other Direct Costs		4,000	
	SUBTOTAL		<u>\$ 21,000</u>
	TOTAL ESTIMATED COST		<u>\$724,800</u>

The Grantee may not exceed the total amount of funds obligated in the Grant. The Grantee may adjust budget line item amounts as reasonably necessary to accomplish the project.

ARTICLE III - LOGISTIC SUPPORT

Logistic support will not be provided to the Grantee.

ARTICLE IV - RELATIONSHIP OF CONTRACTOR TO COOPERATING COUNTRY AND TO AID

- A. Relationships and Responsibilities: The Grantee (ORT) will be responsible to the Mission Director, or his representative, while in Ethiopia.
- B. Cooperating Country Liaison Official: Ethiopian Ministry of Health and Ministry of Education officials in Gondor Province
- C. AID LIAISON OFFICIALS: Project Officer in USAID E: Kenneth Sherper  
AID/W - AFR/DR/EAP, Morris M. McDaniel

ARTICLE V - COMMODITY PROCUREMENT

1. A waiver for procurement of four (4) project land rover 4-wheel drive type vehicles at an estimated cost of \$60,000, which have as their source and origin countries included in A.I.D. Geographic Code 935, has been approved by the AID Assistant Administration for Africa.
2. ORT shall have the responsibility for obtaining duty free entry permission from the Government of Ethiopia for any equipment and/or supplies that are required to be imported under the terms of this Grant.

12

ARTICLE VI - PAYMENT

The Grantee shall receive payment under this Grant in accordance with Clause 7A of the Standard Provisions of the Grant, dated September 1977, as modified by Clause 28 entitled "Alterations in Standard Provision" dated August 1978.

ARTICLE VII - SPECIAL PROVISIONS

1. In Attachment 2, delete in their entirety Standard Provisions 7B and 7C and 12A and 12B as not applicable to this Grant.
2. During the period of the Grant Agreement, the Grantee shall be responsible for operation of the Revolving Credit Fund (RCF) authorized herein. At the conclusion of this agreement the Grantee shall account to AID for the operation of the RCF and shall dispose of the remaining balance and assets of the RCF as AID shall direct.