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UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT
OFFICE OF THE AID REPRESENTATIVE

15.36

American Embassy
Islamabad, Pakistan

September 30, 1986

Mr. Henry Norman
Executive Director
Volunteers In Technical Assistance
1815 North Lynn Sty, Suite 200
Arlington, VA 22209



Subject: Grant No. 306-0201-G-00-0015-00

Dear Mr. Norman:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the United States of America, acting through the Agency for International Development (hereinafter referred to as "A.I.D." or "Grantor") hereby grants to Volunteers In Technical Assistance (hereinafter referred to as "Grantee" or "VITA") the sum of five hundred seventy-three thousand nine hundred dollars (\$573,900) to provide support for a food production program, as more fully described in Attachment 1, of this grant entitled "Schedule".

The Grant is envisioned to be a three year program designed to be carried out in two phases; the first phase being 6 months and will consist of an analysis and redesign of earlier proposed work. Funding by A.I.D. of Phase II will be conditional, based on the successful implementation of Phase I, and subject to the availability of funds.

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 Phase I program objectives during the period beginning on the effective date of this grant and ending September 30, 1987.

This Grant is made to VITA on condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachment 1, entitled "Schedule"; Attachment 2, entitled "Program Description"; and Attachment 3, "Standard Provisions", which have been agreed to by your organization.

If you are in agreement with this grant, please sign the original and seven (7) copies of this letter to acknowledge your agreement and return the original and six (6) copies to the AID Office of Regional Legal Advisor, Contracts & Commodities, USAID, P.O. Box 1028, Eighteen Sixth Avenue, Ramna-5, Islamabad, Pakistan.

Sincerely,

Jerry Crandall
Jerry Crandall
Grant Officer

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Attachments:

1. Schedule
2. Program Description
3. Standard Provisions

ACKNOWLEDGED:

VOLUNTEERS IN TECHNICAL ASSISTANCE (VITA)

BY:

A.S. Williams

TITLE:

Deputy Director

DATE:

Oct. 8, 1986

Fiscal Data

Appropriation:

72-1161037

Budget Plan Code:

QESA-86-27306-KG-13

PIO/T No:

306-0201-3-60044

Amount Obligated by this document:

\$573,900

SCHEDULE

I. Purpose of Grant:

The purpose of this grant is to enable VITA to assess the possibilities for assisting the Alliance of Afghan resistance parties to engage in agricultural development activities inside Afghanistan, to re-design an earlier proposal for agricultural development in Afghanistan, and to initiate work on alliance agricultural project.

Initiation on the actual implementation of the project (Phase II) will be subject to AID agreement.

II. Period of Grant:

The Grant is effective as of the date of the Cover Letter and shall expire on September 30, 1987.

If A.I.D. agrees to provide assistance by funding Phase II of Grantee's program, the grant will be extended by modification through September 30, 1989.

III. Amount of Grant and Payment:

1. A.I.D. hereby obligates the amount of \$573,900 for the purpose of this Grant.

2. Payment shall be made to the Grantee in accordance with procedures set forth in the Standard Provision of Attachment 3 to this Grant entitled "Payment - Letter of Credit", (November, 1985).

3. Notwithstanding the effective date of this grant, eligible expenses incurred by the Grantee during the period June 1, 1986 until the effective date of this grant will be allowable grant expenses to the same extent that such expenses would have been allowable had they been incurred after the effective date of the Grant.

IV. Financial Plan

The following is the Financial Plan for this Grant. Revisions to this plan shall be made in accordance with Standard Provision No. 4, entitled "Revision of Grant Budget". Without the prior written approval of the USAID/Pakistan Grant Officer, Grantee reimbursements may not exceed the Grant Total established below. Within line item sub-totals for the Paragraphs shown below, the Grantee is authorized, with the prior consent of the AID Representative Office, to redistribute costs among such line items in an amount not to exceed 20% of the original sub-total amount.

Financial Plan

Phase I

<u>Personnel</u>	\$ 49,722
Staff expatriate, Home Office Support, Local Direct Hire	
<u>Fringe Benefits</u>	\$ 13,200
<u>Travel & Transportation</u>	\$ 19,750
International and Local	
<u>Per Diem</u>	\$ 13,320
<u>Other Direct Costs</u>	\$ 33,639
Vehicle Rented, Telephone, Telex, DBA, Insurance, Office Supplies, Miscellaneous	
Sub-Total:	\$129,631
Overhead (34.15%)	<u>\$ 44,269</u>
Total:	<u>\$173,900</u>

Phase II

\$400,000

Total Phase I and II: \$573,900

V. Reporting and Evaluation

1. Financial Reporting

Financial reporting requirements shall be in accordance with the Optional Standard Provision entitled "Payment - Letter of Credit".

Two copies of the final report and all financial reports shall be submitted to the Controller, USAID/Pakistan, P.O. Box 1028, Eighteen Sixth Avenue, Ramna-5, Islamabad, Pakistan.

2. Program Performance Reporting

The grantee shall provide the AID Representative for Afghan Affairs, State Department - Islamabad, Washington, D.C. 20520 (U.S. Mail), or American Embassy, Ramna 4, Islamabad, Pakistan quarterly written reports. The reports shall discuss all aspects of this activity including the achievement of goals and objectives, and problems faced by the Grantee and a financial report. The Grantee is required to submit a final report outlining conclusions/recommendations of the project and accounting for funds in sufficient details to liquidate the grant.

VI. Overhead

Pursuant to the Standard Provision of this Grant entitled "Negotiated Indirect Cost Rates - Provisional", a rate or rates shall be established for each of the grantee's accounting periods during the term of the Grant. The Provisional rate for the initial period shall be as set forth below:

<u>Rate</u>	<u>Base</u>	<u>Period</u>
34.15%	Total Direct Costs	From 09/30/86 To: Until amended

VII. Title to Property

Property purchased under this Grant shall be titled to the Grantee. See the Optional Standard Provision entitled "Title to and Use of Property (Grantee Title)".

VIII. Authorized Geographic Code

Authorized source/origin for materials and supplies funded by this Grant shall be countries included in AID Geographic Code 935 and Afghanistan, as well as the U.S.

IX. Additional Special Provisions

A. The Grantee agrees that for the period of this Grant no U.S. Nationals or holders of U.S. issued travel documents, shall be sent inside Afghanistan either under this Grant or under any other programs or projects of the Grantee.

D. No grant funds shall be used for teaching of religious studies.

X. Standard Provisions

1. The Standard Provisions of this Grant shall be the attached provisions (Attachment 3) entitled, "Mandatory Standard Provisions for U.S., Nongovernmental Grantees" and "Optional Standard Provisions for U.S., Nongovernmental Grantees", which are incorporated into this Agreement.

2. Amended Audit Provisions

The provisions of this Grant with respect to accounting, records and audit as specified in Standard Provisions No. 2 shall not apply to operational costs incurred by the Grantee within Afghanistan and end-use checks of commodities and equipment located within Afghanistan. However, the Grantee agrees to the maximum reasonable extent to exercise prudent oversight of such operational costs and commodities. Further, the Grantee agrees to report in detail on such costs and commodities as part of the grant reporting requirements specified in Paragraph V of the Grant Schedule.

XI. Order of Precedence

The order of precedence under this grant shall be, 1) the Schedule; 2) the Standard Provisions and; 3) the Grantee's proposal.

_____ End of Grant Schedule _____

PROGRAM DESCRIPTION

VITA will design and prepare to implement agricultural development program in two phases in selected areas of southern Afghanistan. The primary purposes of the program are:

- to increase agricultural productivity in selected areas of Afghanistan, and
- to support the creation of an institutional structure, through which the various Afghan political parties and other organizations may cooperate for the most effective use of the resources the program will make available.

The initial phase of this activity will be to assess the potential for an agricultural intervention in Afghanistan and to design an activity to support that intervention.

The first phase of program implementation, expected run for about 6 months, will largely consist of institution building - assessing the needs of Afghan farmers, setting up the structure through which those needs can be met and beginning to extend technical assistance. Phase I will also involve the planning for Phase II.

During this phase, mixed teams of agricultural extension agents and engineers in individual valleys and impact areas will be responsible for working through traditional organizations to increase agricultural production. These teams would undertake the following kinds of activities:

- supply of improved seeds and fertilizers;
- supply of necessary herbicides and insecticides;
- supply of appropriate animal breeding stock;
- supply of appropriate small-scale agricultural equipment and machinery, including small harvesters and hand-operated threshers;
- supply of water pumps, generators, and other equipment to support agricultural production;
- orientation of farmers in the use of the above; and
- improvements of water carrying structures - aqueducts, karezes, intake structures, and canals - using engineering skills and locally available resources.

Later, phases will build on the experience gained, extending assistance to more focal areas and further strengthening the APPO to provide a sustained technical assistance capability. Phase II will likely encompass such areas as the introduction of simple equipment to dig or rehabilitate karezes and canals, the establishment of the jirga-sponsored revolving loan funds, introduction of new crops and improved systems for plant protection, introduction of animal breeding stock, and treatment of crop blights and other diseases. Training activities that might be introduced include the use and service of equipment and the fabrication of new tools.

It is not possible at the present to give a detailed design for activities that would be undertaken by the project. Accordingly, the project will be reviewed frequently and adapted to changing needs and conditions. Broad parameters will be spelled out in this proposal, but a firm program can only be determined by actual experience in the field. VITA will work in agriculture in several impact areas, and gradually move to institutionalize this work by helping to strengthen the capability of the Afghan Food Production Organization.

The situation inside Afghanistan is fluid, and changes from day to day. Accordingly, during the early months the program would go through a normal mobilization and orientation process, to determine what is truly feasible and appropriate. After this orientation period, the program would prepare the following plans:

- a general work plan for each year's activities;
- a specific work plan for six months' activities; and
- a detailed work plan for each quarter.

Each set of plans would be presented to USAID for discussion, review, and approval. The plans would also be discussed with concerned political parties, independent groups, and appropriate representatives of The Unity in Peshawar and Quetta.