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USAID/Pakistan
Agreement No. 204-77-2
Program Approval Date: 1/31/77

Appropriation No. 72-12x4336

Allotment Symbol: 782-04-099-00-33-71

LOCAL CURRENCY PROJECT AGREEMENT
BETWEEN
UNITED STATES OF AMERICA
AND
CATHOLIC RELIEF SERVICES U. S. C. C. (CRS)

THIS AGREEMENT is between the Government of the United States of America, Department of State; Agency for International Development (hereinafter called USAID) and Catholic Relief Service (CRS a voluntary non-profit agency in Pakistan).

WHEREAS, Section 204 of Public Law 480, as amended authorizes the use of Title II P. L. 480 funds to purchase foreign currencies accruing under Title I of P. L. 480 in order to meet costs designed to assure that commodities made available under Title II of P. L. 480 are used to carry out more effectively the purpose for which such commodities are made available or to promote community and other self-help activities designed to alleviate the causes of the need for such assistance; and

WHEREAS, it has been determined that such assistance should be made available to the Grantee in order to meet the costs of an agreed activity as explained in attachment 'A' of this Agreement.

WHEREAS, it has further been determined that the assistance herein made available will supplement but not substitute for, funds normally available for such purposes from other non U.S. Government sources.

NOW, THEREFORE, the parties hereto mutually agree as follows:

SECTION I -- RESPONSIBILITIES

A. USAID will:

Grant to the Grantee, pursuant to the conditions outlined herein up to the rupee equivalent of \$71,445 to assist said Grantee to meet the costs of Grantee's project "Chak 424 Link Road and Survey of Impact on Village Life and Rural Development" (hereinafter called agreed activity) which is attached hereto (Attachment "A") and is made and considered a part of this Agreement. These funds may be utilized during the period beginning on the effective date of this agreement and ending 36 months from said effective date and shall be limited to expenditures in the categories detailed in the budget included as item 7 of the agreed activity.

All references to dollars in this Agreement are U.S. dollar equivalent of local currency units, calculated at Rs. 9.90=\$1.00 U.S.

B. The Grantee will:

Carry out the agreed activity in accordance with and subject to the conditions of this agreement.

SECTION II -- GENERAL PROVISIONS

A. The "General Provisions" attached to this Agreement (attachment "B") are incorporated by reference as a part of this Agreement.

B. The terms listed below, as used in the General Provisions, shall for the purpose of this Agreement, mean as follows:

"Cooperating sponser" shall mean Catholic Relief Services (CRS)

"Pakistan"; Director, A. I. D. Mission "shall mean the " Director, USAID Mission to Pakistan, c/o American Embassy, Islamabad.

" The effective date of this Grant" shall mean the date of signing of this Agreement.

C. Exceptions to General Provisions:

The following sections of the General Provisions do not apply to this grant:

Section 1(a), 2(b)

SIGNED AT ISLAMABAD ON January 31, 1977

BY Joseph C. Wheeler
Joseph C. Wheeler
Director, U. S. Agency for
International Development

BY Kieran Smith
Kieran Smith
Program Director
CRS Pakistan

SECTION 204

CHAK 424 LINK ROAD AND SURVEY OF IMPACT
ON VILLAGE LIFE & RURAL DEVELOPMENT

1. COOPERATING SPONSOR

Catholic Relief Services - U. S. C. C. (CRS)

2. TITLE AND PURPOSE

The title of this project is Chak 424 Link Road and Survey of Impact on Village Life and Rural Development. The proposed survey project is designed to determine the impact on traditional Pakistan village life and the changes in rural village development patterns resulting from easy access to a main road by introduction of a link road to the village area. The central hypotheses for this study are (a) that lack of good rural roads in Pakistan is a major constraint to development of the rural areas and (b) that easy access to main arteries will help motivate people to remain in producing agricultural rural areas rather than migrate to cities in search of a presumed or real higher standard of living. It is also assumed that such access to main arteries is essential if farm families are to significantly increase both food and cottage industries production, achieve higher household incomes and raise their nutritional, general health and educational standards.

The study will also provide basic data at the village level for national road building projects presently envisaged by the Government.

3. PROJECT LOCATION

The project site was selected on the basis of agricultural potential, size of population (6,000 - 7,000), proximity to major commercial centers and artisan skills level, within the village. The village selected in Chak 424, a village 40 miles south-west of Lyallpur on the border of Jhang and Lyallpur districts. An added advantage of selecting Chak 424 is that it is one of a cluster of 8 villages. The village itself is approximately 2 miles off the main Jhang/Gojra road and the 7 villages surrounding Chak 424 will be ideal to use as comparisons for villages that do not have access to the main road.

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4. PROJECT OBJECTIVES

"The primary objective of this project will be to measure the short-term effect of introduction of an improved link road on the economic and social development of the village receiving the road. Changes in some or all of the following variables will be described and analyzed:

1. Use of modern agricultural inputs
 - a. Fertilizer
 - b. Improved varieties of seed
 - c. Farm machinery and improved implements
2. Quantity of production marketed outside the village
 - a. Crops
 - b. Cottage industry products
3. Utilization of public and private social services
 - a. Preventive medical services
 - b. Mother-child care programs
 - c. Responsible parenthood (family planning) services
 - d. Technical education programs (e. g. sewing instruction)
 - e. Agricultural extension services
4. In and out migration, including employment of villagers in "off farm" work.
5. Knowledge of the world beyond the village. Data will also be collected on changes in attitudes toward factors closely associated with modernization, such as female education and family size. More economic and social variables for investigation may be identified before the project begins.

A second objective will be to supply basic information of use to planners contemplating road building projects in other areas. This information will be collected by means of the benchmark surveys described under the "Project Activities" section of this Agreement".

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