PD-ABB-981

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AID 1330-1 (6-64)

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PROJECT AGREEMENT

BETWEEN THE DEPARTMENT OF STATE, AGENCY FOR INTERNATIONAL DEVELOPMENT (AID), AN AGENCY OF THE GOVERNMENT OF THE UNITED STATES OF AMERICA, AND

SECRETARIAT OF STATE FOR FOREIGN AFFAIRS

AN AGENCY OF THE GOVERNMENT OF TUNISIA

The above-named parties hereby mutually agree to carry out a project in accordance with the terms set forth herein and the terms set forth in any annexes attached hereto, as checked below:

[X] PROJECT DESCRIPTION ANNEX A

[ ] FOREIGN CURRENCY STANDARD PROVISIONS ANNEX

[X] STANDARD PROVISIONS ANNEX

[ ] SPECIAL LOAN PROVISIONS ANNEX

This Project Agreement is further subject to the terms of the following agreement between the two governments, as modified and supplemented:

	DATE
[ ] GENERAL AGREEMENT FOR TECHNICAL COOPERATION	
[X] ECONOMIC COOPERATION AGREEMENT	3 26-57
[ ] (other)	

1. PROJECT/ACTIVITY NO. 664-11-~~130~~-710-205

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2. AGREEMENT NO.

3. [X] ORIGINAL OR REVISION NO.

4. PROJECT/ACTIVITY TITLE

Agricultural Production and Research

5. PROJECT DESCRIPTION AND EXPLANATION

(See Annex A attached)

6. AID APPROPRIATION SYMBOL: 72-11 01004

7. AID ALLOTMENT SYMBOL: 054-50-664-00-69-01

8. AID FINANCING [X] DOLLARS [ ] LOCAL CURRENCY	PREVIOUS TOTAL (A)	INCREASE (B)	DECREASE (C)	TOTAL TO DATE (D)
(a) Total		14,500		14,500
(b) Contract Services				
(c) Commodities		8,500		8,500
(d) Other Costs (Participant Extension)		6,000		6,000
9. COOPERATING AGENCY FINANCING - DOLLAR EQUIVALENT $1.00= 0.525 D				
(a) Total		3,000D ($5,714)		3,000D* ($5,714)
(b) Technical and other Services		3,000D ($5,714)		3,000D ($5,714)
(c) Commodities				
(d) Other Costs				

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10. SPECIAL PROVISIONS (Use Additional Continuation Sheets, If Necessary)

*Trust Fund dispenses GOT-provided dinars. GOT contribution during CY 1969 consists of 16,643 dinars provided under the CY 1969 Trust Fund Budget and an additional 3,000 dinars for the requirements of this ProAg bringing the total Trust Fund Budget contribution to 19,643 dinars. A CY 1970 Trust Fund Budget will be negotiated at the end of CY 1969 for this activity.

11. DATE OF ORIGINAL AGREEMENT: August 26, 1969

12. DATE OF THIS REVISION: -

13. ESTIMATED FINAL CONTRIBUTION DATE: June 30, 1970

14. FOR THE COOPERATING GOVERNMENT OR AGENCY

SIGNATURE: Bechir Ennaji DATE:

TITLE: Director, Int'l Cooperation

15. FOR THE AGENCY FOR INTERNATIONAL DEVELOPMENT

Stuart T. Baron

SIGNATURE: Stuart T. Baron DATE:

TITLE: Director, USAID/Tunis

The purpose of the Project Agreement is to provide additional funding for the on-going activities of the Agricultural Production and Research Project, 664-11-130-205, which has the following objectives:

A. To assist the Government of Tunisia (GOT) with the design and implementation of a national coordinated wheat production program which will enable Tunisia to economically increase its present wheat production by 60 - 70 per cent within the next five years and provide a basis for continued annual progress in subsequent years in line with needs and production potential.

B. To increase poultry production in Tunisia by expanding the experimental and production facilities at Sidi Thabet to house an additional 12,500 breeders and cockerels with a production target of 2,000,000 day-old chicks.

C. To assist the GOT in increasing production and quality of other cereal (corn, sorghum, etc.) and forage crops and rangelands necessary for the development of a comprehensive and well-balanced agricultural sector.

I. PROJECT DESCRIPTION

A. The goal of the wheat sub-activity as stated above is to increase wheat production by 60 - 70 per cent within five years. The proposed program would not only make Tunisia self sufficient in wheat within this period, but in addition would establish the basis for continuing substantial productivity increases in subsequent years. This is a realistic goal which can be accomplished by an intensive and sustained production program which will include the following basic elements:

1) Introduction and/or development of existing high-yielding, disease-resistant Mexican short-stemmed wheat varieties.

2) Intensive research and the multiplication of superior varieties of cereal crops.

3) Application of recommended quantities of nitrogenous and phosphatic fertilizers.

4) Employment of improved production management practices, including appropriate methods of seedbed preparation, weed control and planting techniques.

5) Utilization of chemicals to control rodents, birds, diseases and insects.

6) Utilization of existing water resources for irrigation purposes when feasible to increase the yield/hectare of cereals grown in rotation with other crops.

7) Educating and training wheat specialist and technical assistants utilizing U.S. Universities, third country training facilities, and on-the-job experiences.

The project acreage to be planted each year and the anticipated yields are set forth in the table below:

Year	Hectares	Estimated Total Prod. (MT)
1968-69	12,000	24,000
1969-70	140,000	252,000
1970-71	275,000	440,000
1971-72	350,000	630,000
1972-73	425,000	765,000

B. The poultry phase of this project agreement provides for technical consultation and financial assistance commencing in FY 1970 for the purposes of program planning; organization of a servicing staff within the Ministry of Agriculture; advising and assisting in the production of improved poultry stock and the subsequent distribution to farmers; and presenting demonstrations of technical poultry husbandry.

To assure the continuation and development of a strong poultry subsector during and after the life of this project a special emphasis will be placed on academic and technical training in the special fields of disease control, breeding, nutrition, and governmental demonstration and extension activities. This will be accomplished by participant training in the United States and by on-the job training at the Sidi Thabet experimental station.

USAID will provide the services of a Poultry Advisor to work side-by-side with Tunisian counterparts during the life of the poultry phase of this project.

C. Extensive crop varietal, production management and fertilizer trials have been and are continuing to be undertaken on a number of cereal and forage crops. One hundred varieties of corn, twenty varieties of sorghum and sudan grass, twenty-two varieties of alfalfa, four varieties of soybeans, six varieties of disease-resistant tomatoes, four varieties of disease-resistant cantaloups, one variety of berseem clover and four varieties of sula were introduced and have been under continuous testing. The corn, sorghum and sudangrass varieties have been included in a fertilizer trial which compared 18 combinations of NPK fertilizer. These trials and hybrid seed production of the Kansas 1859 Double Cross Corn Hybrid during 1967, 1968 and 1969 represent virtually the only such work done on corn in Tunisia, and, together with fertilizer trials conducted by the FAO and INRAT comprise almost all of the variety and fertilizer testing on forage crops in Tunisia. This work is of vital importance in helping the GOT increase forage and grain production to meet the needs of a rapidy expanding livestock sector. It is expected that activities under this sub-project will be expanded in the future to meet the growing need for cereal and forage crops.

II. FINANCIAL PLAN

A. U.S. Contributions - Under this project, the U.S. will provide, subject to the availability of funds, dollar financing for the following:

1) Personnel

(a) Direct Hire

(1) Agronomy Advisor (Regional Supervisor-Jendouba), 10 man months	20,000
(2) Agricultural Research Advisor (ACFP Co-Director) 10 man months	20,000
(3) Poultry Advisor, 10 man months	20,000
Sub total	60,000

(b) PASA

(1) Agronomy Advisor (ACPP) 12 man months (Included in previous ProAg dated 11 July 1969, 664-11-110-205-1, PIO/T 664-205-2-00002) 25,000

(2) Farm Irrigation Advisor (Extension) 6 man months beginning 1-1-70 10,000

(3) Agronomy Advisor (Forage and Range-lands) 6 man months beginning 1 1-70 10,000

Sub-total 45,000

(c) Contract

(1) Chicken Sexer, 6 man months 15,000

Sub-total 15,000

GRAND TOTAL PERSONNEL 120,000

2) Commodities - The following items (as per attached PIO/C) will be procured in support of project activities:

a)	Chemical Fertilizers	500
b)	Weedicides	1,400
c)	Soil Augers	500
d)	Macaroni dryer	4,200
e)	Subscription to periodicals, purchase of scientific books and training materials	800
f)	Miscellaneous commodities	1,100
	GRAND TOTAL COMMODITIES	8,500

3) Participants

One-year extension for a plant breeding participant presently studying at North Dakota State University (USA) 6,000

6,000

GRAND TOTAL U.S. DOLLAR CONTRIBUTION 134,500 *)

*) New dollar funds obligated under this ProAg in the amount of $14,500 will provide essential commodities and one participant extension.

B. GOT Contribution (Trust Fund)

The GOT contribution during CY 1969 consists of 16,643 dinars provided under the existing CY 1969 Trust Fund Budget and an additional 3,000 dinars to be obligated by this ProAg, bringing the total Trust Fund Budget contribution to 19,643 dinars, detailed as follows:

a) Technicians		Total	11,420
1. Housing	6,730		
2. International travel	1,400		
3. Travel within Tunisia	3,090		
4. Household Effects	200		
b) Local Hire Employees		Total	4,520
1. Salaries	4,020		
2. Travel within Tunisia	500		
c) Participants (Travel)		Total	1,600
d) Other costs		Total	2,103
GRAND TOTAL GOT DINAR CONTRIBUTION			19,643