

PD-ABF-141
80500

**AGENCY FOR INTERNATIONAL DEVELOPMENT
USAID/Panama**

Apartado 6959, Panamá, Panamá
Telephone: 63-6011
Fax: 64-0104

September 11, 1991

Inter-American Center for Tax Administrators
Apartado 2129
Attention: Mr. Edison Gnazzo, Executive Secretary
Panamá 9A, Panamá

Subject: Grant No. 525-0314-G-00-1345-00

Dear Mr. Gnazzo:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "AID" or "Grantor") hereby grants to the Inter-American Center for Tax Administrators (hereinafter referred to as "CIAT" or "Grantee") the sum of Fifteen Thousand Eight Hundred (\$15,800) for office support under the training aspect of Project No. 525-0314 as more fully described in the attached Schedule and 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 through March 5, 1993. Funds disbursed by AID but uncommitted by the Grantee at the expiration of this period shall be refunded to AID. AID will not be liable for reimbursing the Grantee for any costs in excess of the obligated amount.

This grant is made to the Grantee on condition that funds will be administered in accordance with the terms and conditions set forth in the grant Schedule, Program Description, and General Provisions, which have been agreed to by your organization.

Please acknowledge receipt of this grant by signing all copies of this cover letter, retaining one set for your files, and returning the remaining copies to the undersigned. Please insure that the copy with the original funding stamp is returned to USAID.

Sincerely,

Virginia B Speidel

VIRGINIA B. SPEIDEL
Grant Officer

Attachments:

- 1. Schedule
- 2. Program Description
- 3. General Provisions

ACKNOWLEDGMENT OF RECEIPT:

BY:

Edison Gnazzo Lima

TYPED NAME:

EDISON GNAZZO LIMA

TITLE:

EXECUTIVE SECRETARY

DATE:

09/11/91

FISCAL DATA

PIO/T No.:	525-0314-3-10077	RCN P 100030
Appropriation No.:	72-110/11037	ECN E 100029
Budget Plan Code:	LESO-91-25525-IG13	EL. 01
Total Estimated		
Grant Amount:	\$15,800	
This Obligation:	\$15,800	
Amount Pending:	- 0 -	
Project No.:	525-0314	
Technical Office:	USAID/Panama	
	Controller	
Project Officer:	Mr. Harry Dorcus	

HP
9/10/91

FUNDS AVAILABLE	
<i>HP</i>	9/11/91
SIGNATURE	DATE

A. PURPOSE OF GRANT

The purpose of this grant is CIAT institutional development to support the training aspect of the project approach for strengthening of the Direction General of Income of the Ministry of Finance and Treasury. The specific activity being supported by this grant is office support under Project Grant Agreement No. 525-0314 as more specifically described in Attachment 2 to this grant entitled "Program Description."

B. PERIOD OF GRANT

1. The effective date of this grant is the date of the cover letter. The expiration date is March 5, 1993.
2. Funds obligated hereunder are available for program expenditures through March 5, 1993 as shown in the grant budget in paragraph D below.

C. AMOUNT OF GRANT AND PAYMENT

1. The total estimated amount of this grant for the period shown in paragraph B.1 above is \$15,800.
2. AID hereby obligates the amount of \$15,800 for purposes of this grant.
3. Payment shall be made to the Grantee in one lump sum payment of \$15,800 upon satisfactory presentation to A.I.D. of a Standard Form (SF) 1034 and an invoice from the CIAT Executive Secretary. SF 1034 and invoice should be submitted within ten (10) working days of the acknowledgment of this grant. Payment will be made by USAID by December 31, 1991.

D. FINANCIAL PLAN

1. On the following page is the total budget for the period of this grant. The Grantee may not exceed the total estimated amount or the obligated amount, whichever is less (see paragraph C above).

2. BUDGET

September 10, 1991 - March 5, 1993

<u>Budget Element</u>	<u>Amount</u>
Office Rental	\$ 11,000
Office Utility Allowance (see paragraph E.2)	<u>4,800</u>
TOTAL GRANT AMOUNT	\$ 15,800

E. SPECIAL PROVISIONS

1. Location/Address/Square Footage of Office Rental:

CIAT Building, Ramon Arias Avenue, Panama City, Republic of Panama; 60 square meters

2. Office Utilities:

The amount specified for office utility allowance in the budget above represents the total monthly billings for electricity, water, local telephone service, janitor and condominium maintenance fee. This is a firm fixed amount for the total period of the grant.

3. Project Support:

Grantee will provide a copier machine for use by Project technical advisors, and the use of its conference room, when available, at no cost to USAID.

4. OMB Circular A-122

For the purposes of this grant, references to "OMB Circular A-122" entitled "Cost Principles for Nonprofit Organizations" shall include the AID implementation of such Circular, as set forth in subpart 731.7 of the AID Acquisition Regulation (AIDAR) (41 CFR Chapter 7).

PROGRAM DESCRIPTION

I. Background

On March 5, 1991, the governments of Panama and the United States entered into a Grant Agreement for the Tax Administration Improvement Project (No. 525-0314). The Project provides technical assistance and training as well as selected commodities to assist the Direction General of Income of the Ministry of Finance and Treasury to improve its operations and, ultimately, increase its revenue collections.

II. Implementation

The Tax Administration Project aims to transfer both technical and managerial expertise to the Direction General of Income (DGI). This will be accomplished through a three-pronged approach using long-term in-country technical advisors, short-term technical advisors in specific areas of need working with DGI counterparts, and training. Additionally, opportunities would be provided for DGI employees to participate in specialized CIAT training courses. At the conclusion of these efforts, independent management of a self-assessment tax administration by Panamanian tax officials is anticipated. The Grant Agreement specifically contemplates close cooperation between A.I.D. and the Inter-American Center of Tax Administrators (CIAT) in accomplishing the purposes of the Project and provides for a grant to CIAT for "office support and evaluation."

III. Purpose

The purpose of the proposed grant is CIAT institutional development to support the training aspect of the project approach for strengthening of the Direction General of Income of the Ministry of Finance and Treasury. The specific activity being supported by this grant is "office support," under Project Grant Agreement No. 525-0314.