



U.S. AGENCY FOR
INTERNATIONAL
DEVELOPMENT

JUL 9

ENTERED

Charles H. LaMunier
Director and Deputy to the
Under-Secretary-General
United Nations Disaster Relief Organization
United Nations
Department of Humanitarian Affairs, Palais des Nations, CH-1211
Geneva 10, Switzerland

OCT 21 1993

SECTION

Subject: Grant No. AOT-3506-G-00-3035-00

Dear Mr. LaMunier:

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 provides to the United Nations Disaster Relief Organization (hereinafter referred to as "UNDRO" or "Grantee") the sum of One Hundred Sixty-six Thousand Seven Hundred Dollars (\$166,700.00) to continue the effort to help Ecuador and other participant countries strengthen their capacity to save lives and improve their response ability during future disasters. The program shall be as more fully described in Attachment 1 of the Grant entitled "Schedule" and the Grantee application entitled "Disaster Prevention and Preparedness Project for Ecuador and Neighboring Countries" dated May 8, 1992, incorporated herein by reference.

This Grant is effective and obligation is made as of the date of this Cover Letter and shall apply to commitments and expenditures made and/or incurred by the Grantee in furtherance of the project objective during the period starting January 1, 1993 through May 31, 1994.

This Grant is made to the Grantee on condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachment No. 1, The Schedule; Attachment No. 2, Standard Provisions; and the Grantee's proposal/application entitled "Disaster Prevention and Preparedness Project for Ecuador and Neighboring Countries", which have been agreed to by your organization.

The total estimated amount of AID support is \$166,700.00, which is hereby obligated. AID shall not be liable for reimbursing the Grantee for any costs in excess of the obligated amount.

GRANT NO. AOT-3506-G-00-3035-00

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 Ms. Amanda Downing, Agency for International Development, OFDA/OS, Room 1262A NS, Washington, DC 20523-0008.

Sincerely,

Sharon L. Zaveskoski
Sharon L. Zaveskoski
Grant Officer
A Division, AOT Branch
Office of Procurement

Attachments:

1. Schedule
2. Standard Provisions

ACKNOWLEDGED:

UNITED NATIONS DISASTER RELIEF ORGANIZATION

BY *Philippe Boullé*

TYPED NAME PHILIPPE BOULLE'

TITLE Officer in Charge DATA - Geneva

DATE 16 July 1993

FISCAL DATA

PIO/T No.	:968-3506-93-28-3684713 & A1
Appropriation No.	:72-11X1035
Budget Plan Code	:EFDX-93-16830-HG48
Total Estimated Cost	:\$166,700.00
Total Obligated Amount	:\$166,700.00
Project Officer	:Barry Heyman, OFDA/PMP
CEC	:00-271-939B

SCHEDULE

A. BACKGROUND

In January 1987, the "Disaster Prevention and Preparedness Project for Ecuador and Neighboring Countries" was launched under the auspices of the US Agency for International Development (USAID) Office of U.S. Foreign Disaster Assistance (OFDA) and coordinated and counselled by the United Nations Disaster Relief Organization (UNDRO). Phase I was completed in 1990 and currently, Phase II is partially complete.

Uneven topography, geological and hydrometeorological conditions make Ecuador a country subject to earthquakes, volcanic eruptions, floods, landslides, avalanches, and tsunamis, which result in human suffering and significant economic damage. Not only do such phenomena cause direct losses worth hundreds of millions of dollars, but they often destroy the productive structure of a region, paralysing economically. Thus it becomes necessary to invest enormous sums in the reconstruction of the affected areas, diverting valuable resources needed for development.

This project focuses on the multidisciplinary aspect of natural phenomena, their destructive effects and the socio-economic impacts, and this combination forms a good informational base for diagnosis. On the basis of this diagnosis, in turn, protective measures were taken and emergency plans for the protection of the population were developed. Priority was given to education of the population, training of the authorities in dealing with emergencies, simulation and evacuation exercises, and also to physical planning aimed at mitigating the effects of natural disasters.

Phase I brought visible benefits to the communities where the projects were implemented; to the country as a whole with regard to methods, techniques and experience in Civil Defense in response to preparedness for mitigation of disasters; and to neighboring countries in disciplines where greater progress has been achieved, such as volcanology, through a series of international workshops.

B. PURPOSE OF GRANT

1. OBJECTIVE

The objective of Phase II is to continue the effort to help Ecuador and other participant countries strengthen their capacity to save lives and improve their response ability during future disasters.

SCHEDULE

2. PROJECT DESCRIPTION

With the aim of saving the most lives possible, through facilitating disaster response, protecting property from destruction due to natural disasters and thus to avoid major delays in the economic and social development of Ecuador as a result of such events, the project will investigate the effects which the most frequent natural disasters would produce in areas of major economic and social importance.

On the basis of the diagnosis thus arrived at, protective measures will be taken and emergency plans will be drawn up for the protection of the population and property. These will include education, training of population and the authorities, evaluation exercises, public information and establishment of natural hazard monitoring, warning and alarm systems.

In addition, elaboration of hazard and risk maps will make it possible to expand cities and locate engineering works in the safest and most economic places, so that economic and social development can take place harmoniously and in accordance with nature. The principal beneficiary of all proposed activities will be the National Civil Defense Organization in order to strengthen and update its capability in coping efficiently with natural disasters.

The principal tasks to be completed during the second half of Phase II are the following:

1. Complete all cycles of disaster mitigation activities for each high-probability, high impact disaster types which are expected to occur in the future. Specifically, this task includes preparedness and mitigation activities for earthquakes in Guayadquil, flooding in Cuenca, volcanic eruptions in Pinchincha, volcanic eruptions in Tungurahua, landslides in Quito, and tsunamis in Esmeraldas and Santa Elena. For each disaster identified, UNDRO, working with the local scientific community, will complete the six (6) specific tasks identified in the Immediate Objectives, Outputs, and Activities report. Work began on most tasks during the first part of Phase II.

SCHEDULE

2. Continue the active participation of national scientific and technical institutes which have the capacity to be involved in hazard evaluation, risk assessment, including the preparation of hazard and risk maps and the establishment of monitoring systems and alert procedures. Currently, the following organizations are working with UNDRO: The University of Guayaquil; Catholic University; INAMHI; University of Cuenca; CODIGEM; Municipality of Quito; ESPONA (Geophysics Institute); IETEL (Ecuadorian Institute of Telecommunications); Geophysics Institute in Quito; the Municipality Potable Water Company (EMAP-Q); INOCAR; and the various Provincial Civil Defense Boards.

3. Continue expanding the activities of the Civil Defense to involve more of the Provincial Juntas in systematic preparedness planning for particular scenarios, and through them, to stimulate the awareness and involvement of local community leaders and the population in general. Currently, in all the regions identified, the Provincial Civil Defense Board is involved in the disaster mitigation and preparedness work.

4. Continue public education efforts in disaster mitigation and preparedness, through the use of public broadcasting, publications, and schools.

UNDRO will be responsible for all procurement actions related to this Grant. UNDRO will also be responsible for overall monitoring and problem solving of its program through oversight by staff located in the participating countries and the administrative office in Geneva, Switzerland.

C. PERIOD OF GRANT

1. The effective date of this grant is the date on the Grant Cover Letter and the Completion Date is May 31, 1994.

2. Funds obligated hereunder are available for expenditures beginning with the effective date through May 31, 1994.

5

SCHEDULE

D. AMOUNT OF GRANT AND PAYMENT

1. The total amount of this Grant for the period shown in Section C.1. above, is \$166,700.00.

2. A.I.D. hereby obligates the amount of \$166,700.00 for project expenditures during the period set forth in Section C.2. above, and as shown in the Grant Budget in Section E.

3. Payment will be made to the Grantee in accordance with procedures set forth in Attachment 2 - Standard Provisions to Public International Organizations (PIO) - Provision No. 11 entitled "Payment (Periodic Advance)".

a. The Grantee shall submit the required documentation to the following address:

Agency for International Development
Office of Financial Management (FA/FM/CMP/CGLC)
Room 703, SA-2
Washington, DC 20523-0209

b. In addition, one copy of all financial reports shall be submitted to the A.I.D. Project Officer, Barry Heyman or his designee, at the following address:

Barry Heyman
FHA/OFDA/PMP
Room 1262A NS
Washington, DC 20523-0008

E. GRANT BUDGET

The following is the budget for this Grant. The Grantee may not exceed the total obligated amount. The Grantee may adjust line item amounts within the grand total as may be reasonably necessary for the attainment of project objectives, consistent with restrictions cited in Attachment 2 - Standard Provision No. 3 of this Grant entitled "Revision of Grant Budget".

SCHEDULE

BUDGET

<u>LINE ITEMS</u>	<u>COSTS</u>
Consultants:	
Floods/Cuenca	\$ 5,000
Landslides/Quito	\$ 2,500
Tsunami/Esmeraldas	\$ 5,000
SUB-TOTAL	\$ 12,500
Equipment:	
Earthquake/Guayaquil	\$ 43,000
Floods/Cuenca	\$ 15,000
Volcano/Pichincha	\$ 8,000
Civil Defense Emergency Communications	\$ 20,000
SUB-TOTAL	\$ 86,000
Maps & Publications	\$ 5,000
Logistics Support	\$ 5,000
Project Manager (1/2 time)	\$ 27,000
Travel/Per Diem	\$ 12,000
SUB-TOTAL	\$ 49,000
TOTAL	\$ 147,500
INDIRECT COST (13%)	\$ 19,200
TOTAL ESTIMATED COST	\$ 166,700

F. REPORTING

1. Financial Reporting

a. Financial reporting requirements shall be in accordance with the Standard Provisions No. 11 of this Grant entitled "Payment (Periodic Advance)", as shown in Attachment No. 2.

SCHEDULE

b. The original and two copies of all financial reports (Financial Status Report - SF Form 269) shall be submitted to the Office of Financial Management, whose address is listed in Section D.3.a. of this Schedule.

c. In addition, two copies of all financial reports shall be submitted to OFDA, Rm 1262A NS, Washington, DC 20523-0008, one copy for the Project Officer, Barry Heyman, and one copy for the Operations Support Division, Amanda Downing:

d. Each financial report shall include:

PIO/T No.	:968-3506-93-28-3684713	A1
Project No.	:3506	
Project Name	:Disaster Prevention and Preparedness	
Grant No.	:AOT-3506-G-00-3035-00	
Project Officer	:Barry Heyman, OFDA/PMP	

2. Program Evaluation Reporting

The Grantee shall submit bi-monthly progress reports and a final report. The reports shall document progress vis-a-vis program objectives, problems encountered, corrective procedures that were followed, significant program development during the period and projected accomplishments of the coming month. Analysis and explanation of actual costs versus budgeted costs, and include lists of equipment purchased. Also include any publications provided for local distribution and lists of hazard maps, schematic drawings of monitoring and alarm systems, and plans for evacuations of local cities. Two (2) copies of each program performance report should be submitted to OFDA. The final report should be received by OFDA no later than 60 days after termination of the project.

The project shall be subject to periodic revision and evaluation in accordance with the policies and procedures established by USAID/OFDA and UNDRO. The organization, terms of reference, and the schedule of the project shall be decided jointly by the Government of Ecuador, USAID/OFDA, and UNDRO, in consultation.

SCHEDULE

The Grantee shall inform AID/OFDA immediately by phone, fax or letter of any significant events that will affect the Grantee's ability to implement the project as outlined in the Grantee's proposal.

If any evaluation report conducted by the Grantee discloses the need for a change in the budget in accordance with the criteria established in Standard Provision No. 3 of this Grant entitled "Revision of Grant Budget", the Grantee shall submit a request for budget revision.

G. INDIRECT COST

During the period of this Grant, the Grantee shall be reimbursed for indirect cost at the following rate:

<u>TYPE</u>	<u>RATE</u>	<u>BASE OF APPLICATION</u>
Overhead	13%	Total Direct Costs

AID shall not reimburse the Grantee in excess of the above rate notwithstanding any final overhead rate established for the period of the Grant. An overhead rate exceeding the rate applied to the base shown above shall be absorbed by the Grantee and considered to be the Grantee's contribution to the project. In the event that UNDR0's final overhead rate for the Grant period is lower than the shown above, the Grantor shall pay the lower rate.

H. SPECIAL PROVISIONS

1. Delivery of Notices. For purposes of "Notices delivered to the A.I.D. Grant Officer, pursuant to the Standard Provision No. 9 of this Grant entitled "Notices", the following address shall be used:

a. Regular U.S. Mail

Grant Officer
Agency for International Development
Office of Procurement
Division A - AOT Branch
Washington, DC 20525-1425

SCHEDULE

b. Express Mail or Hand Delivery

Grant Officer
Agency for International Development
Office of Procurement
Division A - AOT Branch
15th Floor Receptionist
1100 Wilson Blvd.
Arlington, VA 22209

3. Zip Codes. Use the following nine-digit zip code instead of the five digit code shown in the Standard Provisions.

<u>Standard Provision</u>	<u>Zip Code</u>
Payment - Periodic Advance	20523-0209

4. The following Standard Provisions are not applicable to this Grant:

Audit and Records (Standard)
Audit and Records (AID Sole Contributor)
Payment (Cost Reimbursement)
Payment (Letter of Credit)

(END OF SCHEDULE)

STANDARD PROVISIONS FOR
GRANTS TO PUBLIC INTERNATIONAL ORGANIZATIONS

- | | |
|----------------------------------|--|
| 1. Allowable Costs | 9. Publications |
| 2. Refunds | 10. Audit and Records (Select and include only the applicable version as specified in the applicability statement of the provision.) |
| 3. Revision of Grant Budget | |
| 4. Termination Procedures | |
| 5. U.S. Officials Not to Benefit | 11. Payment (Select and include only the applicable version as specified in the applicability statement of the provision.) |
| 6. Nonliability | |
| 7. Amendment | |
| 8. Notices | |

1. ALLOWABLE COSTS (JULY 1988)

a. the grantee shall be reimbursed for costs incurred in carrying out the purposes of this grant which are reasonable, allocable, and allowable.

(1) Reasonable shall mean those costs that do not exceed those which would be incurred by an ordinarily prudent person in the conduct of normal business.

(2) Allocable shall mean those costs which are necessary to the grant.

(3) Allowable shall mean those costs which are reasonable and allocable, and which conform to any limitations set forth in this grant.

b. Prior to incurring a questionable or unique cost, the grantee is encouraged to obtain the grant officer's written determination as to whether the cost will be allowable.

2. REFUNDS (JULY 1988)

a. The grantee is encouraged to utilize interest bearing accounts where feasible and shall remit to AID all interest earned on funds provided by AID.

b. Funds obligated by AID but not disbursed to the grantee at the time the grant expires or is terminated shall revert to AID, except for such funds encumbered by the grantee by a legally binding transaction applicable to this grant. Any funds advanced to but not expended by the grantee at the time of expiration or termination of the grant shall be refunded to AID except for such funds encumbered by the grantee by a legally binding transaction applicable to this grant.

c. If, at any time during the life of the grant, or as a result of final audit, it is determined that AID funds provided under this grant have been expended for purposes not in accordance with the terms of this grant, the grantee shall refund such amount to AID.

3. REVISION OF GRANT BUDGET (JULY 1988)

a. The approved grant budget is the financial expression of the grantee's program as approved during the grant award process.

b. The grantee shall immediately request approval from the grant officer when there is reason to believe that within the next 30 calendar days a revision of the approved grant budget will be necessary for any of the following reasons:

(1) To change the scope or the objectives of the project and/or revise the funding allocated among project objectives.

(2) Additional funding is needed.

(3) The grantee expects the amount of AID authorized funds to exceed its needs by more than \$5,000 or five percent of the AID award, whichever is greater.

c. Except as required by other provisions of this grant specifically stated to be an exception from this provision, the Government shall not be obligated to reimburse the grantee for costs incurred in excess of the total amount obligated under the grant. The grantee shall not be obligated to continue performance under the grant (including actions under the "Termination Procedures" provision) or otherwise to incur costs in excess of the amount obligated under the grant, unless and until the grant officer has notified the grantee in writing that such obligated amount has been increased and has specified the new grant total amount.

4. TERMINATION PROCEDURES (JULY 1988)

This agreement may be terminated, in whole or in part, by either party at any time upon 30 days written notice of termination. Upon receipt of and in accordance with a termination notice from the grant officer, the grantee shall take immediate action to cease all expenditures financed by this grant and to cancel all unliquidated obligations if possible. Further, upon receipt of notice of termination, the grantee shall not enter into any further obligations under this grant. Except as provided below, no further reimbursement shall be made after the effective date of termination. The grantee shall within 30 days of the

effective date of termination repay to the Government all unexpended AID funds which are not otherwise obligated by a legally binding transaction applicable to this grant. Should the funds paid by the Government to the grantee prior to the effective date of termination be insufficient to cover the grantee's obligations in a legally binding transaction, the grantee may submit to the Government within 90 days after the effective date of termination a written claim for such amount. The grant officer shall determine the amount(s) to be paid by the Government to the grantee under such claim in accordance with the "Allowable Costs" provision of this grant.

5. U.S. OFFICIALS NOT TO BENEFIT (JULY 1988)

No member of or delegate to the U.S. Congress or resident U.S. Commissioner shall be admitted to any share or part of this grant or to any benefit that may arise therefrom.

6. NONLIABILITY (JULY 1988)

AID does not assume liability for any third party claims for damages arising out of this grant.

7. AMENDMENT (JULY 1988)

The grant may be amended upon mutual consent of the parties by formal modifications to the basic grant document or by means of an exchange of letters between the grant officer and an appropriate official of the grantee.

8. NOTICES (JULY 1988)

Any notice given by AID or the grantee shall be sufficient only if in writing and delivered in person, mailed, or cabled as follows:

To the AID grant officer, at the address specified in the grant.

To grantee, at grantee's address shown in the grant or to such other address designated within the grant.

Notices shall be effective when delivered in accordance with this provision, or on the effective date of the notice, whichever is later.

9. PUBLICATIONS (JULY 1988)

(This provision is applicable when publications are financed under the grant.)

a. If it is the grantee's intention to identify AID's contribution to any publication resulting from this grant, the grantee shall consult with AID on the nature of the acknowledgement prior to publication.

b. The grantee shall provide the AID project officer with one copy of all published works developed under this grant and with lists of other written work produced under the grant.

c. Except as otherwise provided in the terms and conditions of the grant, the author or the recipient is free to copyright any books, publications, or other copyrightable materials developed in the course of or under this grant, but AID reserves a royalty-free nonexclusive and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use the work for U.S. Government purposes.

10. AUDIT AND RECORDS (STANDARD) (JULY 1988)

(This provision is applicable when AID is not the sole contributor to the grant program.)

The grantee shall maintain books, records, documents, and other evidence in accordance with the grantee's usual accounting procedures to sufficiently substantiate charges to the grant. The Grantee confirms that this program will be subject to an independent audit in accordance with the Grantee's usual auditing procedure, and agree to furnish copies of these audit reports to AID along with such other related information as may be requested by AID with respect to questions arising from the audit report.

10. AUDIT AND RECORDS (AID SOLE CONTRIBUTOR) (JULY 1988)

(This provision is applicable when AID is the sole contributor to the grant program.)

The grantee shall maintain books, records, documents, and other evidence in accordance with the grantee's usual accounting procedures to sufficiently substantiate charges to the grant. The Grantee agrees to make available to AID or the Comptroller General of the United States all records and documents which support expenditures made under this program.

10. AUDIT AND RECORDS (U.N. Grants) (JULY 1988)

(This provision is applicable to grants to the United Nations when AID is not sole contributor. When this provision is used the "Reporting and Evaluation" clause in the grant schedule should be deleted.)

It is agreed that the grantee will furnish the U.S. Government with a final report on activities carried out under this grant, including accounting for these funds in sufficient detail to enable AID to liquidate the grant. The report should be submitted to the U.S. Mission to the U.N. in New York for forwarding to the AID program office.

It is understood that financial records, including documentation to support entries on accounting records and to substantiate charges against the grant, shall be maintained in accordance with the Grantee's usual accounting procedures, which shall follow generally accepted accounting practices. All such financial records shall be maintained for at least three years after the final disbursement of funds under this grant.

The Grantee confirms that the grant account will be audit in accordance with established procedures under appropriate provisions of the financial regulations and rules of the United Nations.

Any funds disbursed by AID, but not committed by the Grantee prior to the expiration date shall be refunded to AID. Funds not used for the purpose of this Grant shall be refunded to AID by the Grantee.

11. PAYMENT (PERIODIC ADVANCE) (OCTOBER 1991)

(This provision is applicable when: (i) the grantee maintains procedures to minimize the time elapsing between the transfer of funds and the disbursement thereof, and (ii) the grantee's financial management system meets generally accepted accounting standards for funds control and accountability.)

a. Periodic advances shall be limited to the minimum amounts needed to meet current disbursement needs and shall be scheduled so that the funds are available to the grantee as close as is administratively feasible to the actual disbursements by the grantee for program costs. Cash advances made by the grantee to secondary recipient or the grantee's field organizations shall conform substantially to the same standards of timing and amount as apply to cash advances by AID to the grantee.

b. The grantee shall submit requests for advances (using SF-270, "Request for Advance or Reimbursement") at least monthly to the paying office specified in the grant letter. Requests shall state the estimated disbursements to be made during the period covered by the request, less the estimated balance of cash on hand at the beginning of the period and the advance amount being requested.

c. The grantee shall submit a "Financial Status Report" (SF-269A) quarterly, no later than 30 days after the end of the period, to the paying office specified in the grant letter. The report shall show disbursements, advances received, and any cash remaining on hand for the period covered by the report. Within 90 days following the expiration of the grant, the grantee shall submit a SF-269A showing total disbursements, total advances received, and any cash remaining on hand, which will be refunded to AID.

d. If at any time, the AID Controller determines that the grantee has demonstrated an unwillingness or inability to: (1) establish procedures that will minimize the time elapsing between cash advances and the disbursement thereof, (2) timely report cash disbursements and balances as required by the terms of the grant, and (3) impose the same standards of timing of advances and reporting on any subrecipient or any of the grantee's overseas field organizations; the AID Controller shall advise the grant officer who may suspend or revoke the advance payment procedure.

11. PAYMENT (COST-REIMBURSEMENT) (JULY 1988)

(This provision is applicable when the grantee does not meet the standards for a letter of credit or for periodic advances.)

The grantee shall submit to the paying office indicated in the grant letter an original and 3 copies of SF 1034, "Public Voucher for Purchases and Services Other Than Personal" and SF 1034A, Continuation of SF 1034, normally once a month, but in any event no less than quarterly. Each voucher shall be identified by the grant number and shall state the total costs for which reimbursement is being requested.

11. PAYMENT (LETTER OF CREDIT) (JULY 1988)

(This provision is applicable when a Letter of Credit is requested by the grantee and approved by AID's Office of Financial Management.)

a. Payment under this grant shall be by means of a Letter of Credit (LOC) in accordance with the terms and conditions of the LOC and any instructions issued by the AID Office of Financial Management, Program Accounting and Finance Division (FA/FM/CMP).

b. As long as the LOC is in effect, the terms and conditions of the LOC and any instructions issued by FA/FM/CMP constitute the payment conditions of this grant superseding and taking precedence over any other clause of this grant concerning payment.

c. If the LOC is revoked, payment may be made on a cost-reimbursement basis, in accordance with paragraph e. of this clause.

d. Revocation of the LOC is at the discretion of FA/FM/CMP after consultation with the grant officer. Notification to the recipient of revocation must be in writing and must specify the reasons for such action. The recipient may appeal any such revocation to the grant officer, in accordance with the Disputes clause of this grant. Pending final decision, payments under the contract will be in accordance with paragraph e. of this clause.

e. If the LOC is revoked, the grantee shall submit to the AID Controller an original and 3 copies of SF 1034, "Public Voucher for Purchases and Services Other Than Personal" and SF 1034A, Continuation of SF 1034, normally once a month, but in any event no less than quarterly. Each voucher shall be identified by the grant number and shall state the total costs for which reimbursement is being requested.