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NARP Grant Agreements

N A T I O N A L A G R I C U L T U R A L R E S E A R C H P R O J E C T



المشروع
البحوث
الزراعية
Project



November 1990

A.I.D. Project Number 263-0152

PROJECT
GRANT AGREEMENT
BETWEEN
THE ARAB REPUBLIC OF EGYPT
AND THE
UNITED STATES OF AMERICA
FOR
NATIONAL AGRICULTURAL
RESEARCH PROJECT

Dated: SEP 12 1985

CONTINUED
COPY

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Annex 1

PROJECT DESCRIPTION

Annex 2

PROJECT GRANT STANDARD PROVISIONS

Project Grant Agreement

Dated SEP 12 , 1985

Between

The Arab Republic of Egypt ("Grantee")

And

The United States of America, acting through the
Agency for International Development ("A.I.D.").

Article 1: The Agreement

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties"), with respect to the undertaking by the Grantee of the Project described below and with respect to the financing of the Project by the Parties.

Article 2: The Project

SECTION 2.1. Definition of Project. The Project, which is further described in Annex 1, will improve the management, research methods and personnel development of the Agricultural Research Center (ARC). The Project will also improve data collection and analysis, information utilization and dissemination, seed production capabilities agricultural research facilities and will finance the procurement of equipment necessary for agricultural research.

Annex 1, attached, amplifies the above definition of the Project. Within the limits of the above definition of the Project, elements of the amplified description stated in Annex 1 may be changed by written agreement of the authorized representatives of the Parties named in Section 8.2., without formal amendment of this Agreement.

SECTION 2.2. Incremental Nature of Project.

(a) A.I.D.'s contribution to the Project will be provided in increments, the initial one being made available in accordance with Section 3.1 of this Agreement. Subsequent increments will be subject to availability of funds to A.I.D. for this purpose, and to the mutual agreement of the Parties, at the time of a subsequent increment, to proceed.

(b) Within the overall Project Assistance Completion Date stated in this Agreement, A.I.D., based upon consultation with the Grantee, may specify in Project Implementation Letters appropriate time periods for the utilization of funds granted by A.I.D. under an individual increment of assistance.

Article 3: Financing

SECTION 3.1. The Grant. To assist the Grantee to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended, agrees to grant the Grantee under the terms of this Agreement not to exceed Thirty Million United States ("U.S.") Dollars (\$30,000,000) ("Grant").

The Grant may be used to finance foreign exchange costs, as defined in Section 6.1, and local currency costs, as defined in Section 6.2, of goods and services required for the Project.

SECTION 3.2. Grantee Resources for the Project.

(a) The Grantee agrees to provide or cause to be provided for the Project all funds, in addition to the Grant, and all other resources required to carry out the Project effectively and in a timely manner.

(b) The Grantee will provide under the terms of this Agreement, increments parallel to those provided by A.I.D. For the first year, the amount contributed will be Ten Million Egyptian Pounds (LE 10,000,000) including costs borne on an in-kind basis. It is expected that within the overall Project Assistance Completion Date, the Grantee will have provided not less than Sixty-Six Million Five Hundred and Thirty-Four Thousand Egyptian Pounds (LE 66,534,000) while A.I.D. will have granted One Hundred and Thirty Million U.S. Dollars (\$130,000,000).

SECTION 3.3. Project Assistance Completion Date.

(a) The "Project Assistance Completion Date" (PACD), which is September 30, 1992, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services financed under the Grant will have been performed and all goods financed under the Grant will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Grant for services performed subsequent to the PACD or for goods furnished for the Project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters are to be received by A.I.D. or any bank described in Section 7.1 no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to the Grantee, may at any time or times reduce the amount of the Grant by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

Article 4: Requirements Precedent to Disbursement.

SECTION 4.1. First Disbursement. Prior to any disbursement or to the issuance by A.I.D. of any commitment documents under this Agreement, the Grantee shall, except as the Parties may otherwise agree in writing, furnish to A.I.D., in satisfactory form and substance:

(a) a statement of the names and titles of the persons authorized pursuant to Section 3.2 to act as the representatives of the Grantee, together with a specimen signature of each person specified in such statement; and

(b) evidence that the Ministry of Agriculture and ARC have established an administrative unit responsible for coordinating Project implementation, including the appointment of a Project director in charge of the unit and the grant of sufficient operating authority to the unit to implement the Project.

SECTION 4.2. Requirements Precedent to Disbursement for Technical Services. Prior to any disbursement for technical services or to the issuance by A.I.D. of documentation pursuant to which any disbursement will be made for technical services, the Grantee shall, except as otherwise agreed in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

(a) evidence that ARC has appointed counterparts for each technical assistance position;

(b) a statement describing the relationships between the staff of the ARC and the long-term technical advisors; and

(c) evidence of the establishment of a National Agricultural Research Council to function as a review and coordinating body and provide directional guidance to all agricultural research in Egypt.

Notwithstanding the foregoing, specific priority research activities initiated under A.I.D.-funded projects which are ongoing but need funding for continuation may, on a case-by-case basis and subject to the agreement of the Parties, be funded from the Project.

SECTION 4.3. Requirements Precedent to Disbursement for Architectural and Engineering Services. Prior to the initial disbursement for architectural and engineering services, or to the issuance by A.I.D. of documentation pursuant to which any disbursement will be made for architectural and engineering services, the Grantee shall, except as otherwise agreed in writing, furnish to A.I.D., in form and substance satisfactory to A.I.D.:

- (a) evidence of the availability of adequate sites for the construction of new Project facilities;
- (b) evidence of a signed contract with a contractor acceptable to A.I.D. for the architectural and engineering services for the Project;
- (c) evidence that Egyptian counterparts have been assigned as part of the Project team in positions corresponding to technical positions of the technical services contractor.

Notwithstanding the foregoing, upon agreement of the Parties, an amount up to but not to exceed \$95,000 may be disbursed for

architectural and engineering services necessary to design work on selected sites where new construction or renovation will be necessary to reach Project objectives.

SECTION 4.4. Requirements Precedent to Disbursement for Construction and Renovation. Prior to each disbursement for construction and renovation or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made for the construction or renovation of a particular facility to be assisted under the Project, the Grantee shall, in each case of construction or renovation, except as otherwise agreed in writing, furnish to A.I.D., in form and substance satisfactory to A.I.D., an implementation plan for construction. This implementation plan shall include among other things, a list, in preferential order, of funding options considered, one of which shall be use of the Fixed Amount Reimbursable (FAR) or Modified FAR procedure.

SECTION 4.5. Requirements Precedent to Disbursement for Commodities. Prior to any disbursement for commodities or the issuance by A.I.D. of documents pursuant to which disbursement will be made for commodities, with the exception of office equipment and supplies, the Grantee shall, except as the parties may otherwise agree in writing, furnish to A.I.D., in form and substance satisfactory to A.I.D., an implementation plan for the procurement of such commodities.

SECTION 4.6. Requirements Precedent to Disbursement for Training. Prior to any disbursement for training or the issuance by A.I.D. of documentation pursuant to which disbursement will be made for training, the Grantee shall, except as the parties may otherwise agree in writing, furnish to A.I.D., in form and substance satisfactory to A.I.D., a training plan, based on an inventory of training needs, that is projected over the life of Project. Notwithstanding the foregoing, this condition precedent shall not apply to trainees currently enrolled in A.I.D.-funded training.

SECTION 4.7. Notification. When A.I.D. has determined that the requirements precedent specified above have been met, it will promptly notify the Grantee.

SECTION 4.8. Terminal Dates for Requirements Precedent. If all of the conditions specified in Section 4.1 have not been met within 90 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by written notice to Grantee. If all of the requirements specified in Sections 4.2, 4.3, 4.4, 4.5 and 4.6 have not been met within such time period as may be established by project implementation letter, A.I.D., at its option, may terminate this Agreement by written notice to the Grantee.

Article 5: Special Covenants.

SECTION 5.1. Project Evaluation. The Parties agree to establish an evaluation program as part of the Project. Except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project and at one or more points thereafter:

(a) evaluation of progress toward attainment of the objectives of the Project;

(b) identification and evaluation of problem areas or constraints which may inhibit such attainment;

(c) assessment of how such information may be used to help overcome such problems; and

(d) evaluation, to the degree feasible, of the overall development impact of the Project.

SECTION 5.2. Ratification. The Grantee will take all necessary action to complete all legal procedures necessary to ratification of this Agreement and will notify A.I.D. as promptly as possible of the fact of such ratification.

SECTION 5.3. Submission of Contracting Documents to A.I.D. Prior to implementation, issuance or execution, the Grantee shall submit for A.I.D.'s approval all plans, specifications, construction schedules, bid documents, solicitations of proposals, and similar Project contract documents, including all modifications to these documents.

SECTION 5.4. Recurrent Costs. After the termination of the Project, the Grantee shall make sufficient resources available, including the provision of funds, to support on a continuing basis the research and information dissemination activities which have been supported by the Project. As part of its annual budget preparation, the Ministry of Agriculture shall meet with A.I.D. and discuss how the Project will provide for the operation and maintenance of all Project-funded equipment and construction.

SECTION 5.5. Pricing Policies. The Grantee will do its best to institute appropriate pricing policies in order to assist the Project to reach the objective of stimulating agricultural productivity.

SECTION 5.6 Commodity Procurement Plans. Grantee shall consult with the Ministry of Agriculture Commodity Procurement Committee to develop prudent commodity procurement planning and to prevent unnecessary duplication of commodities. At least four months prior to the need for specific commodities, the Grantee shall furnish A.I.D. with a commodity procurement plan for such commodities. A commodity procurement plan for vehicles shall provide the amount, type and use of vehicles. The plan must certify that adequate maintenance and repair facilities are available and that the Grantee has personnel to properly operate, maintain, support and control the vehicles.

SECTION 5.7. Preparation of Tender Documents. The Grantee shall, except as the parties may otherwise agree in writing, furnish to A.I.D. proper tender documentation in a timely fashion, in the form developed by A.I.D. and the MOA Commodity Procurement Committee in earlier A.I.D.-funded projects.

Article 6: Procurement Source

SECTION 6.1. Foreign Exchange Costs. Disbursements pursuant to Section 7.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in the United States (Code 000 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods or services) ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Project Grant Standard Provisions Annex, Section C.1(b) with respect to marine insurance.

SECTION 6.2. Local Currency Costs. Disbursements pursuant to Section 7.2 will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as the Parties may otherwise agree in writing, their origin in Egypt ("Local Currency Costs").

Article 7: Disbursement

SECTION 7.1. Disbursement for Foreign Exchange Costs.

(a) After satisfaction of conditions precedent, the Grantee may obtain disbursements of funds under the Grant for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon:

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services; or, (B) requests for A.I.D. to procure commodities or services on Grantee's behalf for the Project; or,

(2) by requesting A.I.D. to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letters of Credit or otherwise, for such goods or services; or (B) directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers for such goods or services.

(b) Banking charges incurred by Grantee in connection with Letters of Commitment and Letters of Credit will be financed under the Grant unless Grantee instructs A.I.D. to the contrary. Such other charges as the Parties may agree to may also be financed under the Grant.

SECTION 7.2 Disbursement for Local Currency Costs.

(a) After satisfaction of conditions precedent, the Grantee may obtain disbursements of funds under the Grant for Local Currency Costs required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary support documentation as prescribed in Project Implementation Letters, requests to finance such costs.

(b) The local currency needed for such disbursements may be obtained by acquisition by A.I.D. with U.S. dollars by purchase. The U.S. dollar equivalent of the local currency made available hereunder will be the amount of U.S. dollars required by A.I.D. to obtain the local currency.

SECTION 7.3. Other Forms of Disbursement. Disbursements of the Grant may also be made through such other means as the Parties may agree to in writing.

SECTION 7.4. Rate of Exchange. Except as may be more specifically provided under Section 7.2, if funds provided under the Grant are introduced into Egypt by A.I.D. or any public or private agency for purposes of carrying out obligations of A.I.D. hereunder, the Grantee will make such arrangements as may be necessary so that funds may be converted into currency of the Arab Republic of Egypt at the highest rate of exchange prevailing and declared for foreign exchange currency by the competent authorities of the Arab Republic of Egypt.

Article 3: Miscellaneous

SECTION 8.1. Communications. Any notice, request, document, or other communication submitted by A.I.D. or the Grantee to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following addresses:

To the Grantee:

Ministry of Planning and
International Cooperation
8 Adly Street
7th Floor
Cairo, Egypt

To A.I.D.:

A.I.D.
U.S. Embassy
Cairo, Egypt

To the Implementing Organizations:

Ministry of Agriculture
Nadi El Seid Street
Dokki, Giza

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice.

SECTION 8.2. Representatives. For all purposes relevant to this Agreement, the Grantee will be represented by the Minister of Planning and International Cooperation and/or the Administrator of the Department for Economic Cooperation with U.S.A., and A.I.D. will be represented by the individual holding or acting in the office of Director, USAID, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the amplified description in Annex 1. The names of the representatives of the Grantee, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

SECTION 8.3. Language of Agreement. This agreement is prepared in both English and Arabic. In the event of ambiguity or conflict between the two versions, the English language version shall control.

SECTION 8.4. Standard Provisions Annex. A "Project Grant Standard Provisions Annex" (Annex 2) is attached to and forms part of this Agreement.

IN WITNESS WHEREOF, the Grantee and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

ARAB REPUBLIC OF EGYPT

BY : K. A. El-Sayid

NAME : Kamal Ahmed El-Sayid

TITLE: Deputy Prime Minister and
Minister of Planning and
International Cooperation

UNITED STATES OF AMERICA

BY : Nicholas Veliotis

NAME : Nicholas Veliotis

TITLE: American Ambassador

ARAB REPUBLIC OF EGYPT

BY : Ahmed Abdel Salam

NAME : Mr. Ahmed Abdel Salam Zaki

TITLE: Administrator of the Department
for Economic Cooperation
with U.S.A.

UNITED STATES OF AMERICA

BY : Arthur M. Handly

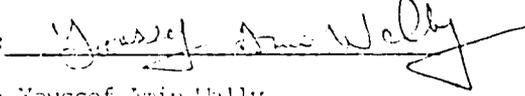
NAME: Arthur M. Handly

TITLE: Acting/Director
USAID/Egypt

Implementing Organization

In acknowledgement of the foregoing Agreement, the following representative of the implementing organization has subscribed his name:

MINISTRY OF AGRICULTURE

BY : 

NAME : Youssef Amin Wally

TITLE: Deputy Prime Minister and
Minister of Agriculture and
Food Security

Project Description

The description of the National Agricultural Research Project which follows can be modified by written agreement between the authorized representatives of the parties named in the Grant Agreement. The elements being modified, however, must be within the general scope as set forth in the text of the Grant Agreement.

I. General Project Description

Egyptian agricultural production, although already at a high level, has the potential to double its output. A major constraint to increased production, however, is the lack of technologies which address the continuously changing agronomic conditions. The Project's intent is to remove this constraint by developing an agricultural research capacity capable of continuously generating and demonstrating site-specific technologies.

The goal of the Project is to increase productivity. The goal will be achieved by increasing the quantity and improving the quality of agricultural technologies that result in higher yields and greater production when adopted by farmers.

The purpose of the project is to develop the capability of the agricultural research community to provide a continuous flow of improved, appropriate agricultural technology.

The purpose will be achieved when Egyptian scientists are able to apply basic research as well as that available locally or from other sources, such as through the International Agricultural Research Centers (IARCs), to Egyptian conditions. Emphasis in the first years of the project will be on adaptive research. As facilities are remodeled or refurbished and adequately equipped and as research management, methods, and skills improve, more applied and ultimately basic research will be conducted. Applied research will predominate. Some of the top scientists, however, will do basic research in collaboration with the specialized IARCs such as the International Center for Agricultural Research in the Dry Areas (ICARDA) or the International Crops Research Institute for the Semi-Arid Tropics (ICRISAT).

This project will build on the experience, organization, and accomplishments of the on-going, but soon to terminate USAID/NOA Rice Research and Training (0027), Agricultural

pesticides, fertilizer and veterinary supplies and services will be encouraged.

Supporting Components

A Project component that links the research and extension functions is information utilization and dissemination. Research can be accelerated and duplication avoided when information on similar research is accessible. Research results need to be communicated to potential users. The Project will support a National Research Library which will be a source of information to agricultural scientists and a channel for communicating research results to farmers. Various media will be used to assist in delivery of the technology to farmers.

The project will also establish a data collection and analysis component to help the AKC attain its research goals. Data collected and analyzed by the ARC statistical unit will serve GOE decision-makers for policy and planning purposes. Data on adoption rates as well as production/yields obtained by farmers using the improved technologies will also serve to monitor research activities and progress.

Improved seed varieties must be made available to farmers. To provide sufficient quantities, the Project will have a seed production component. The activities under this component will complete the work begun under the Rice and EMCIP Projects and will support private sector initiatives in seed production/distribution.

The MOA's Undersecretariate for Seed Production produces breeder and foundation seed for the self-pollinated crops such as wheat, barley, rice and fava beans. This seed is multiplied by farmers under contract and then processed, before sale as certified seed to farmers. The NARF will complete the seed processing facilities built under the Rice and EMCIP Projects and provide training to personnel responsible for operating and maintaining these facilities.

Recent MOA policies favorable for private sector participation in seed production and supply have resulted in the emergence of several private seed companies. These companies have started producing hybrid maize and sorghum seed and are giving growing attention to forages and vegetables as well. The NARF will provide technical assistance and training opportunities to the private seed companies.

To involve the agricultural research community outside of the ARC, a research grants program will be coordinated by ARC. Egyptian universities, alone or in collaboration with a U.S. Title XII university or with ARC institutes will be funded by

the project to carry out research. The private sector, agribusinesses such as input suppliers or farming enterprises will be encouraged to participate in the program. Other organizations from the public or private sector, interested in conducting agricultural research will also be encouraged to present proposals.

A committee with representatives from academia and the private sector will be established to oversee the grants program. The committee will be responsible to the ARC's Board of Directors. Research priorities as established by ARC will be the principal criterion for judging the merits of a proposal.

For researchers to be informed and results to be disseminated, an information utilization and outreach service is essential. To ensure that improved seed varieties are available, a seed production component is included. And finally, to involve the agricultural community outside of the ARC in research, a grants program will be funded.

Implementation Strategy

To facilitate implementation, the NARP will absorb relevant activities begun under the Rice Research, EMCIP, Mechanization, AES and other ongoing research related AID funded projects. These projects currently have their own budgets which will assure their continuation into FY86. Absorption of the research components of these projects by NARP... is to be effected in such a manner that there is no interruption or delay in their ongoing present programs. Thus, NARP will be initiated at the already high level of activity with considerable, in place supporting facilities and equipment.

The Project will be implemented by the MOA through a National Agricultural Research Council (NARC) chaired by the Minister. The NARC will include a deputy chairperson (the Undersecretary for the Minister's Cabinet Office of the MOA), the Director General and Deputy Director General of ARC, and the MOA Undersecretary for Seed Production. Other members may be named by the minister to serve on a permanent or ad hoc basis.

The Minister will delegate authority as required to implement the Project to the Deputy Chairperson which may be redelegated as appropriate. The Deputy Chairperson, will be assisted by a full time Project Director and a full time administrator also named by the MOA to administer day by day operations.

A Coordinating Committee (CC) and an Administrative Unit (AU) will be established. The CC will advise the ARC and MOA on policy and planning issues. The AU will be responsible for administration of the Project under the direction of the Minister or his delegated representative.

The CC will consist of representatives of the major organizations, including the private sector, concerned with agricultural research in Egypt. It will be responsible for identifying and suggesting broad areas of agricultural research needs and establishing priorities for the conduct of research to address those needs.

The ARC is in the process of organizing several regional agricultural research committees (RRC) according to the major agro-ecological zones. The RRCs are composed of representatives of both the public and private sector. They serve as a forum for considering how local research efforts can be better coordinated. The RRCs will be one of the channels of information to the CC and the NARC to inform them of local issues.

The AU will be headed by the Deputy Chairperson or his designee. He will be assisted by technical personnel (counterparts to the technical assistance team) and by administrative personnel. He will function to see that the resources are properly allocated and utilized according to the Project Agreement. The Technical Assistance team leader will work directly with the Project Director (technical).

The AU will prepare for the MOA's approval, an implementation plan for the life of the project. The AU will also prepare the Project's annual operating plan and budget for the MOA's approval. This plan and budget will be consistent with the implementation plan.

All entities (institutes, stations, etc.) within the ARC, will prepare annual operating plans based on ARC's overall operating plan. These plans will establish quantifiable objectives and identify indicators to measure progress towards those objectives during the course of the year.

Outputs

The Project will concentrate on improving ARC's management and administrative capacity, its research techniques and methods, and the skills of its professional and technical staff. The Project will also develop ARC's capacity to collect

and analyze data and to utilize and disseminate information. It will encourage other institutions both from the private and public sectors to participate in the agricultural research effort through a grants program. To ensure that improved varieties of seeds are available, it will support the seed registration and certification process. And finally the project will upgrade facilities by new construction or by refurbishing existing structures and will see that these facilities are properly equipped.

II. Responsibilities of the Participants

The Ministry of Agriculture and Food Security (MGA) will authorize the ARC to implement the Project. The Minister of Agriculture and Food Security will appoint a high-level advisory group to provide guidance particularly with respect to establishing research priorities. The ARC Director General will appoint a IARP Project Director and establish a management team to assist in administering project implementation and coordination with the technical assistance team.

The GOE will provide funding to cover salaries and related operating costs. The GOE will gradually assume the burden of recurrent costs so that these costs will be fully covered when AID funding under the Project terminates. Support for ongoing AID-funded research will be determined through the use of project implementation letters. The USAID will fund technical assistance training, construction and commodity procurement. The USAID will appoint a full time project manager to monitor progress and to assist in resolving implementation issues.

The USAID with active participation of the GOE will assume responsibility for contracting the technical assistance. The USAID, the GOE, and the TA contractor will coordinate training. Host Country contracting will be the preferred method for construction and procurement.

III. Evaluation

The USAID will contract for evaluations to be conducted during the third, fifth, and final year of the projects. The ARC will be responsible for preparing a data base on agricultural production during the first year of the project. The ARC will collect production data annually and make this data available to the evaluators. The scope of work for the evaluations will be prepared jointly by the USAID and the ARC. The Basic Implementation Letter will identify specific data gathering requirements.

IV. Illustrative Financial Plan

Table I provides a summary cost estimate for the Project. The total Project cost is \$130,000,000 million, of which \$30,000,000 has been obligated hereby, and LE 66,500,000 of which the GOE will contribute LE 10,000,000 to the first phase of the Project.

The Grantee contribution of Egyptian pounds will fund Egyptian salaries and in-kind contributions. Changes may be made to the financial plan by written agreement of the representatives of the Parties identified in Section 6.2 without formal amendment of the Agreement, provided such changes do not cause: (1) AID's Grant contribution for the Project to exceed the amount set forth under Section 3.1; or (2) the Grantee's contribution for the Project to be less than the amount set forth under Section 3.2.

NATIONAL AGRICULTURAL RESEARCH
PROJECT FINANCIAL PLAN
(000's)

TABLE I

PROJECT NO. 263-0152

As of July 31, 1985

Project Inputs	Cumulative Obligations As of July 31, 1985		Future Years Anticipated		Total	
	AID \$	GOE LE	AID \$	GOE LE	AID \$	GOE LE
1. Consultant Services/Staff Research	14,700	300	-	1,197	14,700	1,497
2. Training						
In-Country	2,000	500	19,600	1,163	21,600	1,663
External	1,300	200	11,700	798	13,000	998
3. Construction	1,000	1,000	10,800	1,329	11,800	2,329
4. Commodities	5,000	1,000	21,700	1,246	26,700	2,246
5. Services	6,000	7,000	22,800	46,660	28,800	53,660
6. Evaluation & Audit	-	-	600	67	600	67
7. Contingencies	-	-	12,800	4,075	12,800	4,075
TOTAL	30,000	10,000	100,000	56,534	130,000	66,534

ANNEX 2

Project Grant Standard

Provision Annex

Definitions: As used in this Annex, the "Agreement" refers to the Project Grant Agreement to which this Annex is attached and of which the Annex forms a part. Terms used in this Annex have the same meaning or reference as in the Agreement.

Article A: Project Implementation Letters

To assist Grantee in the implementation of the Project, A.I.D., from time to time, will issue Project Implementation Letters that will furnish additional information about matters stated in this Agreement. The Parties may also use jointly agreed-upon Project Implementation Letters to confirm and record their mutual understanding on aspects of the implementation of this Agreement. Project Implementation Letters will not be used to amend the text of the Agreement, but can be used to record revisions or exceptions which are permitted by the Agreement, including the revision of elements of the amplified description of the Project Annex 1.

Article B: General Covenants

SECTION B.1. Consultation. The Parties will cooperate to assure that the purpose of this Agreement will be accomplished. To this end, the Parties, at the request of either, will exchange views on the progress of the Project, the performance of obligations under this Agreement, the performance of any consultants, contractors, or suppliers engaged in the Project, and other matters relating to the Project.

SECTION B.2. Execution of Project. The Grantee will:

(a) carry out the Project or cause it to be carried out with due diligence and efficiency, in conformity with sound technical, financial and management practices, and in conformity with those documents, plans, specifications, contracts, schedules or other arrangements, and with any modifications therein, approved by A.I.D. pursuant to this Agreement; and

(b) provide qualified and experienced management for, and train such staff as may be appropriate for the maintenance and operation of the Project, and, as applicable for continuing activities, cause the Project to be operated and maintained in such manner as to assure the continuing and successful achievement of the purposes of the Project.

SECTION B.3. Utilization of Goods and Services.

(a) Any resources financed under the Grant will, unless otherwise agreed in writing by A.I.D., be devoted to the Project until the completion of the Project, and thereafter will be used so as to further the objectives sought in carrying out the Project.

(b) Goods or services financed under the Grant, except as A.I.D. may otherwise agree in writing, will not be used to promote or assist a foreign aid project or activity associated with or financed by a country not included in Code 935 of the A.I.D. Geographic Code Book as in effect at the time of such use.

SECTION B.4. Taxation.

(a) This Agreement and the Grant will be free from any taxation or fees imposed under laws in effect in the territory of the Grantee.

(b) to the extent that (1) any contractor, including any consulting firm, any personnel of such contractor financed under the Grant, and any property or transaction relating to such contracts and (2) any commodity procurement transaction financed under the Grant, are not exempt from identifiable taxes, tariffs, duties or other levies imposed under laws in effect in the territory of the Grantee, the Grantee will, as and to the extent provided in and pursuant to Project Implementation Letters, pay or reimburse the same with funds other than those provided under the Grant.

SECTION B.5. Reports, Records, Inspections, Audit. The Grantee will:

(a) furnish A.I.D. such information and reports relating to the Project and to this Agreement as A.I.D. may reasonably request;

(b) maintain or cause to be maintained, in accordance with generally accepted accounting principles and practices consistently applied, books and records relating to the Project and to this Agreement, adequate to show, without limitation, the receipt and use of goods and services acquired under the Grant. Such books and records will be audited regularly, in accordance with generally accepted auditing standards, and

maintained for three years after the date of last disbursement by A.I.D.; such books and records will also be adequate to show the nature and extent of solicitations of prospective suppliers of goods and services acquired, the basis of award of contracts and orders, and the overall progress of the Project toward completion; and

(c) afford authorized representatives of a Party the opportunity at all reasonable times to inspect the Project, the utilization of goods and services financed by such Party, and books, records and other documents relating to the Project and the Grant.

SECTION B.6. Completeness of Information. The Grantee confirms:

(a) that the facts and circumstances of which it has informed A.I.D., or caused A.I.D. to be informed, in the course of reaching agreement with A.I.D. on the Grant, are accurate and complete, and include all facts and circumstances that might materially affect the Project and the discharge of responsibilities under this Agreement;

(b) that it will inform A.I.D. in timely fashion of any subsequent facts and circumstances that might materially affect, or that it is reasonable to believe might so affect, the Project or the discharge of responsibilities under this Agreement.

SECTION B.7. Other Payments. Both Parties affirm that no payments have been or will be received by any official of their respective Governments in connection with the procurement of goods or services financed under the Grant, except fees, taxes or similar payments legally established.

SECTION B.8. Information and Marking. The Grantee will give appropriate publicity to the Grant, and the Project as a program to which the United States has contributed, identify the Project site, and mark goods financed by A.I.D., as described in Project Implementation Letters.

Article C. Procurement Provisions

SECTION C.1. Special Rules.

(a) The source and origin of ocean and air shipping will be deemed to be the ocean vessel's or aircraft's country of registry at the time of shipment.

(b) Premiums for marine insurance placed in the territory of the Grantee will be deemed an eligible Foreign Exchange Cost, if otherwise eligible under Section C.7 (a).

(c) Any motor vehicles financed under the Grant will be of United States manufacture, except as A.I.D. may otherwise agree in writing.

(d) Transportation by air, financed under the Grant, of property or persons (and their personal effects) will be on carriers holding United States certification, to the extent service by such carriers is available. Details on this requirement will be described in a Project Implementation Letter.

SECTION C.2. Eligibility Date. No goods or services may be financed under the Grant which are procured pursuant to orders or contracts firmly placed or entered into prior to the date of this Agreement, except as the Parties may otherwise agree in writing.

SECTION C.3. Plans, Specifications and Contracts. In order for there to be mutual agreement on the following matters, and except as the Parties may otherwise agree in writing:

(a) The Grantee will furnish to A.I.D. upon preparation,

(1) any plans, specifications, procurement or construction schedules, contracts, or other documentation relating to goods or services to be financed under the Grant, including documentation relating to the prequalification and selection of contractors and to the solicitation of bids and proposals. Material modifications in such documentation will likewise be furnished A.I.D. on preparation;

(2) such documentation will also be furnished to A.I.D., upon preparation, relating to any goods or services which, though not financed under the Grant, are deemed by A.I.D. to be of major importance to the Project. Aspects of the Project involving matters under this subsection (a) (2) will be identified in Project Implementation Letters;

(b) Documents related to the prequalification of contractors, and to the solicitation of bids or proposals for goods and services financed under the Grant will be approved by A.I.D. in writing prior to their issuance, and their terms will include United States standards and measurements;

(c) Contracts and contractors financed under the Grant for engineering and other professional services, for construction services, and for such other services, equipment or materials as may be specified in Project Implementation Letters, will be approved by A.I.D. in writing prior to execution of the contract. Material modifications in such contracts will also be approved in writing by A.I.D. prior to execution; and

(d) Consulting firms used by the Grantee for the Project but not financed under the Grant, the scope of their services and such of their personnel assigned to the Project as A.I.D. may specify, and construction contractors used by the Grantee for the Project but not financed under the Grant, shall be acceptable to A.I.D.

SECTION C.4. Reasonable Price. No more than reasonable prices will be paid for any goods or services financed, in whole or in part, under the Grant. Such items will be procured on a fair and, to the maximum extent practicable, on a competitive basis.

SECTION C.5. Notification to Potential Suppliers. To permit all United States firms to have the opportunity to participate in furnishing goods and services to be financed under the Grant, the Grantee will furnish A.I.D. such information with regard thereto, and at such times, as A.I.D. may request in Project Implementation Letters.

SECTION C.6. Shipping.

(a) Goods which are to ~~be~~ transported to the territory of the Grantee may not be financed under the Grant if transported either:

(1) on an ocean vessel or aircraft under the flag of a country which is not included in A.I.D. Geographic Code 935 as in effect at the time of shipment, or

(2) on an ocean vessel which A.I.D., by written notice to the Grantee has designated as ineligible; or

(3) under an ocean or air charter which has not received prior A.I.D. approval.

(b) Costs of ocean or air transportation (of goods and persons) and related delivery services may not be financed under the Grant, if such goods or persons are carried:

(1) on an ocean vessel under the flag of a country not, at the time of shipment, identified under the paragraph of the Agreement entitled "Procurement Source: Foreign Exchange Costs," without prior written A.I.D. approval; or

(2) on an ocean vessel which A.I.D., by written notice to the Grantee, has designated as ineligible; or

(3) under an ocean vessel or air charter which has not received prior A.I.D. approval.

(c) Unless A.I.D. determines that privately-owned United States-flag commercial ocean vessels are not available at fair and reasonable rates for such vessels,

(1) at least fifty percent (50%) of the gross tonnage of all goods (computed separately for dry bulk carriers, dry cargo liners and tankers) financed by A.I.D. which may be transported on ocean vessels will be transported on privately-owned United States-flag commercial vessels, and

(2) at least fifty percent (50%) of the gross freight revenue generated by all shipments financed by A.I.D. and transported to the territory of the Grantee on dry cargo liners shall be paid to or for the benefit of privately-owned United States-flag commercial vessels.

Compliance with the requirements of (1) and (2) of this subsection must be achieved with respect to both any cargo transported from U.S. ports and any cargo transported from non-U.S. ports, computed separately.

SECTION C.7. Insurance.

(a) Marine, insurance on goods financed by A.I.D. which are to be transported to the territory of the Grantee may be financed as a Foreign Exchange Cost under this Agreement provided:

(1) such insurance is placed at the lowest available competitive rate, and

(2) claims thereunder are payable in the currency in which such goods were financed or in any freely convertible currency.

If the Grantee (or government of Grantee), by statute, decree, rule, regulation, or practice discriminates with respect to A.I.D.-financed procurement against any marine insurance company authorized to do business in any State of the United States, then all goods shipped to the territory of the Grantee financed by A.I.D. hereunder will be insured against marine risks and such insurance will be placed in the United States with a company or companies authorized to do a marine insurance business in a State of the United States.

(b) Except as A.I.D. may otherwise agree in writing, the Grantee will insure, or cause to be insured, goods financed under the Grant imported for the Project against risks incident to their transit to the point of their use in the Project; such insurance will be issued on terms and conditions consistent with sound commercial practice and will insure the full value of the goods. Any indemnification received by the Grantee under such insurance will be used to replace or repair any material damage or any loss of the goods insured or will be used to reimburse the Grantee for the replacement or repair of such goods. Any such replacements will be of source and origin of countries listed in A.I.D. Geographic Code 935 as in effect at the time of replacement, and, except as the Parties may agree in writing, will be otherwise subject to the provisions of the Agreement.

SECTION C.8. U.S. Government-Owned Excess Property. The Grantee agrees that wherever practicable, United States Government-owned excess personal property, in lieu of new items financed under the Grant, should be utilized. Funds under the Grant may be used to finance the costs of obtaining such property for the Project.

Article D: Termination; Remedies

SECTION D.1. Termination. Either Party may terminate this Agreement by giving the other Party 30 days' written notice. Termination of this Agreement will terminate any obligations of the Parties to provide financial or other resources to the Project pursuant to this Agreement, except for payments which they are committed to make pursuant to noncancellable commitments entered into with third parties prior to the termination of this Agreement. In addition, upon such termination A.I.D. may, at A.I.D.'s expense, direct that title to goods financed under the Grant be transferred to A.I.D. if the goods are from a source outside Grantee's country, are in a deliverable state and have not been offloaded in ports of entry of Grantee's country.

SECTION D.2. Refunds.

(a) In the case of any disbursement which is not supported by valid documentation in accordance with this Agreement, or which is not made or used in accordance with this Agreement, or which was for goods or services not used in accordance with this Agreement, A.I.D., notwithstanding the availability or exercise of any other remedies under this Agreement, may require the Grantee to refund the amount of such disbursement in U.S. Dollars to A.I.D. within sixty days after receipt of a request therefor.

(b) If the failure of Grantee to comply with any of its obligations under this Agreement has the result that goods or services financed under the Grant are not used effectively in accordance with this Agreement, A.I.D. may require the Grantee to refund all or any part of the amount of the disbursements under this Agreement for such goods or services in U.S. Dollars to A.I.D. within sixty days after receipt of a request therefor.

(c) The right under subsection (a) or (b) to require a refund of a disbursement will continue, notwithstanding any other provision of this Agreement, for three years from the date of the last disbursement under this Agreement.

(d) (1) Any refund under subsection (a) or (b), or (2) any refund to A.I.D. from a contractor, supplier, bank or other third party with respect to goods or services financed under the Grant, which refund relates to an unreasonable price for or erroneous invoicing of goods or services, or to goods that did not conform to specifications, or to services that were inadequate, will (A) be made available first for the cost of goods and services required for the Project, to the extent justified, and (B) the remainder, if any, will be applied to reduce the amount of the Grant.

(e) Any interest or other earnings on Grant funds disbursed by A.I.D. to the Grantee under this Agreement prior to the authorized use of such funds for the Project will be returned to A.I.D. in U.S. Dollars by the Grantee.

SECTION D.3. Nonwaiver of Remedies. No delay in exercising any right or remedy accruing to a Party in connection with its financing under this Agreement will be construed as a waiver of such right or remedy.

SECTION D.4. Assignment. The Grantee agrees, upon request, to execute as assignment to A.I.D. of any cause of action which may accrue to the Grantee in connection with or arising out of the contractual performance or breach of performance by a party to a direct U.S. Dollar contract with A.I.D. financed in whole or in part out of funds granted by A.I.D. under this Agreement.

مشروع الوكالة الأمريكية للتنمية الدولية

رقم ٢٦٣ - ١٥٢

التعديل الأول

الاتفاقية منحة مشروع

الأبحاث الزراعية القومية

بين

جمهورية مصر العربية

و

الولايات المتحدة الأمريكية

مصر

بند ٣ - لغة التعديل :

هذا التعديل محرر باللغتين الانجليزية والعربية ، وفى حالة وجود غموض أو خلاف بين النصين يرجح النص الانجلىزى .

بند ٤ - فيما عدا ما تم تعديله او تغييره بالتحديد ، تظل اتفاقية المنحة سارية المفعول ومحتفظه بكامل قوتها وآثارها القانونيه وفقا لما نصت عليه من أحكام .

بند ٥ - يصبح هذا التعديل الأول ساريا عند اتمام الاجراءات القانونيه اللازمة لتنفاذه .

واشهادا على ذلك فان جمهورية مصر العربية والولايات المتحدة الأمريكية كلا من خلال ممثليه المفوضين قد وقعا هذه الاتفاقية بأسمائهما وتم تسليمها فى اليوم والشهر والسنة المذكورين أعلاه .

عن الولايات المتحدة الأمريكية

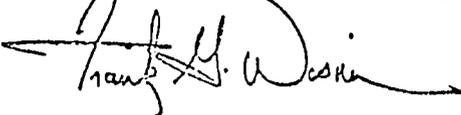
عن جمهورية مصر العربية

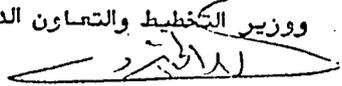
الاسم : فرانك ويزنر

الاسم : د / كمال أحمد الجنزورى

الوظيفة : السفير الأمريكى بالقاهرة

الوظيفة : نائب رئيس مجلس الوزراء



وزير التخطيط والتعاون الدولى


الاسم : فرانك كينيل

الاسم : أحمد عبد السلام زكى

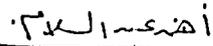
الوظيفة : مدير الوكالة الأمريكية

الوظيفة : رئيس قطاع التعاون الاقتصادى

للتنمية الدولية / بمصر

مع الولايات المتحدة الأمريكية

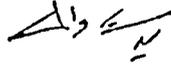




" الجهة المنفذة "

من أجل علم الهيئة المنفذة بهذه الاتفاقية وقع ممثلها
عليها بأسمه .

وزارة الزراعة



الاسم :

الوظيفة :

الوكالة الأمريكية للتنمية الدولية

مشروع رقم ٢٦٣ - ١٥٢

التعديل الثاني

لاتفاقية منحة مشروع الابحاث الزراعية القومية
بين

جمهورية مصر العربية

و

الولايات المتحدة الأمريكية

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بتاريخ ١٩٨٨

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التعديل الثاني بتاريخ ١٩٨٨ لاتفاقية المنحة المؤرخة ١٢ سبتمبر ١٩٨٥ لمشروع الاحاث الزراعية القومية بين جمهورية مصر العربية (الممنوح) والولايات المتحدة الأمريكية وتمثلها الوكالة الأمريكية للتنمية الدولية (الوكالة) .

بند (١) : تعدل اتفاقية المنحة السابق تعديلها في ٢١ سبتمبر ١٩٨٦ على النحو التالي :

(أ) يعدل بند ٣-١ باحلال عبارة " ستون مليون دولار امريكى" (٦٠.٠٠٠.٠٠٠) دولار امريكى (بدلا من " خمسة وأربعين مليون دولار امريكى" (٥٥.٠٠٠.٠٠٠) دولار امريكى " .

(ب) يعدل بند ٣-٢ (ب) باحلال عبارة " خمسة وعشرون مليون حنيه مصرى " (٢٥.٠٠٠.٠٠٠) حنيه مصرى (بدلا من " عشرين مليون حنيه مصرى" (٢٠.٠٠٠.٠٠٠) حنيه مصرى) .

(ج) تعدل الخطة المالية التوضيحية جدول (١) من الملحق (١) كليا ويحذف محلها الجدول (١) الذى تم مراجعته المرفق - يمكن مراجعة هذه الخطة المالية التوضيحية بناء على الاتفاق المتبادل بين الطرفين من طريق الخطابات التنفيذية للمشروع .

بند (٢) : التعديل ق

يتخذ الممنوح جميع الخطوات الضرورية لاستكمال كافة الاجراءات القانونية اللازمة لسريان التعديل ويخطر الوكالة الأمريكية للتنمية الدولية بذلك فى أسرع وقت ممكن .

بند (٣) لفة التعديل :

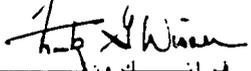
حرر هذا التعديل من املين باللغتين العربية والانجليزية ولكل منهما نفس الحجية ومنذ الاختلاف فى التفسير يعتد بالنسخ الانجليزية .

بند (٤) : فيما عدا ما تم تعديله او تغييره بموجب هذا التعديل تظل اتفاقية المنحة سارية المفعول ومحتفظه بكامل قوتها وآثارها القانونية وفقا لما نصت عليه من أحكام .

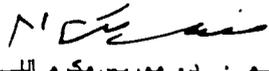
بند (هـ) : يسمح هذا التعديل ماري المفعول من تاريخ اتمام الاحـراوات
القانونية اللازمة .

واشهادا على ما تقدم فقد تم في التاريخ المذكور اعلاه التوقيع
على هذا التعديل بأسماء الممثلين المفوضين تفويضا صحيحا لكل من
جمهورية مصر العربية والولايات المتحدة الأمريكية .

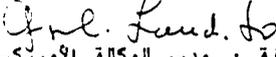
عن الولايات المتحدة الأمريكية


الاسم : فرانك وزيم
الوظيفة : السفير الأمريكي

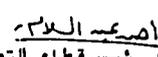
من جمهورية مصر العربية


الاسم : د. مورييس مكرم اللـه
الوظيفة : وزير الدولة للتعاون الدولي

الاسم : مارشال د. براون


الوظيفة : مدير الوكالة الأمريكية
للتنمية الدولية

الاسم أحمد عبد السلام زكي


الوظيفة : رئيس قطاع التعاون الاقتصادي
مع الولايات المتحدة الأمريكية

= ٢ =

الجهة المنفذة

من أجل علم الجهة المنفذة بهذا التعديل وقع ممثلوها
عليه بأسمائهم .

سكوال

الاسم : دكتور يوسف أمين والسي

الوظيفة : نائب رئيس الوزراء ووزير الزراعة

واستصلاح الأراضي .

A.I.D. Project Number 263-0152

FIRST
AMENDMENT
TO THE
PROJECT
GRANT AGREEMENT
BETWEEN
THE ARAB REPUBLIC OF EGYPT
AND THE
UNITED STATES OF AMERICA
FOR
NATIONAL AGRICULTURAL
RESEARCH PROJECT

SEP 21 1986

CONFORMED
COPY

43

First Amendment, dated SEP 21 1986 to the Grant Agreement, dated September 12, 1985, between the Arab Republic of Egypt ("Grantee") and the United States of America, acting through the Agency for International Development ("A.I.D.") for National Agricultural Research Project.

SECTION 1. The Grant Agreement is hereby amended as follows:

A. Section 3.1 is amended by deleting "Thirty Million United States ("U.S.") Dollars (\$30,000,000)" and by substituting "Forty-five Million United States ("U.S.") Dollars (\$45,000,000)" therefor.

B. Section 3.2 (b) is amended by deleting "For the first year, the amount contributed will be Ten Million Egyptian Pounds (L.E. 10,000,000) including costs borne on an in-kind basis" and substituting "The Grantee shall provide Twenty Million Egyptian Pounds (L.E. 20,000,000) as its incremental share of Project financing, including costs borne on an in-kind basis" therefor.

C. Section 3.3(a) is amended by deleting "September 30, 1992" and substituting "September 30, 1993" therefor.

D. Annex 1, Project Description, of the Grant Agreement is amended by adding the attached description of the Research Support Program at page 4 of Annex 1.

E. The Illustrative Financial Plan, Table I, is deleted in its entirety and the attached revised Illustrative Financial Plan substituted therefor. This illustrative plan may be revised upon mutual agreement of the Parties by Project Implementation Letter.

SECTION 2. Ratification: The Grantee will take all necessary action to complete all legal procedures necessary to ratification of this First Amendment and will notify A.I.D. as promptly as possible of the fact of such ratification.

SECTION 3. Language of this Amendment. This Amendment is prepared in both English and Arabic. In the event of ambiguity or conflict between the two versions, the English language version will prevail.

SECTION 4. Except as specifically amended or modified herein, the Grant Agreement shall remain in full force and effect in accordance with all of its terms.

SECTION 5. This First Amendment shall enter into force when signed by both parties hereto.

IN WITNESS WHEREOF, the Arab Republic of Egypt and the United States of America, each acting through its respective duly authorized representatives, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

ARAB REPUBLIC OF EGYPT

BY : K. A. Elgany
NAME : Kamal Ahmed El Ganzoury
TITLE: Deputy Prime Minister
Minister of Planning and
International Cooperation

UNITED STATES OF AMERICA

BY : Frank G. Wisner
NAME : Frank G. Wisner
TITLE: American Ambassador

BY : Ahmad Abdel Salam
NAME : Ahmad Abdel Salam Zaki
TITLE: Administrator of the Department
for Economic Cooperation with
U.S.A.

BY : Frank B. Kimball
NAME : Frank B. Kimball
TITLE: Director, USAID/Egypt

Implementing Organizations

In acknowledgement of the foregoing Agreement, the following representative of the implementing organization has subscribed his name:

MINISTRY OF AGRICULTURE

BY : Youssaf Wally

NAME : Dr. Youssaf Wally

TITLE: Deputy Prime Minister and
Minister of Agriculture and
Food Security

Project Description

This amendment accomplishes the following:

- Adds \$15 million in obligations for a new total obligation of \$45 million. The new funds have been added to finance FY 1987 activities as listed:

Construction	\$ 3 million
Commodities	\$ 3 million
Services	\$ 6 million
Training	\$ <u>3 million</u>
	\$ 15 million

The total funding level of the project remains at \$130 million.

- Extends the Project Activity Completion Date from September 30, 1992 until September 30, 1993.
- Revises the US dollar amount converted to Egyptian pounds. Because the original Project Paper budget was calculated at \$1 = LE .83, and the new exchange rate is \$1 = LE 1.35, there is an additional \$22.8 million available for reprogramming in the project.
- Establishes a new project component, under the services line, called Research Support Program. This component is designed to make funds available to the MOA to support interdisciplinary and on-farm agricultural research. The previously established Research Grants Program supports research outside of the ARC. The Research Support Program supports research with the ARC with particular attention to supporting various aspects of agricultural research initiated under other AID/GOE projects which have terminated or will terminate in the near future.

The MOA will establish criteria to be used in the selection process for approving the interdisciplinary research experiments for funding from the Research Support Program. The MOA will process the proposals, monitor progress and publish findings. AID reserves the right to approve the criteria and the procedures to be used by the implementing office.

For clarity, funding for the Research Support Program is shown under the Services category as a non-add item.

Footnote to Budget: Please note that the revised budget shows the AID contribution in both \$ and \$ to be converted to LE.

REVISED BUDGET
AMENDMENT 1
NATIONAL AGRICULTURAL RESEARCH
PROJECT FINANCIAL PLAN
(000's)

TABLE I

PROJECT NO. 263-0152

As of September 1986

Project Inputs	Cumulative Obligations As of September, 1986			Future Years Anticipated			Total			
	AID	AID	BCE	AID	AID	GOE	AID	AID	Total	GOE
	\$	\$ DF LE	LE	\$	\$ DF LE	LE	\$	\$ DF LE	AID	LE
1. Consultant Services/Staff Research	14,700	0	800	-		800	14,700	0	14,700	1,400
2. Training										
In-Country	-	3,500	1,000	-	9,750	700	-	13,250	25,250	1,700
External	2,600		400	10,200	-	600	13,000	-		1,000
3. Construction	-	4,000	2,000	-	3,255	700	-	7,255	7,255	2,700
4. Commodities	5,000	1,000	2,000	20,000	45	700	25,000	1,045	26,045	2,700
5. Services	<u>3,000</u>	<u>9,000</u>	<u>14,000</u>	<u>5,600</u>	<u>26,219</u>	<u>52,300</u>	<u>9,600</u>	<u>35,219</u>	<u>43,819</u>	<u>65,300</u>
* Research Support Program	-	(6,000)	-	-	(16,500)	-	-	(22,500)	-	
6. Evaluation & Audit	-	-	-	600	-	100	600	-	600	100
7. Contingencies	1,000	1,000	-	5,800	3,501	4,100	6,800	4,501	11,301	4,100
TOTAL	26,500	18,500	20,000	42,200	42,800	50,000	68,700	61,300	130,000	80,000

* New Component - Non - add

A.I.D. Project Number 263-0152

SECOND AMENDMENT
TO
GRANT AGREEMENT
BETWEEN
THE ARAB REPUBLIC OF EGYPT
AND THE
UNITED STATES OF AMERICA
FOR
NATIONAL AGRICULTURAL RESEARCH

Dated: JUN 15 1988

**CONFORMED
COPY**

JUN 15 1988

Second Amendment, dated _____ to the Grant Agreement, dated September 12, 1985 between the Arab Republic of Egypt ("Grantee") and the United States of America, acting through the Agency for International Development ("A.I.D.") for National Agricultural Research.

SECTION 1. The Grant Agreement as amended on September 21, 1986 is hereby further amended as follows:

A. Section 3.1 is amended by deleting "Forty-Five Million United States ("U.S.") Dollars (\$45 000,000)" and by substituting "Sixty Million United States ("U.S.") Dollars (\$60,000,000)" therefor.

B. Section 3.2(b) is amended by deleting "Twenty Million Egyptian Pounds (L.E. 20,000,000)" and substituting "Twenty-Five Million Egyptian Pounds (L.E. 25,000,000)" therefor.

C. The Project Financial Plan, Table I to Annex I, is deleted in its entirety and the revised Table 1 attached hereto is substituted therefor. This illustrative financial plan may be revised upon mutual agreement of the Parties by Project Implementation Letters.

SECTION 2. Ratification. The Grantee will take all necessary action to complete all legal procedures necessary to ratification of this Amendment and will notify A.I.D. as promptly as possible of the fact of such ratification.

SECTION 3. Language of Amendment. This Amendment is prepared in both English and Arabic. In the event of ambiguity or conflict between the two versions, the English language version will control.

SECTION 4. Except as specifically amended or modified herein, the Grant Agreement shall remain in full force and effect in accordance with all of its terms.

SECTION 5. This Amendment shall enter into force when signed by both parties hereto.

IN WITNESS HEREOF, the Arab Republic of Egypt and the United States of America, each acting through its respective duly authorized representatives, have caused this Amendment to be signed in their names and delivered as of the day and year first above written.

ARAB REPUBLIC OF EGYPT

UNITED STATES OF AMERICA

BY : M. W. Allah

BY : Frank G. Wisner

NAME : Maurice Makram Allah

NAME : Frank G. Wisner

TITLE: Minister of State for
International Cooperation

TITLE: American Ambassador

BY : Ahmed Abdel Salam

BY : George C. Lundberg

NAME : Ahmed Abdel Salam Zaki

NAME : Marshall D. Brown

TITLE: Administrator of the
Department for Economic
Cooperation with U.S.A.

TITLE: Director, USAID/Egypt

Implementing Organization

In acknowledgement of the foregoing Agreement, the following representative of the implementing organization has subscribed his name:

MINISTER OF AGRICULTURE AND LAND RECLAMATION

BY : *Youssef Wally*

NAME : Dr. Youssef Wally

TITLE: Deputy Prime Minister and
Minister of Agriculture
Land Reclamation

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NATIONAL AGRICULTURAL RESEARCH PROJECT
(263-0152)
AMENDMENT NO. 2

PROJECT FINANCIAL PLAN
AS OF MARCH, 1968

PROJECT INPUTS	CUMULATIVE OBLIGATIONS (MARCH, 1968)						FUTURE YEARS ANTICIPATED						TOTAL									
	A.I.D. (\$000)			GDE (LE000)			A.I.D. (\$000)			GDE (LE000)			A.I.D. (\$000)			GDE (LE000)						
	\$FX	\$LC	TOTAL	CASH	IN	IND	TOTAL	\$FX	\$LC	TOTAL	CASH	IN	IND	TOTAL	\$FX	\$LC	TOTAL	CASH	IN	IND	TOTAL	
CONSULTING SERVICES/STAFF RESEARCH	18200	0	18200	0	900	900	0	0	0	0	597	597	18200	0	18200	0	1497	1497				
TRAINING																						
IN-COUNTRY	0	3500	3500	0	1000	1000	0	5000	5000	0	663	663	0	8500	8500	0	1663	1663				
EXTERNAL	4800	0	4800	0	400	400	12980	0	12980	0	598	598	17780	0	17780	0	998	998				
CONSTRUCTION	0	4000	4000	2329	0	2329	0	3255	3255	0	0	0	0	7255	7255	2329	0	2329				
COMMODITIES	15000	1000	16000	0	2000	2000	12000	45	12045	0	246	246	125000	1045	126045	0	2246	2246				
SERVICES	3000	9500	12500	0	18000	18000	5606	35719	41325	0	35660	35660	8600	35219	43819	0	53660	53660				
EVALUATION & AUDIT	50	0	50	0	0	0	550	0	550	0	67	67	600	0	600	0	67	67				
CONTINGENCIES	1475	1475	2950	371	0	371	1825	3026	4851	229	3474	3703	3300	4501	7801	500	3474	4074				
TOTAL	140525	19475	60000	2700	22300	25000	132955	37045	70000	229	41305	41534	173490	56520	130000	2929	63605	64534				



U.S. ECONOMIC ASSISTANCE PROGRAM IN EGYPT

PD-ABL-909

A.I.D. Project Number 263-0152

THIRD
AMENDMENT
TO
GRANT AGREEMENT
BETWEEN
THE ARAB REPUBLIC OF EGYPT
AND THE
UNITED STATES OF AMERICA
FOR
NATIONAL AGRICULTURAL RESEARCH PROJECT

Dated: SEP 29 1988

Third Amendment, dated ^{SEP 29 1988} to the Grant Agreement, dated

September 12, 1985 between the Arab Republic of Egypt ("Grantee") and the United States of America, acting through the Agency for International Development ("A.I.D.") for National Agricultural Research Project.

SECTION 1. The Grant Agreement as amended on September 21, 1986 and June 15, 1988 is hereby further amended as follows:

A. Section 2.1 is amended by deleting the first paragraph and by substituting the following therefor:

"The Project, as further described in Annex 1, has been significantly expanded from one component, research, to include four new components: technology transfer, policy analysis, seed technology and new initiatives. The research component has been expanded to add funding to the land improvements, international collaborative research and maintenance program activities. The five components together are designed to improve Egypt's capability to provide farmers with productivity-increasing technologies in a supportive policy environment. The life of the Project has been extended by one year, from eight to nine years. Both A.I.D.'s U.S. Dollar and the Grantee's Egyptian Pound total contributions will be provided in increments over the life of the Project.

B. Section 3.1 is amended by deleting "Sixty Million United States ("U.S.") Dollars (\$60,000,000)" and by substituting-"One Hundred Million United States ("U.S.") Dollars (\$100,000,000)" therefor.

C. Section 3.2(b) is amended by: (1) deleting the second sentence in its entirety; (2) deleting "Sixty-Six Million Five Hundred and Thirty-Four Thousand Egyptian Pounds (LE 66,534,000)" and by substituting "Two Hundred Nineteen Million Egyptian Pounds (LE 219,000,000)," the approximate equivalent of \$75 million U.S. Dollars, therefor; and (3) deleting "One Hundred and Thirty Million U.S. Dollars (\$130,000,000)" and by substituting "Three Hundred Million U.S. Dollars (\$300,000,000)" therefor.

D. Section 3.3(a) is amended by deleting "September 30, 1993" and by substituting "September 30, 1994" therefor.

E. Section 4.2 is amended by deleting subparagraph (b).

F. Section 4.3 is deleted in its entirety and the following section is substituted therefor.

"SECTION 4.3. Requirements Precedent to Disbursement for Technology Transfer, Seed Technology, Policy Analysis and Project Management/New Initiatives. Prior to any disbursement or the issuance by A.I.D. of any documentation pursuant to which any disbursement will be made for the technology transfer, seed technology, policy analysis or project management/new initiatives components, the Grantee shall, except as the parties may otherwise agree in writing, furnish to A.I.D., in form and substance satisfactory to A.I.D., a statement of the names of the individuals who will be responsible for implementation of each of the

five Project components, together with a statement regarding their designated duties and authorities, and evidence that the Grantee has appointed a counterpart for each long-term technical assistance advisor.

G. Section 4.5 is amended by adding the following sentence at the end of the paragraph.

"Prior to any disbursement for motor vehicles or the issuance by A.I.D. of documents pursuant to which disbursement will be made for motor vehicles, with the exception of the motor vehicles already on order as of the date of this Agreement, the Grantee shall, except as the Parties may otherwise agree in writing, furnish to A.I.D., in form and substance satisfactory to A.I.D., evidence that whatever governmental action is necessary in order to obtain full exemption from import restrictions, duties, taxes or other similar impositions for all Project-financed motor vehicles has been taken.

H. New Sections 5.8 through 5.14 are added after Section 5.7 as follows:

"SECTION 5.8. Annual Plans. The Grantee shall, except as the parties may otherwise agree in writing, furnish to A.I.D., in form and substance satisfactory to AID, prior to the beginning of the Grantee's fiscal year during each year of the Project, annual implementation and financial plans for each of the Project components which shall include a review of outputs achieved over the prior year.

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SECTION 5.9. Experimental Lands. The Grantee shall ensure that for the life of the Project, the use of the experimental lands which are upgraded under the Project is restricted to agricultural research.

SECTION 5.10. Private Sector. The Grantee shall make a concerted effort to involve the private sector in agricultural research, seed technology, technology transfer and policy analysis formulation activities contemplated under the Project.

SECTION 5.11. Recurrent Costs. The Grantee shall annually increase its cash contributions in support of the Project's recurrent costs so that, by the PACD and beyond, allocations to the implementing agencies, the Agricultural Research Center and the Undersecretariat for Agricultural Economics and Statistics, will meet all the Project's recurrent cost needs.

SECTION 5.12. Salary Supplements. Neither Grant funds nor Special Account funds may be used to pay salary supplements to Grantee personnel except pursuant to mutually agreed criteria.

SECTION 5.13. Accounting Records. The Grantee will provide A.I.D., on an annual basis, with copies of its accounting records on local currency and in-kind contributions provided for the Project.

SECTION 5.14. Implementing Agency Capabilities. The Grantee will cooperate with A.I.D. to assess the accounting, contracting, procurement and reporting capabilities of the Grantee's implementing agencies and to resolve any shortcomings identified in the course of such assessment.

SECTION 5.15. Seed Industry. The Grantee will commission a study, for completion within one year of the date of the Third Amendment to the Grant Agreement, to review current laws and regulations governing the seed industry. The study will provide recommendations for modification of the policy environment regarding seed production, processing and distribution, to strengthen private sector participation in the seed industry. Based on those recommendations, the Grantee agrees to submit a plan to USAID for implementing changes which appear appropriate. The status of these changes will be reviewed and approved by both Parties prior to approval of the annual plan for the Seed Technology component for fiscal year 1991."

I. Annex 1, Project Description, of the Grant Agreement is deleted in its entirety and the revised Annex 1, Project Description attached hereto is substituted therefor.

J. The Project Financial Plan, Table 1 to Annex 1, is deleted in its entirety and the revised Table 1 attached hereto is substituted therefor. This illustrative financial plan may be revised upon mutual agreement of the Parties by Project Implementation Letters.

SECTION 2. Ratification. The Grantee will take all necessary action to complete all legal procedures necessary to ratification of this Amendment and will notify A.I.D. as promptly as possible of the fact of such ratification.

SECTION 3. Language of Amendment. This Amendment is prepared in both English and Arabic. In the event of ambiguity or conflict between the two versions, the English language version will control.

SECTION 4. Except as specifically amended or modified herein, the Grant Agreement shall remain in full force and effect in accordance with all of its terms.

SECTION 5. This Amendment shall enter into force when signed by both parties hereto.

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IN WITNESS WHEREOF, the Arab Republic of Egypt and the United States of America, each acting through its respective duly authorized representatives, have caused this Amendment to be signed in their names and delivered as of the day and year first above written.

ARAB REPUBLIC OF EGYPT

UNITED STATES OF AMERICA

BY : _____

BY : _____

NAME : DR. Maurice Makramallah

NAME : Frank G. Wisner

TITLE: Minister of State for

TITLE: American Ambassador

International Cooperation

BY : Ahmed Abdel Salam

BY : Marshall D. Brown

NAME : Ahmed Abdel Salam Zaki

NAME : Marshall D. Brown

TITLE: Administrator of the

TITLE: Director, USAID/Egypt

Department for Economic

Cooperation with U.S.A.

Implementing Organizations

In acknowledgement of the foregoing Agreement, representatives of the implementing organizations have subscribed their names:

BY : _____

NAME : Dr. Youssef Wally

TITLE: Deputy Prime Minister and
Minister of Agriculture
and Land Reclamation

BY : _____

NAME : Dr. Ahmed Montaz

TITLE: Director General
Agriculture Research Center
Ministry of Agriculture
and Land Reclamation

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Project Description

This amended project is designed to both enhance the effectiveness, as well as broaden the involvement, of a wide range of public and private institutions in Egypt's agricultural development. The five priority areas to be focused on under the amended project are agricultural research, policy analysis, technology transfer, seed technology and project management/new initiatives. They are summarized as follows:

Research: The two major activities being carried out under this component are institutional and technology production process improvements. Institutional improvements primarily focus on the Agricultural Research Center (ARC) and consist of a comprehensive program of human resources development, management improvements and upgrading of physical facilities. Technology production process improvements include: a research support program to improve the quality of ARC in-house conducted research; a series of research grants to encourage the participation of other local public/private sector research institutions; and an international collaboration research program with selected U.S. institutions and international centers to generate improved technologies.

Policy Analysis: The primary objective of this new component is to strengthen the monitoring, analytical and policy formulation capability of the Undersecretariat for Agricultural Economics and Statistics (U/AES). Four specific sub-components to be financed include: (1) strengthening the in-house economic and policy analysis function; (2) strengthening linkages with a wide variety of public and private sector entities to facilitate policy dialogue; (3) continuing support for statistical analysis and data processing functions initiated under the AID-financed Data Collection and Analysis (DCA) Project; and (4) the establishment of a policy information center.

Seed Technology: The strategy of this component is to develop and install up to date cost efficient research and processing facilities and equipment, combined with in-depth technological training for staff. This component is key to providing farmers with quality seeds which can have a quick, relatively low cost impact on increased productivity. This component will take major steps in creating an environment to induce the private sector to invest in the seed sector by increasing urgently needed support services.

Technology Transfer: The agricultural system will be strengthened by having technology drawn from the research establishment and transferred through public and private sector networks to the farmers. The linkages between the public extension service and other public and private sector groups will be strengthened. Four specific sub-components to be financed include: (1)

strengthening of planning, coordination and facilitative capabilities of the Extension Affairs Division; (2) improving decentralized (governorate) public extension service's delivery capability so that it is planned and executed with the participation of farmers and others active in the process; (3) support for a wide variety of non-public extension service institutions in their role in the technology transfer system; and, (4) strengthening the research community's technology transfer capability in support of public and private intermediary groups serving farmers.

Project Management/New Initiatives: Resources will be made available for project management and to study and respond to crucial and emerging problems which might occur in Egypt's agricultural development or to undertake special initiatives which are needed but unforeseen at the present time. This component is expected to identify opportunities for meaningful future participation of AID in Egypt's agricultural development.

The project will be implemented by the Agricultural Research Center (ARC) of the Ministry of Agriculture and Land Reclamation (MALR), except for the Policy Analysis Component which will be implemented by the Undersecretariat for Agricultural Economics. The Director General of ARC will be the overall Project Director General. Each of the four major project components, Research, Policy Analysis, Seed Technology, and Technology Transfer, will have a Deputy Project Director who reports to the Project Director General. The Project Management/New Initiatives component will be assigned directly to the Project Director General.

Table 1 provides a summary cost estimate for the Project. The total AID contribution to the Project will be \$300,000,000 of which \$100,000,000 has been obligated hereby. The total Grantee contribution will be 219,000,000 Egyptian Pounds. The Grantee contribution of Egyptian pounds will fund administration, a research support program, renovation, equipment and supplies, and some local training expenses.

Handwritten notes:
① Department MALR
that is, the staff
CD, PA and
... (per ...)
② ...
CD / PA - ...
will be ...
... (per ...)

