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USAID

DISASTER ASSISTANCE GRANT - PROJECT AGREEMENT

EMERGENCY MATERIALS DISTRIBUTION AND WORK PROGRAM

DOMINICA - POST HURRICANE DAVID, AUGUST, 1979

BEST AVAILABLE COPY

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pt. 2

DISASTER ASSISTANCE GRANT PROJECT AGREEMENT

Between the Government of Dominica

(Grantee)

AND

The United States of America, acting through
the Agency for International Development (AID)

1. Project Title

Emergency Materials Distribution and
Work Program

2. AID Project Number

The above named parties hereby mutually agree to carry out the Project described in this Agreement in accordance with (1) the terms of this Agreement, including any annexes attached hereto, and (2) any general agreement between the two governments regarding economic or technical cooperation.

3. Amount of AID Grant

See Project Description

4. Grantee Contribution to
the Project

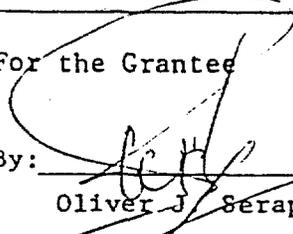
See Project Description

5. Project Assistance
Completion Date

December 31, 1980

6. This Agreement consists of this title page, the Project Description attached as Annex A, the Service Agency Agreement attached as Annex B, and the Standard Provision Annex attached hereto as Annex C.

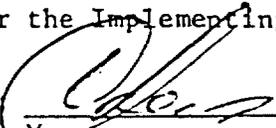
7. For the Grantee

By: 

Oliver J. Seraphin

Title: Prime Minister

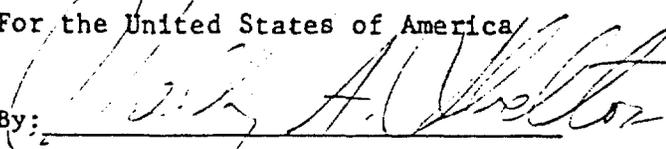
For the Implementing Agency:

By: 

Manager

Agricultural and Industrial
Development Bank

8. For the United States of America

By: 

Sally A. Shelton

Title: Ambassador of the
United States of America

By: 

William B. Wheeler

Title: Representative, Agency for
International Development

December 19, 1979

CONFIRMED COPY

ANNEX A

PROJECT DESCRIPTION

EMERGENCY MATERIALS DISTRIBUTION AND WORK PROGRAM

Government of Dominica

United States Agency for International Development

1'
ANNEX A

PROJECT DESCRIPTION

EMERGENCY MATERIALS DISTRIBUTION AND WORK PROGRAM

WHEREAS, one of the major effects of the Hurricane David disaster in Dominica of August 29, 1979, was the destruction of private housing:

WHEREAS, the Government of Dominica has adopted an overall policy of attempting to support and reinforce the efforts of the disaster victims themselves in the reconstruction of their homes, in accordance with the principles of strengthening the self-reliance and dignity of such victims;

WHEREAS, the Government of Dominica has declared its support for materials distribution programs through which the populace will be enabled to purchase building materials at fair, reasonable and subsidized prices;

WHEREAS, both the Government of Dominica and the United States Agency for International Development have recognized the desirability of channeling revenues from sales of such materials into the towns and villages of origin to assist in stimulating the development of employment opportunities, the recovery of local economies, and the rehabilitation of vital community services;

WHEREAS, the United States of America through the United States Agency for International Development desire to provide grant assistance which will facilitate the recovery and rebuilding efforts of the victims of the Hurricane's devastation;

WHEREAS, the Government of Dominica and the United States Agency for International Development wish to enter into a coordinated Emergency Materials Distribution and Work Program;

THEREFORE, the parties to this agreement have entered into the following understanding:

Section I: This detailed project description which sets forth the policies,

rules and procedures for the Emergency Materials Distribution and Work Program, is the basis under which this program shall be carried out.

Section II: The policies, rules and procedures set forth in this Project Description may be elaborated or modified, if necessary, by mutual agreement between the Government of Dominica and USAID. Such agreement will be confirmed through the issuance by USAID of Implementation Letters and will form a binding part of the overall agreement under which this program will be conducted.

Section III: In support of this program, USAID shall provide up to US\$2,800,000 in materials, international technical assistance and local cost resources, as follows:

A. USAID shall procure through direct disbursement up to US\$2,300,000 in program materials (including up to 120,000 sheets of galvanized roofing materials; 1,200,000 board feet of pressure treated lumber; cappers, roofing and construction nails; netting wire; and other supplies, materials and commodities required for the conduct of the program; and international technical assistance (described in Section VIII-B of this Agreement).

B. USAID shall provide up to US\$500,000 for local costs, to be disbursed by the Agricultural and Industrial Development Bank.

The budgets governing (A) and (B) above are based on figures described in the Estimated Budget, which is the last page of this Project Description, Annex A to the Agreement.

Included in (B) above will be the provision of one double-transmission vehicle for use in the program. The AID-Bank will retain title to this vehicle, which shall be used for the conduct of its business in rural areas, and which shall be available for fulltime AID-Bank use upon termination of the program or on February 28, 1981, whichever is sooner.

Section IV. In consideration of the USAID contribution, the Government of Dominica will:

(a) Permit the importation of all building materials, supplies and

equipment required for the implementation of this program to be exempt from any forms of duties, import or package taxes, landing charges, and/or handling charges at port.

(b) Facilitate the entry and exit from Dominica of USAID technical assistance personnel, and extend to such personnel the credentials and identification appropriate for the conduct of their duties;

(c) Facilitate priority attention to the unloading of materials, supplies and equipment; and expedite customs and port procedures in such a manner as to permit the immediate and direct shipment of such resources from point of unloading to destination, without need for further handling and storage at portside. This facility is granted in view of the emergency nature of the program.

(d) Provide security in Roseau for program materials daily during the hours of 6 PM through 8 AM and on weekends.

Section V: As part of its national relief and reconstruction policies, and to insure effective coordination of housing materials, targeted planning, and equitable distribution among geographical areas most devastated by the hurricane, the Emergency Materials Distribution and Work Program will be assigned responsibility for provision of building materials in the rural areas, except in the parish of St. George, selected in accordance with Section IX of this agreement.

The Government of Dominica will insure that roofing materials received from other major donors are distributed in the following manner:

A. 15,000 sheets for emergency relief shelter to be distributed throughout Dominica, including Roseau;

B. 30,000 sheets for reconstruction in a combined Materials and Cash for Work Program limited to Roseau and the villages of the Parish of

St. George. This distribution will be limited to these geographical areas and conducted in accordance with a self-help program currently being developed by the Government of Dominica which will be similar in many respects to the USAID-Emergency Materials Distribution and Work Program.

C. 25,000 sheets for reconstruction of Government-owned buildings in both rural and urban areas of Dominica.

Under item I-3 of the Estimated Budget, USAID will provide up to EC\$100,000 to be managed by the Roseau Credit Union in support of the Materials and Cash for Work Program described in (B), above. The details of this grant will be elaborated upon in an Implementation Letter. The Government of Dominica has designated the provision of an additional EC\$100,000 for the program described in (B), above, as well as the provision of additional funds to supplement the USAID rural Work Program component of this Agreement, as its two foremost priorities above all others for the use of additional disaster relief funds that might become available for use in Dominica. USAID has agreed in principle that, subject to the special appropriation and availability of additional funds for disaster relief and reconstruction in Dominica, these items will receive consideration for use of such funds.

Section VI: Project Summary

In brief, under this program, building materials will be made available to victims of the hurricane disaster. These materials will be sold to subsidized prices through grass-roots institutions in rural areas. The proceeds will be deposited in special accounts to be reinvested in their respective villages of origin. These funds will be subsequently used to generate employment opportunities through labor-intensive projects aimed at rehabilitating such resources as community roads, agricultural feeder roads, water systems and other infrastructure damaged in the hurricane.

Section VII: Objectives

The Emergency Materials Distribution and Work Program will seek the following objectives:

- A. To provide high-quality, low-cost building and other materials to victims of Hurricane David who reside in the rural areas of Dominica.
- B. To assist hurricane victims in upgrading the resistance of their structures to natural disasters by making information available concerning low-cost, culturally appropriate technology which they may incorporate in their building and rehabilitation plans.
- C. To generate employment opportunities through which the poorest of the rural residents can earn cash to meet their most urgent needs.
- D. To repair, rehabilitate and improve community resources such as agricultural-feeder roads, main roads, water systems, and others where a labor-intensive approach is appropriate.
- E. To involve grass-roots groups in consideration of policies and implementation so as to assure the appropriateness of program policies and procedures and to encourage the development of management skills and local leadership in rural areas.

The program will seek to assist 4,000 to 6,000 rural households adversely affected by Hurricane David.

Section VIII: Administration

The following Dominican and U.S. agencies will play key roles in the planning and implementation of the Emergency Materials Distribution and Work Program:

- A. National Commission for Reconstruction (NCR). The NCR will act as a liaison between the agencies participating in the program and the Government of Dominica. In addition, the NCR shall approve the selection of regions in which

the program will function and individual local organizations which will serve as Service Agencies, as described later herein.

B. United States Agency for International Development (USAID).

USAID will be responsible for the provision of materials and funds in accordance with Section III-A of this Project Description. The International Technical Assistance provided will consist of the services of up to five technical assistance personnel who will assist the Implementing Agency in the conduct of the program, in the following roles:

1. Program Manager: The Program Manager will have direct responsibility for the implementation of the program within the Implementing Agency. Disbursement of funds granted under this program shall have the advance written approval of the Program Manager. This individual will be the senior member of the technical assistance team and will act as principal liaison with the Government of Dominica, National Commission for Reconstruction, Agricultural and Industrial Development Bank, and the USAID Mission in Bridgetown, Barbados, to which he shall be responsible. In addition, this individual will serve as a housing advisor to the Government of Dominica for matters in which such service is desired by the Government.

2. Logistics Coordinator: The Logistics Coordinator will be responsible for the planning and implementation of port-side receipt, movement, storage, control, organization and accountability of building materials; provision of logistical support to the program; technical supervision of procurement and contracting mechanisms; and development of a Management Information System.

3. Fiscal Coordinator: The Fiscal Coordinator will establish procedures governing receipt, inventory, sales, revenues, and disbursements for the program which will meet the requirements of USAID regulations. The Coordinator will focus attention on the training of Service Agency personnel

and provision of technical assistance to them.

4. Field Operations Coordinator: The Field Operations Coordinator will develop recommendations for the establishment of geographical regions; identification of service agencies; development and execution of service agency agreements; development of training and technical assistance program for service agency staff; and other functions related to the implementation in the field of the program.

5. Evaluation Specialist: The Evaluation Specialist will be responsible for the periodic evaluation of program policies, rules and procedures.

The USAID technical assistance team will be organized as an AID-Bank Unit.

C. The Agricultural and Industrial Development Bank (AID-Bank):
The AID-Bank will act as an Implementing Agency for the program. Under its auspices, the program Unit will conduct its responsibilities. The AID-Bank will also disburse funds for the following expenses, in accordance with the Estimated Budget which is the final page of this Annex:

1. Transportation, handling, storage, control, and accountability for building materials from port-side to delivery at Service Agencies.

2. Supervision and technical assistance to Service Agencies in the implementation of the program.

3. Costs of distribution, including Service Agency commissions.

4. Logistical support to the Unit, including provision of office space, equipment, secretarial assistance, supplies, communications, transportation and fuel, travel, per diem, and other costs related to the operation of the Emergency Materials Distribution and Work Program.

The Manager of the AID-Bank will serve as Fiscal Officer for the program responsible for supervision of the foregoing disbursements.

In order to enable the AID-Bank to disburse such funds, USAID shall provide an initial advance equal to approximately three months' projected disbursements,

based upon a formal written request from the AID-Bank. Upon disbursement of 40% of these funds, the AID-Bank may request partial replenishment of the advance from USAID. The USAID technical assistance team will assist the AID-Bank in the preparation of the specific documentation required for such reimbursement. Disbursements from this advance will require the written authorization of the Program Manager.

In recognition of overhead incurred in the management of this program, the AID-Bank shall be authorized:

A payment of US\$1,700 to be made in two equal installments (on June 30, 1980 and at the termination of the program) to be provided to defer administrative expenses of the AID-Bank.

D. Service Agencies: The functions of local materials sales, receipt of revenues, and disbursement of funds in the rural areas will be contracted by the AID-Bank to the best available grass-roots institution (such as, but not limited to, cooperatives and credit unions) in each of approximately eight program regions which are tentatively contemplated. These individual agencies will be selected in accordance with criteria set forth later in this project description, and will be contracted through an agreement whose format is Appendix I to this description. This formatted agreement sets forth the responsibilities, rules and procedures under which the Service Agencies will operate. Each Service Agency will be responsible for the provision of services in a geographic region comprised of numerous villages and towns.

The selection of the Service Agencies will be approved by the AID-Bank, the NCR, and USAID.

The AID-Bank will conduct periodic meetings with representatives of all service agencies in order to discuss policies and problems which emerge.

E. Local Government and Voluntary Groups: The Village Council clerks will be responsible for verifying and certifying the residency of households which wish to purchase materials in the program.

In the planning of the work projects, the Village Council, together with all other grass-roots groups in each village (such as Churches, Cooperatives, Credit Unions, Relief Committees, Improvement Committees, and other non-partisan groups) will establish priorities for the projects and otherwise participate through a process set forth in greater detail later herein.

Section IX: Establishment of Geographical Target Areas

A. The program will be established in the rural areas of Dominica most severely devastated by Hurricane David.

To qualify for participation in the program, areas must have a rate of damage to housing of at least 65%. Such areas will be identified by the AID-Bank Unit and approved by the National Commission for Reconstruction and USAID.

B. Areas selected under (A), above, will be divided into regions which have common transportation, social and other links. Consideration will also be given to the availability and outreach capabilities of potential service agencies in the area. However, no area will be denied participation in the program because of the absence of such a potential service agency.

C. If the quantity of materials permits, after the most devastated areas have been covered, households residing in the rural areas (excluding the Parish of St. George) which do not have sufficient rates of damage to qualify under (A), above, may be eligible for a modified program consisting exclusively of provision of roofing sheets at subsidized prices to selected households systematically identified and individually certified by the AID-Bank

Unit to have suffered major devastation in the hurricane disaster. Sales revenues from such individually targeted households will be used to supplement work projects in rural areas selected under (A), above, under the USAID program.

Section X: Selection of Service Agencies

- A. A Service Agency will be established for each region to be served by the program.
- B. Service Agencies will be grass-roots institutions which, in accordance with pre-determined policies, rules, procedures and standards, will administer the sales of building materials; receive and account for sales revenues; assist in the organization and implementation of work programs; and disburse funds for materials and labor for those programs.
- C. Service Agencies will serve all the residents of the towns and villages in their respective regions. Members or their relatives of affiliates of the grass-roots group will not receive any preference in any aspect of the program. The Service Agency will serve all residents of their regions equally, regardless of political, religious, social or other affiliation.
- D. The AID-Bank Unit will use the following criteria in identifying Service Agencies which it shall recommend:
1. Trust and esteem in which they are held by local residents and communities of the region to be served.
 2. Their knowledge of the various villages comprising the region; this may be based upon residence of members throughout region; links with other similar organizations; or services rendered throughout region in the past.
 3. Qualifications, experience and record of institution's staff; and ability to identify, train and supervise supplementary staff during the period of this program.

4. Logistical facilities, such as office space, warehouse, equipment, transport, and/or other resources which could be provided in support of the program. If such resources were damaged in the hurricane, the potential for rapid rehabilitation should be considered, as well.

Only one Service Agency for each region will be selected.

E. Service Agencies will be contracted by the AID-Bank through formal sub-agreements. The format for these agreements is Annex B to this Agreement.

F. Service Agency staff will receive training, technical assistance and supervision from the AID-Bank Unit.

Section XI: Disbribution of Building Materials

The first phase of the program to be implemented will be the distribution of building materials.

A. The following types of building materials will be distributed:

1. Galvanized, corrugated steel roofing sheets, of 26 gauge, in varying lengths of 7, 8, 9, 10 and 12 feet, of approximately 26.5 inches sheet in width. With each, fifteen (15) galvanized roofing nails will be distributed.
2. Galvanized steel cappers (also known as ridge rolls), 26 gauge, in 10 foot lengths.
3. In dimensions of 2 x 4, treated lumber in lengths of 8, 12, 14, 16, and 18 feet.
4. In dimensions of 1 x 6, treated lumber in lengths of 12, 14, and 16 feet.
5. Some additional materials, such as, but not limited to, construction nails, paint, brushes, netting wire and other commodities may be distributed as well.

B. Title to these materials will vest in USAID until the individual sales to households are consummated.

C. Materials will be sold through Service Agencies at subsidized prices. The price for the principal material, galvanized, corrugated steel roofing sheets, shall be EC\$1.50 per linear foot. Fifteen (15) galvanized nails will be distributed at no additional cost with each sheet of roofing purchased. Prices for other materials will be established by mutual agreement between the NCR and USAID and will be published on an Official Price List which shall be a part of the Service Agency agreements.

D. Within each program region, each household will be eligible to purchase building materials. However, there will be maximum amounts of materials which may be purchased by any given household. In the case of roofing sheets, each household within a region will be entitled to buy up to a maximum of twenty-four (24) sheets. Similar limits for other materials will be determined by mutual agreement between the NCR and USAID.

E. The staff of the Service Agency for each region will be responsible for notifying all of the organizations in each village of the availability of materials, as well as the rules and procedures for the program. In addition, the Service Agencies will be responsible for directly notifying as many individual households within the region as practically feasible.

Local residents will be encouraged to form groups of at least four or five households in order to share (and thus reduce) local transportation costs from the Service Agency to their homes. In addition, such groupings will enable the Service Agency to accelerate its own operations. The representative of each "group" of households will have a predetermined appointment time to come to the Service Agency to pick up materials. This will avoid long lines and time

wasted by purchasers.

F. Each household wishing to purchase materials will be required to complete a simple order form. The Village Council Clerk will be requested to verify and certify on the order form that the household members are bona fide residents of the village who have not previously purchased their allowed limit of materials under this program.

G. Households will be permitted to purchase part of the materials to which they are entitled whenever it is most convenient to them. For example, a household may purchase eighteen sheets of roofing at one time, and then six additional sheets at a later time. In no case, however, may the total purchase exceed the maximum entitlement.

H. On the order form households will certify:

1. That they are bona fide residents of their village.
2. That their purchases of materials have not exceeded the maximum quantities to which they are entitled.
3. That the materials which they are purchasing are for their own use on their own house and will not be re-sold.

The rules which appear on the order form will indicate that the purchasers agree that representatives of the Service Agency may, at a future time, observe the use of materials; and that violation of the program rules may subject the violator to a demand for return of the materials and a penalty of up to 20% and/or may disqualify the violator from future participation in any aspect of the program. If materials cannot be returned by the person who has violated the program rules, then full cash commercial value of the materials may be required to be returned instead.

I. The point of delivery of the sale of building materials to households, and the point at which title to the materials passes to the purchaser, will be at the distribution point of the Service Agency. Transportation from that point to the individual household is the responsibility of the purchaser.

J. Revenues from sales of building materials will be deposited by the Service Agencies directly into interest-bearing accounts in the National Commercial and Development Bank, the parent bank of the AID-Bank. A special account will be established for each region. All funds originating from the region will be deposited in this account. Records of precise amounts of revenues from each village within the region will be maintained by the Service Agency. The Service Agency will be fully responsible and accountable for all inventories entrusted to it and all sales revenues received.

Arrangements will be made by each Service Agency for safe-keeping of funds between deposits in the Regional Bank Account at the AID-Bank. The frequency of such deposits will vary depending on magnitude of sales; accessibility to AID-Bank in Roseau; and availability of adequate safe-keeping resources in the Service Agency.

K. Service Agencies are authorized to release materials only upon receipt of payment in full in cash directly from a household or a representative of a group of households. Sales shall be limited to households. Institutions and other groups will not be eligible to purchase materials.

L. Personnel hired by the Service Agency who will serve as extensionists must be:

1. Bilingual in English and the local Patois, in areas where both are spoken.
2. Residents of one of the villages which the extensionist will serve.

M: Service Agencies will be required to maintain full operations:

1. Normally, from 8AM to 6PM, six days per week, except for designated official holidays.
2. Seven (7) days per week, from 8AM to 6PM, during the first forty (40) days after first date of materials sales.

Section XII: Work Program.

The revenues from sales of building materials will be invested in their respective villages of origin in labor-intensive projects to repair and rehabilitate such basic community infrastructure as agricultural feeder roads, main roads, water systems, and others where a labor-intensive approach is appropriate.

A. Representatives of the Service Agencies will be responsible for notifying each village of the approximate amounts of funds available for a project "to be determined". At the same time, rules and procedures governing the use of such funds will be explained. Service Agency extensionists will seek to convene a meeting of as many residents of the village as feasible to inform them of this phase of the program. In addition, the extensionist will notify the members of the Village Council, Churches, Cooperatives, Credit Unions, Relief Committees, Improvement Committees, and other non-partisan groups and will convene a meeting of these groups for that purpose.

In each particular village, the representatives of these village groups, meeting together, will be responsible for establishing priorities for a project to be undertaken with available funds. The extensionist will provide technical assistance in insuring that the rules and procedures governing the use of the funds are adhered to and that a wide process of consultation is conducted in the establishment of project priorities.

B. No less than 60% of the available funds must be used to pay for labor for the project to be undertaken. Up to 40% of the funds may be used to purchāsē materials required for the implementation of the project.

C. The local groups convened in accordance with paragraph A of this section will recommend a daily rate of pay for labor, in accordance with prevailing customary rates of pay in the village.

D. Projects undertaken with these funds must be directed to activities which will be of general and common benefit to the village as a whole.

E. The representatives of the local groups, with assistance from the Service Agency extensionist, will arrange for the provision of technical assistance for the project. Such technical assistance may be provided by local residents with experience in such work; may involve the voluntary contribution of time by a person in the private sector, Rotary or Lions Club, or other individual; may be provided by a Government or international voluntary agency. The vital factor is that adequate technical assistance appropriate to the type of project be provided for. In cases where technical assistance is needed but cannot be directly arranged by the village, the Service Agency extensionist will bring the case to the attention of the AID-Bank's Field Representative.

F. All persons employed on work projects must be residents of the village in which the project is being conducted. Preference for employment will be given to the very poorest members of the community who have been unable thus far to purchase building materials under the program.

G. A simplified project Information Form will be completed by groups convened under paragraph A of this Section in the village, with assistance from the Service Agency extensionist. This information will include the following:

1. Name of village and parish.
2. Name of Service Agency.

3. Type of project proposed.
4. Number of workers to be employed and length of employment.
5. Rate of pay per day for workers.
6. Total funds allocated for workers.
7. Materials required for project:
 - (a) Materials and tools which can be acquired at no cost.
 - (b) Materials and tools which must be rented or purchased.
8. Cost of materials and tools which must be rented or purchased.
9. Total cash cost of project.
10. Plan for acquisition of materials and tools.
11. Length of time from initiation of work until completion of project.
12. Date project should be initiated.
13. Technical assistance required to conduct project. Source of such assistance to be described.
14. Name of Permanent Village Representative.

Note: The Permanent Village Representative for the project will work closely with the Service Agency extensionist in the early stages of the project; will be responsible for such functions as acquisition (if any), safekeeping, and maintenance of materials and tools; project supervision; certification of wage vouchers; and others.

H. The Information Form will require the approval and signature of the Chairman of the Village Council; the Permanent Village Representative; and the Service Agency extensionist. The names of the groups which participated in the decision-making process will be noted, as well.

The Information Form must be approved by the AID-Bank Field Representative before funds for the project may be disbursed or work may commence.

I. Payment to workers will be effected through vouchers which may be issued weekly, bi-weekly or monthly, depending on local custom and convenience. Official books of vouchers, numbered in sequence and bound, will be printed and made available to the Service Agency by the AID-Bank. The voucher will include the following information:

1. Name of worker.
2. Name of village and parish.
3. Name of project.
4. Dates on which work performed.
5. Daily schedule of work.
6. Total number of days worked.
7. Rate per day.
8. Total amount owed to worker.

This voucher will be signed by the worker, the Permanent Village Representative, and the Service Agency extensionist.

J. Vouchers described in (I), above, may be redeemed for cash only, in the following ways:

1. Upon presentation by the worker at the Service Agency, for the full face value of the voucher. The worker will be required to sign the voucher once again as evidence of receipt of payment.
2. Upon presentation by an individual authorized by the worker at the Service Agency. Such authorization may be extended by the simple endorsement of the voucher by the worker. Such endorsement must also indicate the name of the individual authorized to cash the voucher. Upon receipt of the

funds, the authorized individual must sign the voucher as evidence of receipt of payment.

K. The Service Agency will retain vouchers for which funds have been disbursed as evidence of such payments.

L. Disbursement Procedures for Work Program are described in detail in the Service Agency Agreement format, Annex B to this Agreement.

M. The Service Agency shall assume full legal responsibility for the safekeeping and accountability of funds entrusted to it. It must maintain careful records of revenues and disbursements. These records must be available for inspection at any time by the Government of Dominica's authorized representatives, as well as representatives of the AID-Bank and USAID.

N. Groups which are not parties to this Agreement may, upon approval by NCR and USAID, supplement or contribute to the Work Program in either of the following ways:

1. In-Kind Assistance may be provided through loan or contribution of tools, materials needed for project, or engineering, architectural, surveying and other similar types of technical assistance.

2. Cash and other Resources for payment of labor must be channeled through the AID-Bank Regional Bank Account/Service Agency network.

In all such cases, the direct community-based decision-making mechanism described in the foregoing section must be adhered to.

Section XIII; Up-grading Housing Safety Standards

Under the terms of this agreement, methods and strategies will be explored through which low-cost, culturally appropriate technology recommendations for up-grading housing safety standards will be made available.

ESTIMATED BUDGET

IN US\$

I. Local Costs of Project (Section III-B)

<u>Item</u>	<u>Total Budget</u>	<u>1st. Quarter</u>	<u>-Balance</u>
1. Program Materials (Local Procurement)	\$ 80,000	\$ 80,000	0
2. Warehouse/Handling/ Inland Transport and Related Costs	70,000	30,000	\$ 40,00
3. Supplementary Work Program *	80,000	80,000	0
4. Local Lumber Purchases	10,000	5,000	5,00
5. Tools for Work Program	50,000	40,000	10,00
6. Service Agency Costs	75,000	35,000	40,00
7. Central Support Costs	75,000	45,000	30,00
8. Technical Assistance	<u>60,000</u>	<u>30,000</u>	<u>30,00</u>
TOTAL	\$500,000	\$345,000	\$155,00

II. To be Disbursed Directly by USAID (Section III-A)

Procurement and ocean transport for
program materials; and costs of international
technical assistance: \$2,300,000

RECAPITULATION

I. Local Costs of Project	\$500,000
II. To be Disbursed Directly by USAID .	<u>\$2,300,000</u>
Total	\$2,800,000

* Include EC\$100,000 in support of Materials and Cash for Work program to be administered by Roseau Credit Union (see Section V of Agreement).