

A.I.D. Project Number 650-0027
Amendment No. ONE

AMENDMENT TO PROJECT GRANT AGREEMENT

BETWEEN

THE DEMOCRATIC REPUBLIC OF THE SUDAN ("GRANTEE")

AND

THE UNITED STATES OF AMERICA, ACTING THROUGH THE
AGENCY FOR INTERNATIONAL DEVELOPMENT ("A.I.D.")

The purpose of this document is to amend Article 3, Financing Section 3.1. of the Project Grant Agreement entitled, "Local Currency Support Fund Project" (A.I.D. Project Number 650-0027), dated March 5, 1979, to provide further assistance to 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 Amendment (Grant), additional funds not to exceed three thousand nine hundred eighty-four and 38/100 Sudanese Pounds (LS. 3,984.380). These funds increase the total A.I.D. contribution for the Project to four hundred fifty three thousand nine hundred eighty-four and 38/100 Sudanese Pounds (LS. 453,984.380). The Grant may be used only to finance local costs, as defined in Section 7.1. of the Project Grant Agreement, of goods and services required for the Project.

All other provisions of the Project Grant Agreement remain unchanged.

DEMOCRATIC REPUBLIC OF THE SUDAN

BY: *(Signature)*

TITLE: UNDER SECRETARY
MINISTRY OF NATIONAL PLANNING

DATE: 4-19-1980

UNITED STATES OF AMERICA

BY: *(Signature)*

TITLE: A.I.D. DIRECTOR

DATE: 4-19-1980

PROJECT
GRANT AGREEMENT
BETWEEN
THE DEMOCRATIC REPUBLIC OF SUDAN
AND THE
UNITED STATES OF AMERICA

for

LOCAL CURRENCY SUPPORT FUND PROJECT

Khartoum, Sudan

Dated: March 5, 1979

PROJECT GRANT AGREEMENT

Dated

March 5, 1979

Between

The Democratic Republic of Sudan ("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 consist of the establishment of a Local Currency Support Fund ("Fund"). Unless the Parties otherwise agree in writing, the Fund will be utilized to provide assistance to the Grantee in meeting a portion of the initial local currency costs of certain economic assistance projects undertaken pursuant to agreements entered into by the Parties in U.S. Fiscal Year 1978. Annex 1, attached, amplifies the above definition of the Project, and includes a listing of projects eligible for Fund-provided support, and, generally, describes the purposes for which local currencies may be utilized in each such 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 10.2. without formal amendment of this Agreement.

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, and the Agricultural Trade Development and Assistance Act of 1954, as amended, agrees to grant the Grantee under the terms of this Agreement not to exceed Four Hundred Fifty Thousand Sudanese Pounds (L.S. 450,000) ("Grant"). The Grant may be used only to finance local currency costs, as defined in Section 7.1., of goods and services required for the Project.

SECTION 3.2. Project Assistance Completion Date.

(a) The "Project Assistance Completion Date" (PACD), which is September 30, 1980, 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. 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

Conditions Precedent to Disbursement

SECTION 4.1. First Disbursement. Prior to the first disbursement under the Grant, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Grantee will, 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 name of the person holding or acting in the office of the Grantee specified in Section 10.2., and of any additional representatives, together with a specimen signature of each person specified in such statement.

SECTION 4.2. Notification. When A.I.D. has determined that the condition precedent specified in Section 4.1. has been met, it will promptly notify the Grantee.

SECTION 4.3. Terminal Dates for Conditions Precedent. If the condition specified in Section 4.1. has 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 the Grantee.

ARTICLE 5

Special Covenants

SECTION 5.1. Grantee Resources

(a) The Grantee covenants that it will provide or cause to be provided for the projects which will receive local currency support from the Fund, all resources, in addition to those provided by the Fund and provided by A.I.D. pursuant to pertinent project agreements, required to carry out such projects effectively and in a timely manner.

(b) Except as A.I.D. may otherwise agree in writing, the Grantee covenants that provision of local currency support from the Fund to a project will not cause the Government's contribution to such Project to be less than twenty-five percent (25%) of the total cost of that project.

ARTICLE 6

General Covenants

SECTION 6.1. 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 pertinent project until the completion of such project, and thereafter will be used so as to further the objectives sought in carrying out that 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 6.2. 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 6.3. 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 or 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 6.4. Completeness of Information. The Grantee confirms:

(a) that the facts and circumstances of which it has informed A.I.D., or cause 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 6.5. Other Payments. Grantee affirms that no payments have been or will be received by any official of the Grantee in connection with the procurement of goods or services financed under the Grant, except fees, taxes, or similar payments legally established in the country of the Grantee.

SECTION 6.6. Information and Marking. The Grantee will give appropriate publicity to the Grant as a program to which the United States has contributed, identify pertinent project sites, and mark goods financed by A.I.D., as described in Project Implementation Letters.

SECTION 6.7. 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 October 1, 1978, except as the Parties may otherwise agree in writing.

SECTION 6.8. Relationship with Existing Project Agreements. Unless otherwise modified by this Agreement or otherwise agreed to by A.I.D. in writing, the terms and conditions of individual agreements executed by the Parties for projects which receive resources from the Fund will be applicable to such resources, as well as resources made available from the Fund to such projects.

ARTICLE 7

Procurement Source

SECTION 7.1. Local Currency Costs. Disbursements pursuant to Section 8.1. will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as A.I.D. may otherwise agree in writing, their origin in Sudan

("Local Currency Costs"). To the extent provided for under this Agreement, "Local Currency Costs" may also include the provision of local currency resources required for the Project.

SECTION 7.2. Other Forms of Disbursement. Disbursements of the Grant may also be made through such other means as the Parties may agree to in writing.

ARTICLE 8

Disbursement

SECTION 8.1. Disbursement for Local Currency Costs. 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 following the procedures set forth in Annex 1 hereto as these may from time to time be modified by Project Implementation Letters, and by submitting the documentation as prescribed therein.

ARTICLE 9

Termination, Remedies

SECTION 9.1. 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 payment which they are committed to make pursuant to non-cancelable 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 9.2. 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 the currency of Sudan to A.I.D. within sixty (60) 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 the currency of Sudan to A.I.D. within sixty (60) 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 the currency of Sudan by the Grantee.

SECTION 9.3. 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 9.4. Assignment. The Grantee agrees, upon request, to execute an 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.

ARTICLE 10

Miscellaneous

SECTION 10.1. Communications. Any notice, request, document, or other communication submitted by either Party 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:

Mail Address: Ministry of National Planning
Khartoum, Sudan

To A.I.D.:

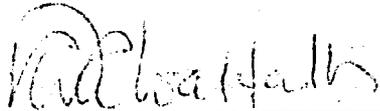
Mail Address: U.S.A.I.D.
P. O. Box 699
Khartoum, Sudan

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 10.2. Representatives. For all purposes relevant to this Agreement, the Grantee will be represented by the individual holding or acting in the office of Undersecretary, Ministry of National Planning, and A.I.D. will be represented by the individual holding or acting in the office of A.I.D. Representative, 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.

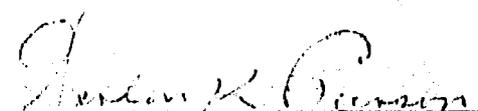
IN WITNESS WHEREOF, the Grantee and the United States of America, each acting through its duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

DEMOCRATIC REPUBLIC OF SUDAN:

By: 

Title: Undersecretary,
Ministry of National
Planning

UNITED STATES OF AMERICA:

By: 

Title: A.I.D. Representative

ANNEX A

AMPLIFIED PROJECT DESCRIPTION

I. Introduction:

This amplified project description elaborates on the description provided in Section 2.1. of this Agreement. Except as may be specifically limited in this Annex, elements of the amplified description may be changed by written agreement of the authorized representatives of the Parties named in Section 10.2. without formal amendment of this Agreement, provided that any such change is made within the limits of the definition of the project as set forth in Section 2.1.

II. Statement of Purpose:

This fund is initiated to provide limited but critically needed local currency assistance to the Government of Sudan (GOS) to offset a portion of the costs associated with those joint (GOS/USAID) development projects that commenced in U.S. fiscal year 1978, i.e., October 1, 1977 to September 30, 1978.

In accordance with Section 104(F), U.S. Public Law 480, under which the funds derive, the local currencies will be used to support joint programs designed to increase or improve food production, processing, distribution, or marketing activities in Sudan. Five projects have been so identified and are hereby declared eligible to receive funds in the amounts indicated.

	L.S.
1) Abyei Integrated Rural Development	225,000
2) Blue Nile Integrated Agriculture Production	50,000
3) So. Sudan Agriculture Manpower Development	50,000
4) Western Sudan Agricultural Research	75,000
5) Invertebrate Pests - Quelea Bird	50,000

III. Disbursement Plan and Required Documentation:

A.I.D. shall reimburse the Grantee for eligible costs as indicated in Local Currency Project Approved Budget, Annex B, which are incurred during the period October 1, 1978 to June 30, 1980, or as may be otherwise agreed by the Parties. Grantee or designated GOS project representative and the USAID Project Manager shall submit quarterly to the USAID Director a "Statement of Costs" which shows by eligible cost item (Annex C) (1) the amount budgeted, (2) eligible costs incurred during the current period, (3) cumulative costs, (4) balance available, (5) cumulative payments received, and (6) estimated costs for the upcoming period.

Grantee shall certify that the "Statement of Costs" (Annex D) accurately reflects costs for eligible items during the period and that such costs are evidenced by books, invoices, and records which are maintained pursuant to Section 6.3.(b).

To better ensure timely reimbursement, U.S.A.I.D. will make quarterly advance payments based on Grantee's estimated costs for the upcoming period. Final payment, however, will be made only after receipt of Grantee's final "Statement of Costs".

ANNEX B

SUMMARY FINANCIAL PLANLOCAL CURRENCY SUPPORT PROJECT (No. 650-0027)as of October 1, 1978

Project	Other Funding by Sources			
	AID (Grant)	AID (Grant)	GOS	Other
	LS.	\$ (000)	\$ (000)	\$ (000)
Abyei Integrated Rural Development (650-0025)	225,000	495	704	--
Blue Nile Integrated Agr. Development (650-0018)	50,000	12,032	3,917	--
So. Sudan Manpower Development (650-0021)	50,000	5,260	2,040	--
Western Sudan Agr. Research (650-0020)	75,000	20,000	10,000	15,000 ^{1/}
Invertebrate Pests - Quelea (931-0473)	50,000	<u>2/</u>	--	--
Total Life of Project	LS. <u>450,000</u>			

^{1/} International Development Agency^{2/} AID centrally funded world-wide research project

ANNEX C

LOCAL CURRENCY SUPPORT PROJECT (No. 650-0027)

APPROVED BUDGET - Sub-Activity: Abyei IRD, 650-0025

as of October 1, 1978

<u>Eligible Budget Items</u>	<u>Project Inputs (LS.)</u>
1) Agricultural Program Costs	58,920
2) Water Supply Development	27,780
3) Health Activities	6,000
4) Training	9,000
5) Transportation	68,100
6) Construction	27,000
7) Field Studies	12,000
8) Administration	<u>16,200</u>
Total	225,000

LOCAL CURRENCY SUPPORT PROJECT (No. 650-0027)APPROVED BUDGET - Sub-Activity: Blue Nile IAD, 650-0018as of October 1, 1978

<u>Eligible Budget Items</u>	<u>Project Inputs (I.S.)</u>
1) Land-Use Study	30,000
2) Social and Economics Studies	4,000
3) Farm Tools and Implements	6,000
4) Animal Health	2,000
5) Water Supply	<u>8,000</u>
<u>Total</u>	<u>50,000</u>

LOCAL CURRENCY SUPPORT PROJECT (No. 650-0027)APPROVED BUDGET - Sub-Activity: So. Sudan Manpower, 650-0021as of October 1, 1978

<u>Eligible Budget Items</u>	<u>Project Inputs (LS.)</u>
1) Materials and Supplies	20,000
2) Labor (Miscellaneous)	10,000
3) Transportation	10,000
4) Salaries/Wages (Admin.)	7,000
5) Subsistence Allowance	<u>3,000</u>
<u>Total</u>	<u>50,000</u>

LOCAL CURRENCY SUPPORT PROJECT (No. 650-0027)APPROVED BUDGET - Sub-Activity: W. Sudan Ag. Research, 650-0020as of October 1, 1978

<u>Eligible Budget Items</u>	<u>Project Inputs (LS.)</u>
1) Facilities Renovation	15,000
2) Access Improvements	30,000
3) Market Research and Promotion	5,000
4) Joint Operations Fund	<u>25,000</u>
<u>Total</u>	<u>75,000</u>

LOCAL CURRENCY SUPPORT PROJECT (No. 650-0027)

APPROVED BUDGET - Sub-Activity: Invertebrate Pests - Quelea, 931-0473

as of October 1, 1978

<u>Eligible Budget Items</u>	<u>Project Inputs (LS.)</u>
1) Field Supplies and Equipment	29,000
2) Services	4,000
3) Laboratories	5,000
4) Training	<u>12,000</u>
<u>Total</u>	<u>50,000</u>

ANNEX D

19

LOCAL CURRENCY SUPPORT PROJECT (No. 650-0027)

STATEMENT OF COSTS

From _____ Through _____

Item	Amount	Costs Incurred		Balance Available	Cumulative Payments Rec'd.	Estimated Costs for Upcoming Period
		Current Period	Cumulative			

Totals: