

EMBASSY OF THE
UNITED STATES OF AMERICA

September 22, 1986

Mr. R. V. Clark, President
The Signatory Association
21st Floor, Southern Life Centre
45 Commissioner St.
Johannesburg 2001

690 0235-74

Subject: Grant No. 674-0235-G-00-6019-00

Dear Mr. Clark:

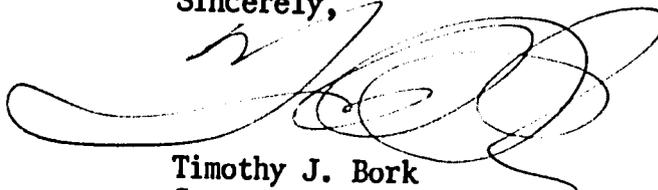
Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development, hereinafter referred to as "AID" or "Grantor", hereby grants to The Signatory Association, hereinafter referred to as "the Association" or "Grantee," the sum of \$40,000 to provide support for the operation and expansion of Grantee's program in the Republic of South Africa as described in the Schedule of this grant and the Attachment 2, entitled "Program Description."

This grant is effective and obligation is made as of the date of this letter and shall apply to commitments made by the Grantee in furtherance of program objectives during the period beginning with the effective date and ending December 31, 1988.

This grant is made to the Association, on condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachment 1 entitled the "Schedule," Attachment 2 entitled "Program Description," also known as the "Proposal," and Attachment 3 entitled, "Standard Provisions," which have been agreed to by your organization.

Please sign the original and two (2) copies of this letter to acknowledge your receipt of the grant, and return the original and one (1) copy to the Office of Development Affairs, Agency for International Development, U.S. Embassy, Pretoria.

Sincerely,



Timothy J. Bork
Counselor for Development Affairs

Attachments:

- (1) Schedule
- (2) Program Description
- (3) Standard Provisions

ACKNOWLEDGED:

BY: Rubland

TITLE: President, Signatory Association

DATE: 22 September 1986

ATTACHMENT 1

SCHEDULE

A. Purpose of Grant

The purpose of this Grant is to provide assistance to The Signatory Association ("The Association") for the operation and expansion of services offered by U.S. businesses in support of black enterprise development. The Association emphasizes, inter alia, the purchase of goods and services from black-owned businesses, the application of fair labor practices and the general development of black-owned enterprises. In order that the Association may more fully carry out the planning of program activities in the general areas of black small enterprise development and the specific subsectors of venture capital and credit to black enterprises, the Association requires the full-time service of a senior black professional as a small business coordinator. This person will first assist the Association in determining black priorities, then assist with design and establishment of Association programs responsive to black needs, and finally, manage the proper execution of the resulting activities.

This Grant is to finance, on a fifty/fifty cost sharing basis, the costs of employing this professional. The Association through its general membership or an individual corporation will finance the remaining costs. The incumbent individual corporation will finance the remaining costs. The incumbent of the position will play a key role in the activities of the Association in the small black enterprise development area during the next two years.

B. Period of Grant

1. The effective date of this Grant is September 30, 1986. The expiration date is December 31, 1988.

C. Amount of Grant and Payment

1. AID hereby obligates the amount of \$40,000 for the purposes of this Grant. The exchange rate for the purposes of the Grant is estimated at two South African rands (R2) per U.S. dollar (U.S.\$). In no event will the Grantees costs exceed the U.S. dollar amount obligated without a written amendment to this Grant executed by the Grant Officer in accord with the procedures set forth in Attachment 3 - Standard Provision 12, entitled, "Amendment." Should, due to exchange rate fluctuations between the U.S. dollar and the South African rand, more rands be available than is presently projected, AID and the Association will mutually consider priority uses for these resources.

D. Financial Plan

The following is the Financial Plan for this Grant. Revisions to this Plan shall be made in accordance with Standard Provision 4 of this Grant, entitled, "Revision of Grant Budget," provided however that adjustments between line items in excess of R15,000 must receive prior AID approval.

ELEMENT	COSTS			AID PROJECT CONTRIBUTION (RANDS)
	PROJECT YEAR 1 (RANDS)	PROJECT YEAR 2 (RANDS)	TOTAL PROJ. (RANDS)	
Salary	50,000	57,000	107,000	53,500
Benefits	10,000	11,000	21,000	10,500
Associated Costs	15,000	27,000	32,000	16,000
Total	75,000	85,000	160,000	80,000

Payment Procedures: The Grantee shall be reimbursed for expenses incurred under this grant upon submission to AID of Public Voucher, SF 1034, with supporting documentation of invoices, receipts, or payroll slips. Public Voucher, SF 1034, may be submitted monthly but no less frequently than quarterly.

E. Reporting and Evaluation

The Grantee shall submit a performance report no less than quarterly indicating actual accomplishments financed by the Grant. The planned and actual outputs of the Association's overall black enterprise development program will also be quantified and described. The report will indicate the overall proportion of the costs that is attributable to this Grant. A final evaluation will be prepared two (2) months prior to the expiration date of the Grant. This will include a brief description of the types of activities contemplated and accomplished by the Association in black enterprise development and evolving directly or indirectly from assistance provided under the Grant during the period, including the issues involved, the status of the activities, and any potentially broad development implications.

F. Special Provisions

None

G. Overhead Rate

Not applicable.

H. Title to Property

Title to all property purchased under this Grant shall vest in the Grantee.

I. Authorized Geographic Code

United States and Republic of South Africa.

J. Local Cost financing with U.S. dollars

As required by Standard Provision 20 of the Grant, it is hereby specified that the amount of U.S. dollars authorized to be used for local cost financing is the entire amount obligated under this Grant.

K. Other Implementation Guidelines

None.



ATTACHMENT 2

PROJECT DESCRIPTION

I. Title: Black Small Enterprise Development Support

II. Program Objectives:

AID will provide financial support for the planning and execution of activities sponsored and assisted by the Association in the area of small black enterprise development. The black private sector in South Africa is suffering from the historic and current effects of apartheid, a severe economic downturn and the general lack of black business education and access to credit and markets. The Association is a voluntary grouping of U.S. corporations doing business in South Africa, through both country-wide and regional programs in the areas of social justice, education, small business and communications. The objective of the small business focus is (1) to establish long-term working relationships with existing and/or emerging black business persons based on black priorities; (2) to identify black needs in light of Association objectives and capabilities; and (3) to develop a structure whereby progress in black enterprise development would be maintained and accelerated through the Association's programs of assistance.

III. Program Activities:

The program consists of financial support for the staff operations of the Association in the black small enterprise development area. The Association will select competitively a small business coordinator. The small business coordinator will develop key relations with black business persons. He/she will be responsible for the planning and implementation of the Association's efforts in black enterprise development. In accomplishing the program objectives, the small business coordinator will utilize the other available financial and personnel resources of the Association. The coordinator will observe and listen to black entrepreneurs and business administrators and accordingly help guide the Association's programming in black small enterprise development. The coordinator will seek to develop the respect of both South African black and American business communities through his/her background, education, experiences and actions. Responsiveness to black initiatives and creativity in developing and implementing programs will enable the Association to better respond to its economic and social responsibilities in South Africa.

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