



## ANNEX A

### PROJECT DESCRIPTION

#### I. General Project Description

The Project provides for a four-year grant of \$1,500,000 to MASHAV, the Division for International Cooperation of the Israeli Ministry of Foreign Affairs. The purpose of the project is to assist the Government of Israel to (1) carry out a training program for Africans through the services of MASHAV and (2) provide agricultural expertise for Malawi, Swaziland and Lesotho.

Training will be provided through short-term courses, generally of nine-weeks duration, at MASHAV-affiliated institutions in Israel. Hadassah Medical School will provide an MPA course of 12 months duration. There will also be courses (workshops) of three to four weeks duration. In selected countries, on-the-spot courses of four weeks duration will be conducted in cooperation with the host government or an appropriate local institution.

A small allocation will be reserved for individual training in tailor-made programs that are often desirable in scientific fields, or as a supplement for purposes of specialization for graduates of a regularly scheduled course. Training will be available to those persons who potentially can affect short-term or long-term development in both the public and private sectors.

Countries eligible for the training program may include, but are not limited to: Botswana, Cameroon, the Central African Republic, Gabon, Ghana, Guinea, the Ivory Coast, Kenya, Lesotho, Liberia, Madagascar, Malawi, Swaziland, Togo, Uganda, Zaire and Zambia. Participation by all countries is subject to AID approval.

Major outputs of the project will include the following:

	<u>All Years</u>
Persons trained in Israel	230
Persons trained in-country	300
Countries provided technical assistance	3

MASHAV will absorb a portion of the costs for training in Israel and for on-the-spot courses, ranging from 25% to 34% depending on the activity, and will be reimbursed by AID according to fixed rates agreed to by AID and MASHAV.

In addition to the training program, Israel will provide agricultural expertise as follows:

SWAZILAND: The Israeli Government, cooperating with the Veterinary Service and the Agricultural Extension Service of the Ministry of Agriculture and Cooperatives, will assist with the development of a viable, producer-oriented, cooperative-based poultry industry in Swaziland through the formation of 20 women's poultry cooperatives in the rural areas.

MALAWI: The Project will increase the use efficiency of nitrogen and phosphate fertilizers applied to corn and wheat in Malawi. It will develop a base of soil chemical, physical and fertility data of the major agricultural soils of Malawi that could be used as an economics fertilization model for the major food crops, corn and wheat, under rain-fed and irrigated conditions.

LESOTHO: The Project will provide technical assistance to support production efforts related to the irrigation of fruit trees. The Project will thereby complement the AID-financed Lesotho Agricultural Production and Institutional Support Project.

## II. Responsibilities of the Participants

The project provides a four-year grant to MASHAV for the training of African participants and for furnishing agricultural technical assistance to three specified countries.

MASHAV will assume administrative responsibility for application procedures, the acceptance and notification of all trainees, their travel arrangements, reception, and placement, arrangements for tuition, room and board, trips included in the program, medical insurance, study materials, pocket money and amenities. These administrative procedures and arrangements will conform with those that apply to all trainees in Israel enrolled in MASHAV-affiliated programs. Costs of international travel shall be charged in full against the periodic advances made by AID under the AID grant. Costs of tuition, room and board, medical insurance, study materials, pocket money and amenities shall be shared and charged against the periodic advances on a proportional basis consistent with the attached Schedule A of this Project Description.

Announcements inviting applications from potential trainees will be circulated by Israeli diplomatic missions with the assistance of the governments of the various countries involved, their recognized public and private agencies and institutions, and locally based offices of international organizations and non-governmental organizations. Recommendations will be sought from these sources and from former trainees, as well as the Israeli missions involved and

Israeli experts serving in these countries, who will also assist in interviewing candidates. Recommendation of the candidate's employer, medical tests and, if necessary, a language proficiency examination, will be required. Applicants who have previously received training in Israel will be ineligible, except in those rare instances when an exemption is justified under the following guidelines:

1. Nominees previously trained by Israel outside the cooperating country or returned participants are selected only when complete justification accompanies the training request.
2. It is AID policy that a participant's academic program is limited to one degree. Normally a development project requires the completion of training and utilization of the participant on the job within a reasonable period. Authority to approve successive degrees rests with AID, when justified in accordance with the following criteria:
  - (a) the original project objective has changed and a successive degree is necessary for the successful implementation of a development program.
  - (b) the advanced degree and therefore change of objective is requested by the cooperating country and A.I.D.
  - (c) the participant should have completed the initial degree without significant delay.
  - (d) the participant should be from a country where there is not a significant history of non-returned participants.
3. Training under AID sponsorship should not duplicate training from other sources or already provided by AID or other sources.

All candidates will deliver their completed applications to the nearest Israeli mission.

In addition to the admissions requirements specified in each course prospectus, criteria include the candidate's employment record, and the likelihood of his potential contribution to his nation's development in his current position or the position to which he may eventually be promoted. The final decision on acceptance of eligible applicants rests with the institution offering the course in question.

On-the-spot courses are to be carried out in cooperation with the host government or recognized institutions. Costs of on-the-spot courses include salaries, per diem overseas, international travel and

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related fees or taxes, and incidental expenses for Israeli instructors, including preparation and wrap-up time, evaluation, and reporting. Such costs shall be shared by AID and MASHAV and charged against the periodic advances made by AID under the AID grant on a proportional basis consistent with the attached Schedule A of this Project Description. The local sponsor is expected to assume responsibility for local administration, facilities, transportation, room and board (when necessary) for trainees, secretarial services, etc. An exemption may be made, however, for regional courses in which case provision may be made, on a case-by-case basis, as agreed in writing by AID and MASHAV, for MASHAV to incur the cost of international and local transportation and room and board of trainees from neighboring countries and to charge those costs in full against the periodic advances. The preliminary acceptance of applicants will be made by the host government under criteria and guidance provided by the Israeli institution offering the course. Such criteria shall, to the extent practicable, be the same as the criteria above, applied to the acceptance of applicants for training in Israel. The final decision on acceptance of eligible applicants rests with the institution offering the course in question.

All Israeli training institutions involved are MASHAV-affiliated and conduct MASHAV training program courses on a regular basis. MASHAV will be responsible for the overall supervision, management, administration and evaluation of the program.

III. Illustrative Financial Plan

The project provides a four-year grant of \$1,500,000 to MASHAV for technical assistance and training. The budget summary follows (and includes costs of international travel by trainees):

<u>Line Item</u>	<u>LOP Amount (US Dollars)</u>
<u>TRAINING</u>	
Agriculture Courses	399,600
Regional Development Courses	43,200
Health & Medicine Courses	133,350
Individual Training	48,000
On-the-Spot Training	190,000
Tailor-Made Programs	185,850
Subtotal (Training)	<u>1,000,000</u>
<u>TECHNICAL ASSISTANCE</u>	
Swaziland	160,000
Malawi	150,000
Lesotho	164,000
SubTotal (TA)	<u>474,000</u>
<u>CONTINGENCY</u>	26,000
GRANT TOTAL -----	1,500,000

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MASHAV may, by written notice to AID, revise the illustrative financial plan, provided that such revision does not cause any line item to exceed 120 per cent of the amount set forth above for such line item or cause the grant total to exceed \$1,500,000, unless AID otherwise agrees in writing.

IV. Financing Methods

Funds will be provided to MASHAV using the periodic advance payment method.

V. Evaluation

An internal AID evaluation will be carried out at the end of the second year of the project.

SCHEDULE A

<u>Activity</u>	<u>Share of total cost</u>		<u>MASHAV</u>
	<u>Cost to AID</u>	<u>AID</u>	
Courses (2 to 3 months)	\$1,200 per month	66%	34%
Workshops (3 to 5 weeks) - all subjects	\$ 350 per week	73%	27%
Study tours (2 to 3 weeks) - small groups - - individuals -	\$ 450 per week \$ 420 per week \$ 500 per week	78%	22%
Individual "tailor-made" training (depending on accommodation in MASHAV institutions or hotels)	\$1,500 to 2,400 per month	75%	25%
Courses on Integrated Regional Rural Planning Complete 7 month course	\$ 9,000	75%	25%
MPA Course at Hadassah Medical School - complete 12 mo. course (notes)		\$10,000	(See notes)
Individual training at Hadassah Medical Center	\$500 per month		(See notes)
On-the-Spot Courses		75%	25%
Costs vary from \$18,000 to \$22,000 depending largely on travel costs. On the basis of an assumed average cost of \$20,000 per month, the cost to AID would be \$15,000.			

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Notes:

(a) Full costs, including overhead charges, vary slightly by institution. MASHAV's fixed costs, including permanent teaching staff and some outside services, but not including outside lecturers, as estimated in the 1986/87 work plan, vary from 27% to 40%.

(b) The rates above are calculated on the basis that all fixed costs are absorbed by MASHAV, and AID's share is limited to direct (variable) costs.

(c) Under the current practice MASHAV obtains individual training at Hadassah at no charge as a Hadassah contribution, and the scholarship of \$500 per month is exclusively for maintenance of the trainees, amenities, pocket money and other activities provided by MASHAV.

**ANNEX B**

**PROJECT AGREEMENT**

**PROAG STANDARD PROVISIONS ANNEX**

A. The purpose of this Agreement is to facilitate the Grantee's providing services in support of AID activities in certain countries. (Cooperating Countries)

B. (1) AID will make available the amount specified in Block 3 of this Agreement, as necessary for the Project, as may be further described in Annex A.

(2) The Grantee will make available the amount specified in Block 4 of this Agreement, as necessary for the Project, as may further be described in Annex A.

C. AID and the Grantee may obtain the assistance of other public and private agencies in carrying out their respective obligations under this Agreement. The two parties may agree to accept contributions of property, services, facilities and funds for purposes of this Agreement from other public and private agencies, and may agree upon the participation of any such third party in carrying out activities under this Agreement.

D. Except as otherwise specified herein or subsequently agreed by the parties, all contributions of the parties pursuant to this Agreement shall be made on or before the Project Assistance Completion Date, or amended date. A contribution of goods or services shall be considered to have been made when the services have been performed and the goods furnished as contemplated in this Agreement. Disbursement of funds may take place after final contributions have been made, but AID shall not be required to disburse funds hereunder after the expiration of nine months following the estimated Project Assistance Completion Date (Block 5 of this Agreement) or any amended Project Assistance Completion Date specified.

E. The procurement of commodities and services to be financed in whole or in part by AID may (where so required by AID procedures) be undertaken only pursuant to Project Implementation Orders (PIOs) issued by AID.

F. Title to all property procured through financing by AID pursuant to Block 3 of this Agreement shall be in such public or private agency as AID may authorize.

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G. (1) Any property furnished to either party through financing by the other party pursuant to this Agreement shall, unless otherwise agreed by the party which financed the procurement, be used effectively for the purposes of the Project in accordance with this Agreement, and upon completion of the Project, will be used so as to further the objectives sought in carrying out the Project. Either party shall offer to return to the other, or to reimburse the other for, any property which it obtains through financing by the other party pursuant to this Agreement which is not used in accordance with the preceding sentence.

(2) Any funds provided to either party pursuant to this Agreement which are not used in accordance with this Agreement, shall be refunded to the party providing the funds.

(3) Any interest or other earnings on funds provided by AID to the Grantee under this Agreement will be returned to AID by the Grantee.

H. If AID and any public or private organizations furnishing commodities through AID financing for operations hereunder in the cooperating country, is, under the laws, regulations or administrative procedures of the cooperating country, liable for customs, duties and import taxes on commodities imported into the cooperating country for purposes of carrying out this Agreement, the Grantee will pay such duties and taxes unless exemption is otherwise provided by any applicable agreement or arrangements.

I. If funds provided by AID are introduced into the cooperating country by AID or any public or private agency for purposes of carrying out obligations of AID hereunder, the Grantee will make such arrangements as may be necessary and possible so that such funds shall be convertible into currency of the cooperating country at the highest rate which, at the time the conversion is made, is not unlawful in the cooperating country.

J. AID shall expend funds ("Grants Funds") and carry on operations pursuant to this Agreement only in accordance with the applicable laws and regulations of the United States Government.

K. The two parties shall have the right at any time to observe operations carried out under this Agreement. Either party during the term of the Project and for three years after the completion of the Project shall further have the right (1) to examine any property procured through financing by that party under this Agreement, wherever such property is located, and (2) to inspect and audit any records and accounts with respect to funds provided by, or any properties and contract services procured through financing by, that party under this Agreement, wherever such records may be located and maintained. Each party, in arranging for any disposition of any

property procured through financing by the other party under this Agreement, shall assure that the rights of examination, inspection and audit described in the preceding sentence are reserved to the party which did the financing.

L. AID and the Grantee shall each furnish the other with such information as may be needed to determine the nature and scope of operations under this Agreement and to evaluate the effectiveness of such operations.

M. The present Agreement shall enter into force when signed. Either party may terminate the Agreement by giving the other party thirty (30) days written notice of intention to terminate it. Termination of this Agreement shall terminate any obligations of the two parties to make contributions pursuant to Blocks 3 and 4 of 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 the Agreement. It is expressly understood that the obligations under paragraph G relating to the use of property or funds shall remain in force after such termination. In addition, upon such termination AID may, at AID's expense, direct that title to goods financed under the Grant be transferred to AID if the goods are from a source outside the cooperating country, are in a deliverable state and have not been offloaded in ports of entry of the cooperating country.

N. To assist in the implementation of the Project, AID, from time to time, may issue Project Implementation Letters (PILs) that will furnish additional information about matters stated in this Agreement. The parties may also use jointly agreed-upon PILs to confirm and record their mutual understanding on aspects of the implementation of this Agreement.

O. The Grantee agrees, upon request, to execute an assignment to AID 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 AID financed in whole or in part out of funds granted by AID under this Agreement.

P. All international air travel and transportation financed by this Grant Agreement shall be done using carriers of countries in AID geographic Code 941, unless AID shall otherwise agree in writing.

Q. Disbursement of Grant Funds will be made using the following procedure:

1. On notification from the Grantee that technicians have been contracted and are ready to travel, AID will disburse salary, travel and allowance costs for the first month to the Grantee's account.

2. On the first day of each month thereafter, AID will disburse a similar appropriate amount.

3. On notification from the Grantee that cooperating country participant trainees have been selected and are ready to travel, AID will disburse their travel, tuition and allowance costs for the first month to the Grantee's account.

4. On the first day of each month thereafter, AID will disburse a similar appropriate amount.

5. Within 60 days after the first disbursement under either subparagraph Q1 or Q3' above, whichever occurs first, the Grantee will provide a billing for actual costs incurred for the Project for the first month. Within 120 days after the first disbursement, the Grantee will present a bill covering the second and third months actual costs. This system will continue until termination of the Project.

6. If the Grantee fails to present billings for actual costs on this basis, the monthly disbursements will be suspended until all prior months billings are submitted.

R. Prior to the disbursement of Grant Funds for technical assistance activities in any particular Cooperating Country, the Grantee shall prepare a time phased implementation work plan for that country, which shall be agreeable to AID and to the Cooperating Country.

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698-0465-6615003

\$1,120,000 (Agriculture)

\$380,000 (Health)

FUNDS RESERVED BY

*J. Stoddard*

POSTED 8/29/86

M/FM/PAFD

FUNDS AVAILABLE

*J. Stoddard*

AUG 29 1986

*o/c 4190*

Program Acctg Fin Division  
Office of Financial Management