

PDBBN 1957

LIMITED SCOPE PROJECT GRANT AGREEMENT

BETWEEN

THE UNITED STATES OF AMERICA

ACTING THROUGH

THE AGENCY FOR INTERNATIONAL DEVELOPMENT (A.I.D.)

AND

THE GOVERNMENT OF THE REPUBLIC OF THE SEYCHELLES (GRANTEE)

- 1. Name of Project: Human Resources Development Assistance (HRDA)
- 2. A.I.D. Project Number: 698-0463.62.

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

- 3. Amount of A.I.D. Grant: \$200,000.
- 4. Grantee contribution to the project: \$67,000.
- 5. Project Assistance Completion Date: September 30, 1995.

This Agreement consists of (1) this title page; (2) the Project Description (Annex A); (3) the Training Program (Annex B); (4) the Budget (Annex C); and (4) the Project Grant Standard Provisions (Annex D).

Done at Victoria, Seychelles, in duplicate.

THE UNITED STATES OF AMERICA

James B. Moran  
 James B. Moran  
 Ambassador of the United States of America  
 Victoria, Mahe, Republic of Seychelles

7/28/88  
 Date

THE GOVERNMENT OF THE REPUBLIC OF SEYCHELLES

James Michel  
 James Michel  
 Minister of Education, Information, and Youth

28/7/88  
 Date

Clearance:

Monica K. Sinding  
 Monica K. Sinding  
 Acting Director, REDSO/ESA

**LIMITED SCOPE PROJECT GRANT AGREEMENT**  
**ANNEX A**

**PROJECT DESCRIPTION**

**NAME OF PROJECT:** Human Resources Development Assistance (HRDA).

**PROJECT NUMBER:** 698-0463.62.

1. **Project Purpose:** To stimulate, facilitate and support national and regional training programs that will: (a) provide qualified technical, scientific and managerial personnel and policy planners to strengthen Seychelles development institutions; (b) enhance the capacity of the private sector in the Seychelles to contribute to economic growth; and (c) increase the participation of women in development in the Seychelles.

Specific training programs under the Human Resources Development Assistance project will be determined annually by the parties as set out in Annex B, Training Program, and will reflect priority requirements as agreed upon by A.I.D. and Grantee.

Program areas for public sector training will be in those sectors of priority to the A.I.D. development strategy for the Seychelles, namely agricultural production and market liberalization (including fisheries), tourism, natural resource conservation, and private sector development. Priority will be given to candidates playing a key role in the formulation of economic policies, or implementing key development programs, and to educators or trainers in these areas.

Program areas for private sector training will have the same sectoral foci and include: (1) policy issues affecting the private sector, (2) organizational and management training, (3) business skills for small and medium-sized enterprises, and (4) entrepreneurial development for potential future entrepreneurs (including former civil servants and the educated unemployed).

2. **A.I.D. Contribution:** This Project Grant Agreement provides two hundred thousand United States dollars (\$200,000) for the participant training programs specified in Annex B to this Agreement.

3. **Grantee Contribution:** In support of the training programs described in Annex B, the Grantee will provide resources of not less than the equivalent of \$67,000, including costs borne on an "in-kind" basis.

This contribution will include, for all public sector employee participants, payment of local costs incidental to the departure of participants (trainees), including in-country transportation, at least fifty percent of all international airfares and per diem, exit visa and passport fees, medical examinations and immunizations; and standard salary maintenance for Government employees provided for the full duration of all training funded under this Agreement. For in-country training, funded under the project, the Grantee will finance local travel costs, per diem, cost of training facilities and materials development.

4. Private Sector Contribution: For participants selected from the private sector, private sector firms will provide for their employees the same coverage of local costs associated with departure for overseas training and salary maintenance, as the grantee provides for public sector employees. This contribution is estimated at not less than the equivalent of \$10,000.

5. The Grantee agrees to:

A. Take appropriate measures to bond all participants trained under the project to ensure their continued employment by either the Grantee or the private sector entity in appropriate positions after successful completion of their training.

B. Ensure that within thirty (30) days of their return from training, all participants will provide to the U.S. Embassy, a written statement explaining the impact of the training on them and their general impression of the training courses taken.

6. Types of Training and Training Targets:

A. Types of Training

This project will provide long and short term academic and technical training programs in the U.S. or a third country, as well as in-country seminars, workshops and special courses. Academic in-country training cannot be financed under this project.

Short-term U.S. and third country technical training includes all non-degree programs, most of which will not exceed six months' duration. Third country African institutions will be utilized to the maximum extent possible.

In-country training programs (seminars and workshops) of short duration will be funded using technical assistance from the U.S. or third countries. These programs will be conducted in conjunction with a local institution.

## B. Training Targets

Over the life of the project, a target of fifty percent of project trainees will be involved in work related to the public sector, and at least fifty percent of project trainees will be involved in work related to the private sector. In addition, a minimum of one third of all trainees are to be women.

### 7. Implementation Procedures:

A. Unless otherwise specified herein, or unless the parties otherwise agree in writing, implementation of project activities will be in accordance with the requirements of A.I.D. Handbook 10, Participant Training.

B. Specific nominations for individual training hereunder will be submitted by the Grantee to the U.S. Embassy in Victoria. Nominees for individual training programs must meet the selection criteria of paragraph 10B, Chapter 10, A.I.D. Handbook 10, and be approved by A.I.D. All training will be arranged by A.I.D., except for in-country training, which will be arranged by Grantee.

8. Selection Criteria for Candidates: Training will be for public and private sector personnel who meet one or more of the following criteria:

A. Individuals who are qualified to pursue further studies in one of the priority or critical development areas which contribute to achievement of A.I.D. program objectives in the Seychelles.

B. Individuals with skills which address critical constraints in the private and public sectors and who can benefit the national economy by acquiring additional training.

C. Candidates who have above average academic performance with at least two years of satisfactory work experience.

D. Private sector candidates which may include owners and employees of privately held, for profit firms; self-employed entrepreneurs; staff of rural cooperatives and rural cooperative credit unions; staff of private and semi-private associations which support or represent the private sector trade associations, or enterprise promotion offices; trainers and educators working directly with the private sector; bank and loan officers from institutions lending to the private sector; or public sector officials directly responsible for policies or regulations affecting investment in and growth of the private sector.

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The Government of Seychelles Ministry of Education will be responsible for identifying and making available the trainees for the public sector training. The Ministry of Education will cooperate with the Seychelles Institute of Management to identify private sector trainees. Since A.I.D. has no resident staff in the Seychelles, the U.S. Embassy, Victoria will facilitate information exchange between the Government of Seychelles (GOS) and the Regional Economic Development Services Office for East and Southern Africa (REDSO/ESA) and assist with the travel arrangements (visas, advances, etc) for U.S. based training. A.I.D., through the HRDA contractor, will provide placement, orientation, and support services for U.S. based training.

E. For each project year, the grantee will submit a plan for the conduct of all in-country training seminars to be financed under this Agreement. This plan will include the proposed dates and locations for such seminars, the number of participants anticipated, and in-country logistical support and facilities to be provided by the Grantee. The technical services required to conduct the seminars will be arranged by A.I.D.

F. The Grantee and A.I.D. will make periodic appraisals of training provided under the grant to ascertain if appropriate training was provided and to determine the usefulness and relevance of training as related to the implementation of development programs and the growth of the private sector.

G. The Grantee will provide annual reports to A.I.D. describing the courses of study undertaken, and indicating the numbers, institutional affiliations, and genders of program participants.

9. Special Provisions: Except as otherwise agreed by A.I.D. goods and services financed under this Grant shall have their source and origin in the U.S. (AID Geographic Code 000), the Seychelles or other countries included in A.I.D. Geographic Code 941.

**LIMITED SCOPE PROJECT GRANT AGREEMENT**  
**ANNEX B**

**TRAINING PROGRAM - FY 1988**

The training provided will help to increase the efficiency of a number of services, will generate foreign currency revenues from tourism, export sales, telecommunications, and will result in the employment of Seychellois in positions currently filled by expatriates at tremendous cost in both salaries and housing accommodations. The project will focus on hotel management and pilot training, which are integral to expansion of tourism and improving tourist services. The nationally owned Air Seychelles currently employs several expatriate pilots who must be replaced by Seychellois. The upper level of hotel management is comprised almost exclusively of expatriates. The purpose of the marketing training program is to expand the small but lucrative fish exporting program. The Satcom/Telecommunications function needs to be considerably expanded to meet the local telecommunications needs. All of the training programs will contribute to an overall improvement in the standard of living in the Seychelles.

**LIMITED SCOPE PROJECT GRANT AGREEMENT**  
**ANNEX C**

**BUDGET FY 1988**

**ESTIMATED COST IN DOLLARS**

| DESCRIPTION OF TRAINING              | Public    | Private   | Duration | Cost (\$)        |
|--------------------------------------|-----------|-----------|----------|------------------|
|                                      | -----     | -----     | -----    | -----            |
| <b>1. U.S. Bachelor Degrees:</b>     |           |           |          |                  |
| Management Training                  | 1         |           | 4 yrs.   | 80,000           |
| <b>2. U.S. Non-degree:</b>           |           |           |          |                  |
| a. Commercial Pilot                  | 1         |           | 2 mos.   | 10,000           |
| b. Jet rated Pilot                   | 1         |           | 3 mos.   | 15,000           |
| c. Fish Marketing                    |           | 1         | 9 mos.   | 20,000           |
| d. Satellite Communications Planning | 1         |           | 2 mos.   | 10,000           |
| e. Hotel Marketing                   |           | 1         | 3 mos.   | 10,000           |
| <b>3. Third-country Training:</b>    |           |           |          |                  |
| a. Computer Programming              | 2         |           | 2 mos.   | 20,000           |
| <b>4. In-country Training:</b>       |           |           |          |                  |
| a. Management                        | 20        | 25        | 2 wks.   | 35,000           |
|                                      | -----     | -----     |          | -----            |
| <b>TOTAL</b>                         | <b>26</b> | <b>27</b> | <b>-</b> | <b>\$200,000</b> |

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## PROJECT AGREEMENT

### PROAG STANDARD PROVISIONS ANNEX

A. Reference to 'this Agreement' means the original Project Agreement as modified by any revisions which have entered into effect. Reference to 'cooperating country' means 'the country' or territory of the Grantee.

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. The Grantee will also make, or arrange to have made, additional contributions of property, services, facilities and funds required for carrying out the Project as specified 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. Unless otherwise specified in the applicable PIO or Project Implementation Letter (PIL), the procurement of commodities imported specifically for the Project and financed with the AID contribution referred to in Block 3 of this Agreement shall be subject to the provisions of AID Regulation 1.

G. Unless otherwise agreed by the parties or otherwise specified in the applicable PIO, title to all property procured through financing by AID pursuant to Block 3 of this Agreement shall be in the Grantee, or such public or private agency as it may authorize.

H. (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

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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.

I. (1) If AID and any public or private organization 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 international agreement.

(2) If any personnel (other than citizens and residents of the cooperating country), whether United States Government employees, or employees of public or private organizations under contract with, or individuals under contract with AID, the Grantee or any agency authorized by the Grantee, who are present in the cooperating country to provide services which AID has agreed to furnish or finance under this Agreement, are under the laws, regulations or administrative procedures of the cooperating country, liable for income and social security taxes with respect to income which they are obligated to pay income or social security taxes to the Government of the United States of America, for property taxes on personal property intended for their own use, or for the payment of any tariff or duty upon personal or household goods brought into the cooperating country for the personal use of themselves and members of their families (not including such personal or household goods as may be sold by any such personnel in the cooperating country) or if any firm, not normally resident in the cooperating country, is liable for income, receipts, or other taxes on work financed by AID hereunder, the grantee will pay such taxes, tariff, or duty unless exemption is otherwise provided by any applicable international agreement.

J. 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 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.

K. AID shall expend funds and carry on operations pursuant to this Agreement only in accordance with the applicable laws and regulations of the United States Government.

L. 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.

M. 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.

N. The present Agreement shall enter into force when signed. Either party may terminate this 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 H 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 Grantee's country, are in a deliverable state and have not been offloaded in ports of entry of the Grantee's country.

O. To assist in the implementation of the Project, AID, from time to time, may issue 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.

P. 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.

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Accounting Classification:  
Appropriation:  
Budget Plan Code:  
Allotment:

Drafted: REDSO/RLA: BBarrington B/CB Date: 7/13/88  
Cleared: REDSO/PRJ: WAJeffers WJ Date: 7/13/88  
REDSO/PRJ: GWiitala (Draft) Date: \_\_\_\_\_  
REDSO/RFMC: AHullung \_\_\_\_\_ Date: \_\_\_\_\_