

PDBBW-542



UNITED STATES OF AMERICA
AGENCY FOR INTERNATIONAL DEVELOPMENT
U.S.A.I.D. MISSION TO KENYA

UNITED STATES POSTAL ADDRESS
US AID MISSION TO KENYA
BOX 201
APO NEW YORK, NEW YORK 09675

INTERNATIONAL POSTAL ADDRESS
POST OFFICE BOX 30261
NAIROBI, KENYA

July 27, 1990

Mr. Henry Norman
Executive Director
Volunteers in Technical Assistance
1815 Lynn Street, Suite 200
Arlington, VA 22209

Subject: Grant No. ~~615-0036~~ G-00-0047

Dear Mr. Norman:

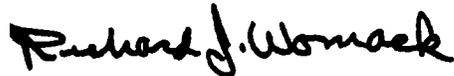
Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "A.I.D. or Grantor") hereby grants to Volunteers in Technical Assistance (herein after referred to as "Grantee") the sum of \$332,829 to provide support for a program in the development of Business Management Training and Income Generation as described in Attachment 1, the Schedule of this Grant, and 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 on the estimated completion date of July, 1994.

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

Please sign the original and four (4) copies of this letter to acknowledge your receipt of the grant, and return the original and three (3) copies of the entire document to the Human Resources Development Office, USAID/Kenya, P.O. Box 30261, Union Towers, Nairobi, Kenya.

Sincerely,



Richard J. Womack
Grant Officer

Attachments:

1. Schedule
2. Program Description
3. Standard Provisions

Acknowledged:

Volunteers in Technical Assistance

By: 

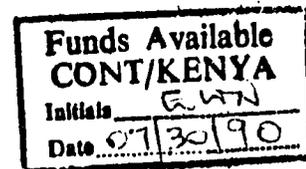
Typed Name: Henry R. Norman

Title: Executive Director

Date: 08/03/90

FISCAL DATA

Appropriation : 72-1101014
Budget Plan Code : GSSA-90-21615-KG13
PIO/T No. : 615-0236-3-00069
Project No : 615-0236
Total Estimated Amount : \$332,829
Total Obligated Amount : \$332,829



9447

VITA Grant
Grant No: 615-0236-G-00-
Dated:

ATTACHMENT 1

SCHEDULE

A. Purpose of Grant

The purpose of this Grant is to provide support to Christian Industrial Training Centers for a project on Business Management Training and Income Generation to be implemented by Volunteers in Technical Assistance, Arlington, U.S.A., as more specifically described in Attachment 2 to this Grant entitled, "Program Description".

B. Period of Grant

The effective date of this Grant is the date of signature of the Grant. The estimated expiration of this Grant is June, 1994.

C. Amount of Grant and Payment

1. A.I.D. hereby obligates the amount of 332,829 for purposes of this Grant.
2. Payment shall be made to the Grantee in accordance with procedures set forth in Attachment 3 - Optional Standard Provision 2, entitled "Payment - Periodic Advance".

D. Financial Plan

The budget for this Grant is set forth in Annex 1 to this attachment. Revisions to this plan shall be made in accordance with the Standard provision of this Grant, entitled, "Revision of Grant Budget". The Grantee is fully responsible for financial management and accountability for utilization of Grant funds.

E. Indirect Cost Rate

Payment on account of allowable indirect costs shall be made on the basis of the following provisional rate(s) not to exceed the percentage included applied to the base(s) which are set forth below. The procedures governing the applicability of the rate(s) are set forth in Attachment 3 - Optional Standard Provision of this Grant entitled, "Negotiated Indirect Cost Rates - Provisional".

<u>Type</u>	<u>Rate</u>	<u>Base</u>	<u>Term</u>
Overhead	32.4	Total USAID contribution	Effective Date of Grant until Amended

F. REPORTING AND EVALUATION

During the life of the Grant, the Grantee will submit to USAID/Kenya Human Resources Development Office the following reports:

1. Technical Reporting

On a quarterly basis, a report will be submitted on project progress and on problems encountered to date in achievement of Grant objectives. The quarterly report will include a general assessment of progress and problems to date; a brief status report on each of the sub-projects and the indicators of outputs achieved to date; a brief summary of actions planned for the next period; a description of all goods and services (including amount and source and origin) whose source and origin are not Kenya or the United States; and a table showing all personnel directly financed under this Grant. These reports will contain both quantitative and qualitative information to the extent possible. The first such report will cover the period ending October 30, 1990. Each such report is due 30 days following the end of the reporting period and will be submitted in three (3) copies.

2. Financial Reporting

Financial reporting by the Grantee will be in accordance with the procedures set forth in Attachment 3 - Optional Standard Provision 2, entitled, "Payment -Periodic Advance". All financial reports required by that provision shall be submitted to PFM/FM/CMP/LC, Room 703, SA-2, Washington D.C. 20523, with copies sent to USAID/Kenya, Human Resources Development Office (HRD), Box Number 201, APO NY 09657-5000.

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The Grantee agrees to consult with the HRD Office concerning further details for submitting all financial reports and estimates.

3. Final Report

A final progress and financial report is required which will include a comprehensive review and discussion of project activities and achievements. This report will be due 30 days after the estimated expiration date of the Grant.

4. Evaluation

A mid-term evaluation of the entire project will be conducted in the 8th quarter of the project. Two months prior to conducting this evaluation, a scope of work will be provided to USAID/Kenya for review and comments. USAID reserves the right to participate in the evaluation. The Grantee will submit three (3) copies of the evaluation report to USAID within 30 days of report completion.

A final evaluation of the entire project will be conducted in the 16th quarter of the project. Two months prior to conducting this evaluation, a scope of work will be provided to USAID/Kenya for review and comments. USAID reserves the right to participate in the evaluation. The Grantee will submit three (3) copies of the evaluation report to USAID within 30 days of report completion.

G. Special Provisions

No funds shall be disbursed under this grant until A.I.D. has received written approval of the project by the Ministry of Technical Training and Applied Technology.

No funds under this grant shall be used for religious purposes. Beneficiaries under this grant shall not be selected or discriminated against on the basis of religious preference.

Written approval shall take the form of a letter approving the project, or such other documentation satisfactory to A.I.D. USAID will notify the Grantee in writing when it has accepted the required Government of Kenya written approval.

H. Authorized Source and Origin for Goods and Services

Goods and services financed by A.I.D. under this Grant shall have their source and origin in countries contained in A.I.D. Geographic Code 935 in accordance with the order of preference rules specified in section (b) (1) of the Standard Provision of this Grant entitled, "Eligibility Rules for Goods and Services". (see Annex 2 to this Attachment for details on countries covered in A.I.D. Geographic Codes).

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Volunteers in Technical Assistance
 Grant No: 615-0236-G-00-
 Dated:

ANNEX 1 to Attachment 1

Estimated Grant Budget
 (U.S. \$)
 From July 1990 to June 1994

Cost Element	USAID	VITA Co-Funds	TOTAL
1. Personnel Costs	118,625	117,327	235,952
2. Travel	21,755	12,500	34,255
3. Consultants	8,250	-	8,250
4. Commodities/Equipment	68,500	-	68,500
5. Evaluation	4,000	-	4,000
6. Training	7,000	-	7,000
7. Other Direct Costs	40,011	11,700	51,711
- Vehicle/Fuel Maintenance			
- Communication			
- Stationery/Supplies			
- Printing			
- Computer Maintenance			
- Recruitment Expenses			
Subtotal	<u>268,141</u>	<u>141,527</u>	<u>409,668</u>
8. Overhead Costs (@ 32.4%)	64,688	24,474	89,162
Total Grant	332,829	166,001	498,830

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Conversion rate for Kenya Shillings: Kshs. 23.00 to US\$ 1

ANNEX 2
to ATTACHMENT 1

RELEVANT A.I.D. GEOGRAPHIC CODES

000 UNITED STATES

899 FREE WORLD

Any area or country in the Free World* excluding the cooperating country itself.

935 SPECIAL FREE WORLD

Any area or country in the Free World*, including the cooperating country itself.

941 SELECTED FREE WORLD

Any independent country in the Free World*, excluding the cooperating country itself and the following:

<u>Europe</u>		<u>Other</u>	
Andorra	Luxembourg	Angola	Mozambique
Austria	Malta	Australia	New Zealand
Belgium	Monaco	Bahamas	Qatar
Denmark	Netherlands	Bahrain	Saudi Arabia
Finland	Norway	Canada	Singapore
France	Portugal	China, Republic of (Taiwan)	South Africa
Germany, Federal Republic of (including West Berlin)	San Marino	Cyprus	United Arab Emirates
Ireland	Spain	Gabon	
Italy	Sweden	Greece	
Iceland	Switzerland	Hong Kong	
Liechtenstein	United Kingdom	Iraq	
	Vatican City	Japan	
	Yugoslavia	Kuwait	

*"Free World" excludes the following areas or countries:

Afghanistan, Albania, Bulgaria, Cambodia, Cuba, Czechoslovakia, Estonia, German Democratic Republic, Hungary, Iran, Laos, Latvia, Libya, Lithuania, Mongolia, North Korea, People's Democratic Republic of Yemen (South Yemen or Aden), People's Republic of China, Poland, Romania, Syria, Union of Soviet Socialist Republics, Viet Nam.

ATTACHMENT 2

VOLUNTEERS IN TECHNICAL ASSISTANCE (VITA)

PROGRAM DESCRIPTION

Introduction

The goal of the project is to contribute to increasing the capacity of young Kenyans to undertake off-farm income generating activities by increasing their opportunities to obtain employment, in general, and in small scale enterprise in particular. The grant's purpose is to improve the capacity of the Christian Industrial Training Centers to train students for the present job market in Kenya and to assist graduates in starting or expanding income generating activities.

VITA is an American NGO that offers information and advisory services in a wide range of technical areas, but emphasizes: small-scale industrial production and business management techniques, renewable energy applications, agriculture and food processing, water supply and sanitation, housing and construction and information management.

Christian Industrial Training Centers (CITC) is a Kenyan PVO which seeks to provide vocational training for needy youth. CITC operates through six centers located in different parts of Kenya namely Nairobi, Mombasa, Kisumu, Thika, Muriranja and Embu. All the centers, except for Kisumu, train artisans. The Kisumu center provides secretarial training.

The Project

The project will run for four years. Specifically the project seeks to:

- Establish a business management curriculum and its use in the training of CITC students, graduates and staff at each of the four participating CITCs.
- On-site technical and management assistance to CITC graduates in the field as they begin to establish (or expand existing) small-scale businesses.
- Establishment (or expansion) of internship programs for second year CITC students.
- Establishment of a modest information center at each of the CITCs.

- Upgrading production units at the CITCs: For example, through design of production and marketing systems and provision of tools and equipment.

Prior to initiating the implementation phase of the project a short baseline study at each of the CITCs will be undertaken to find out where past graduates have found jobs, identify possible changes/improvements that the CITC management might consider making in the vocational curriculum and which elements of business training should be emphasized under the project. The study will also investigate credit needs and availability and will begin to lay the groundwork for establishing linkages between CITC graduates and credit institutions and organizations. The results of this study will be important as a planning tool in order to help take into account regional employment differences, local skill and product needs, and the potential for establishing new businesses in each area.

Project components will be designed with the input of all the CITC managers and tested at Thika. They will then be modified to the specific requirements of the other CITCs as project activities expand.

VITA/Arlington will be responsible for the implementation of the project. VITA has appointed a Kenyan national as Project Manager who will organize and manage the implementation of all aspects of the project in Kenya. Mr. Harun Baiya, is an Engineer with wide-ranging technical experience in Kenya and has been involved with the design of this project for some time. Mr. Baiya will work directly with each CITC manager and staff to implement the project.

Discussions held with the CITC managers show that the CITCs have the capacity to take on additional duties related to the project including training time. To cut the project costs, the use of relevant government staff and other agencies will be maximized. Capable consultants and VITA Volunteers will be engaged for short term periods to undertake special tasks. The appointment of such consultants will be done by the Project Manager, in consultation with VITA/Arlington for this purpose.

The Thika CITC will be the priority institution under the project and all project materials and activities will be designed, tested and perfected there before similar work is undertaken with other CITCs.

END OF PROJECT STATUS AND EVALUATION

At the completion of the project, the following will have been achieved:

For the students:

- Approximately 850 CITC students will have participated in the business management training provided by the CITCs.
- Approximately 100 new small enterprises will have been started by CITC graduates.
- Approximately 500 CITC students will have received solid practical training through an enhanced internship program that places them in real-life business and industry situations.
- All CITC students will have enhanced post-graduate prospects; some 100 will have started businesses of their own and nearly 65% will be employed within eight months of graduation.
- All CITC students will have benefited from the lowered or subsidized fees resulting from increased school income generated by the production units.

At the four participating CITCs:

- Regular business management training components will have been incorporated into their curricula.
- CITC management will have become more efficient as a result of the training provided by the project.
- Production units will have been upgraded.
- Information centers will have been established (or upgraded)
- Internship programs will have been established (or improved) at four CITCs.

It is planned that an evaluation of the project will be carried out by VITA/Arlington, the VITA Project Manager, and CITC managers at the end of year 2. This will cover progress to date in each of the key components, including:

- the success of the use of the business management training curriculum in the CITC classrooms (and its possible use in the Village Polytechnics and Technical Institutes).

- the usefulness of the on-site technical assistance provided by project staff to the CITC graduates.
- the increase in volume and quality of work done by the production units due to the equipment provided under the project.
- the usefulness of the newly established documentation centers.
- the number of students who participate in the internship programs arranged under the project and the level of satisfaction of the employers.
- the number of women the project has succeeded in involving in the CITCs' vocation and business management courses.

At the end of the project, a similar evaluation will be carried out. It will be different, however, in that it will attempt to analyze (a) each component of the project in relation to its impact on employment generation and (b) the overall financial and programmatic health of the participating CITCs.

Funding

This Grant will be for four years. The total project cost is estimated at \$498,830, with USAID's contribution estimated at \$332,829. USAID's contribution will cover local costs, such as salaries and wages, supplies, equipment, communications, training, other direct and indirect costs. Certain supplies and equipment may require dollar payments.

VITA will provide the Kenya Shilling equivalent, in cash and in kind, of approximately \$166,000 for a portion of personnel costs. This contribution represents 33 percent of total project costs.

Note: A more complete project description is contained in the project proposal, available in the Human Resources Development Office, USAID/Kenya. However, if any provisions of the grant document conflict with those in the final proposal (with revisions, if any), the grant provisions will govern.

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ATTACHMENT 3

STANDARD PROVISIONS

The Standard Provisions set forth as Attachment 3 of this Grant consist of the following Mandatory and Optional Standard Provisions marked by an "X", which are incorporated as part of this Grant by reference with the same force and effect as if included in full text. Full text of the Mandatory and Optional Standard Provisions designated below may be obtained from the AID office specified on the cover page.

1. MANDATORY STANDARD PROVISIONS FOR U.S., NONGOVERNMENTAL GRANTEES

- (x) 1. Allowable Costs (November 1985)
- (x) 2. Accounting, Audit, and Records (January 1988)
- (x) 3. Refunds (January 1988)
- (x) 4. Revision of Grant Budget (November 1985)
- (x) 5. Termination and Suspension (May 1986)
- (x) 6. Disputes (March 1987)
- (x) 7. Ineligible Countries (May 1986)
- (x) 8. Nondiscrimination (May 1986)
- (x) 9. U.S. officials Not to Benefit (November 1985)
- (x) 10. Nonliability (November 1985)
- (x) 11. Amendment (November 1985)
- (x) 12. Notices (November 1985)

2. OPTIONAL STANDARD PROVISIONS FOR U.S., NONGOVERNMENTAL GRANTEES

- () 1. Payment - Letter of Credit (November 1985)
- (X) 2. Payment - Periodic Advance (January 1988)
- () 3. Payment - Cost Reimbursement (November 1985)
- (x) 4. Air Travel and Transportation (November 1985)
- (x) 5. Ocean Shipment of Goods (May 1986)
- (x) 6. Procurement of Goods and Services (November 1985)

- (x) 7. AID Eligibility Rules for Goods and Services (November 1985)
- (x) 8. Subagreements (November 1985)
- (x) 9. Local Cost Financing (May 1986)
- () 10. Patent Rights (November 1985)
- () 11. Publications (November 1985)
- () 12. Negotiated Indirect Cost Rates - Predetermined (May 1986)
- (x) 13. Negotiated Indirect Cost Rates -Provisional (May 1986)
- (x) 14. Regulations Governing Employees (November 1985)
- () 15. Participant Training (May 1986)
- () 16. Voluntary Population Planning (August 1986)
- () 17. Protection of the Individual as a Research Subject (November 1985)
- () 18. Care of Laboratory Animals (November 1985)
- () 19. Government Furnished Excess Personal Property (November 1985)
- (x) 20. Title to and Use of Property (Grantee Title) (November 1985)
- () 21. Title to and Care of Property (U.S. Government Title) (November 1985)
- () 22. Title to and Care of Property (Cooperating Country Title) (November 1985)
- (x) 23. Cost Sharing (Matching) (November 1985)
- (x) 24. Use of Pouch Facilities (November 1985)
- (x) 25. Conversion of United States Dollars to Local Currency (November 1985)



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POST OFFICE BOX 30261
NAIROBI KENYA

August 3, 1990

Mr. Henry Norman
Executive Director
Volunteers in Technical Assistance
1815 Lynn Street, Suite 200
Arlington, VA 22209

Subject: Grant No. ~~615-0236~~ G-00-0047
Amendment No. 01

Dear Mr. Norman:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "A.I.D." or "Grantor") hereby amends the subject Grant. The purpose of this amendment is to revise the Fiscal Data of the Grant as specifically stated below:

Cover Letter

Fiscal Data

Delete the fiscal data in its entirety, and in lieu thereof substitute the following:

Project No.	: 615-0236
Appropriation	: 72-1101021
Budget Plan Code	: GDEA-90-21615-JG13
PIO/T No.	: 615-0236-3-00085
This Obligation	: \$244,950

Project No.	: 615-0236
Appropriation	: 72-1101021
Budget Plan Code	: GDSA-90-21615-JG13
PIO/T No.	: 615-0236-3-00085
This Obligation	: \$ 87,879
Total Obligation	: \$332,829

All other terms and conditions of the Grant Agreement remain unchanged.

Please acknowledge your receipt of this amendment by signing the original and four (4) copies of this amendment, retain one copy for your records, and return the original and the remaining copies to the Human Resources Development Office, USAID/Kenya, P.O. Box 30261, Union Towers, Nairobi, Kenya.

Sincerely,

Richard J. Womack

Richard J. Womack
Grant Officer

Acknowledged:

Volunteers in Technical Assistance

By: *Henry R. Norman*

Typed Name: *HENRY R. NORMAN*

Title: Executive Director

Date: *AUGUST 10, 1990*