



PDBCC456

A.I.D. Project No. 611-0215
Dollar Appropriation No. 72-111/21014
Budget Plan Code: GSS1-91-21611-KG63
Res. Con. No.: Z916388
Amount: U.S.\$247,241
Grant No.: 611-0215-G-00-1003

LIMITED SCOPE GRANT AGREEMENT

BETWEEN

THE UNITED STATES OF AMERICA

ACTING THROUGH

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

AND

THE REPUBLIC OF ZAMBIA ("GRANTEE")

FOR

PROJECT DEVELOPMENT AND SUPPORT

DATED: SEPTEMBER 11, 1991



Handwritten signature
9/6/91

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Dollar Approp No. 72-111/21014
BPC: GSS1-91-21611-KG63
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LIMITED SCOPE GRANT AGREEMENT

Between

THE UNITED STATES OF AMERICA

Acting Through

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

And

THE REPUBLIC OF ZAMBIA ("Grantee")

1. Project Title: Project Development and Support
2. AID Project Number: 611-0215

The parties hereby agree to carry out this project in accordance with (1) the terms of this agreement, including any annexes attached hereto, and (2) any general agreements between the two governments regarding economic or technical cooperation.

3. Amount of AID Grant: \$247,241 United States Dollars.
4. Grantee Contribution to the Project: As stated in Annex A.
5. Project Assistance Completion Date: September 30, 1992.
6. This Agreement consists of this title page, Annex A (Project Description), and Annex B (Standard Provisions).

IN WITNESS WHEREOF, the Republic of Zambia 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 date last below written.

REPUBLIC OF ZAMBIA

UNITED STATES OF AMERICA

BY: *James Mtonga*

BY: *Fred E. Winch*

NAME: JAMES MTONGA

NAME: FRED E. WINCH

TITLE: SENIOR PERMANENT SECRETARY

TITLE: DIRECTOR

MINISTRY OF FINANCE

USAID/ZAMBIA

Attachments: Annex A
Annex B

Limited Scope Grant Agreement
Annex A.

PROJECT DESCRIPTION AND TERMS

1. Project Title: Project Development and Support Project
2. AID Project Number: 611-0215
3. Project Description:
 1. Project Purpose: The purpose of the Project is to finance:
 - a. Project or program development, feasibility studies, operational research, and pilot testing or hypotheses which may lead to a final project design or to the exploration of new program directions.
 - b. Country Program Strategic Plan (CPSP) - related studies, sector assessments, or other special studies which enhance policy dialogue efforts or lead to a better understanding of technical or institutional constraints.
 - c. General purpose activities such as seminars, workshops, and special economic, sectoral or statistical surveys and studies which cannot be associated with a single discrete project. This category includes the publication and other dissemination of appropriate research and technical studies.
 - d. Small exploratory research activities or support thereto, including state-of-the-art surveys/studies required for preliminary program explorations.
 - e. Evaluations and financial management/audit activities not otherwise budgeted in specific project, program or other agreements.
 - f. Reasonable pre-project implementation costs or bridge funding between terminating and follow-on projects.
 - g. Program costs associated with monitoring or auditing non-project activities such as non-project assistance under the Development Fund for Africa (DFA) or other forms of sector assistance, PL 480, and CIP, when the relevant program assistance agreement does not contain funding for such purposes.
 - h. Program costs associated with monitoring or auditing Grantee-owned local currency when local currency is unavailable for this purpose.
 - i. Travel or short-term training costs of host country public or private sector counterpart personnel when other funds are unavailable for this purpose.

2. Budget:

Natural Resource Management Studies	\$187,241
PL 480 Title III Program Design and Monitoring	\$30,000
AID's Education & Prevention Project Design Assistance	\$30,000
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TOTAL U.S. CONTRIBUTION	\$247,241
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3. Project Resources:

AID Grant: U.S. \$247,241

Grantee: In-kind contributions of personnel, office space and transportation.

B. Special Provisions

1. Contracting and Procurement: Except as otherwise agreed by A.I.D. in writing, A.I.D. will contract and make direct payment for services financed under the Grant. Except as A.I.D. may otherwise agree in writing, suppliers of services financed under the Grant shall have their place of nationality in countries included in A.I.D. Geographic Code 935.

2. Disbursements: All funds provided by A.I.D. under the Grant shall be disbursed by A.I.D. in accordance with the terms of the consultant services contracts or by any other methods agreed upon by the parties in project implementation letters.

3. Representatives: For all purposes relevant to the agreement, the Grantee will be represented by the individual holding, or acting in the office of the Senior Permanent Secretary, Ministry of Finance. A.I.D. will be represented by the individual serving or acting as A.I.D. Representative, USAID/Zambia. Each such representative may designate in writing additional representatives for all purposes other than amendment of the agreement. The name(s) of any such designated representatives of the Grantee, together with specimen signature(s), shall be provided to A.I.D. which may thereafter accept as duly authorized any instrument signed by such representative(s) in the implementation of this Project until receipt of written notice withdrawing such representational Authority.

4. Evaluations: There will be an evaluation at the end of the Project to be conducted jointly by A.I.D. and the Grantee. They shall evaluate the type, quality, usefulness and timeliness of the services financed by the Project. Each party shall supply all personnel, documents and any other materials necessary for effective accomplishment of the evaluation.

Limited Scope Grant Agreement
Annex B.

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, service, 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 (PIO's) 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 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 cooperative 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 Project Implementation Letters (PIL's) that will furnish additional information about matters stated in this Agreement. The parties may also use jointly agreed-upon PIL's to confirm and record their mutual understanding on aspects of the implementation of this agreement, including the revision of elements of the budget.

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.