

PDCAW 357



UNITED STATES OF AMERICA  
AGENCY FOR INTERNATIONAL DEVELOPMENT  
AMERICAN EMBASSY  
JAKARTA, INDONESIA

September 21, 1987

Ir. Soetrisno Kh.  
Deputy Director  
Yayasan Indonesia Sejahtera  
Jl. Kramat VI/11  
Jakarta

Subject: Grant No. AID 497-0336-G-SS-7152-00

Dear Ir. Soetrisno:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the United States Agency for International Development Mission in Jakarta (hereinafter referred to as "USAID" or "Grantor") hereby grants to Yayasan Indonesia Sejahtera (hereinafter referred to as "YIS" or "Grantee") the sum of \$47,000 to implement the program entitled, "The Impounding-Net System as a Method of Fish Rearing in Lake Toba, North Sumatra", as more fully described in the attachment to this grant 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 September 21, 1987 through September 20, 1988.

This Grant is made to Yayasan Indonesia Sejahtera 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"; Attachment 3 entitled, "Special Provisions"; and Grantee's second modified project proposal (incorporated herein by reference) which have been agreed to by your organization.

Please sign the original and three (3) copies of this letter to acknowledge your acceptance of the conditions under which these funds have been granted and return the original and two (2) copies to the Office of Contract Management.

Sincerely yours,



Marcus L. Stevenson  
Grant Officer

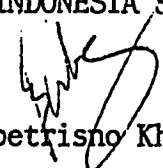
Attachments:

- 1. Schedule
- 2. Program Description
- 3. Special Provisions
- 4. Project Proposal

ACKNOWLEDGED:

YAYASAN INDONESIA SEJAHTERA

By:

  
for Ir. Soetrisno Kh.

Date: SEPT. 25, 1982

FISCAL DATA

Appropriation	:	72-1171021
Budget Plan Code	:	(1) QDNA-87-27497-KG13 \$30,947.00 (2) QDEA-87-27497-KG13 \$16,053.00
Project No.	:	497-0336
Total Estimated Amount	:	\$47,000
Total Obligated Amount	:	\$47,000
RESCTLNO	:	(1) P700763 (2) P700765
Grant#	:	AID 497-0336-G-SS-7152

FUNDS AVAILABLE
PER <u>APR 1982</u>
DATE <u>9/21/82</u>

ATTACHMENT 1

S C H E D U L E

A. PURPOSE OF GRANT

The purpose of this Grant is to provide partial financial assistance to Yayasan Indonesia Sejahtera (YIS) to promote new fish-breeding schemes in North Sumatra, as more specifically described in Attachment 2 to this Grant entitled, "Program Description".

B. PERIOD OF GRANT

The effective date of this grant is September 21, 1987 and the estimated expiration date is September 20, 1988.

C. AMOUNT OF GRANT AND PAYMENT

1. The total estimated amount of this grant for the period shown in B. above is \$47,000.
2. USAID hereby obligates the amount of \$47,000 for program expenditures during the period September 21, 1987 through September 20, 1988, and as shown in the Budget below.
3. Payment shall be made to the Grantee in accordance with procedures set forth in the Standard Provisions (Attachment 3) entitled, "Payment - Periodic Advance".
4. Request for advances and financial reports for reimbursement or liquidation of advances will be in Rupiah.
5. Documentation required by the payment provision above shall be submitted to:

Office of Finance  
USAID/Jakarta

D. BUDGET

The funds provided under this Grant Agreement will be used to finance the USAID portion of the budget set forth below. Revisions to this Budget shall be made in accordance with the Standard Provision entitled, "Revision of Grant Budget".

Illustrative Budget  
September 21, 1987 - September 20, 1988  
(E/R: \$1 = Rp 1,640)

<u>ELEMENT</u>	<u>LSPW/DGF</u>	<u>USAID</u>	<u>TOTAL</u>
Preparation - Baseline Data	\$ 1,220.00	\$	\$ 1,220.00
Allowances	17,086.00	7,499.00	24,585.00
Transportation/Travel/ Per Diem	274.40	6,184.32	6,458.72
Construction of Cages	292.00	300.00	592.00
Equipment/Materials/Supplies	9,771.80	22,065.20	31,837.00
Office Space	365.90	731.80	1,097.70
Other Direct Costs	183.00	487.90	670.90
Evaluation/Workshops	-	6,731.78	6,731.78
Transportation (YIS)	-	500.00	500.00
Overhead (YIS)	-	2,500.00	2,500.00
TOTAL ESTIMATED COST	\$29,193.10	\$47,000.00	\$76,193.10
	=====	=====	=====
	(38%)	(62%)	(100%)

USAID Contribution - Rp 77,080,000 = \$47,000.00

LSPW/DGF Contribution - Rp 47,876,684 = \$29,193.10

If the exchange rate varies so that the amount of dollars necessary to purchase the rupiahs specified in the final rupiah budget is greater than the amount stated herein, then the U.S. dollar limitation stated herein will be the controlling limit to USAID's commitment. On the other hand, if the amount of dollars necessary to purchase the rupiahs specified in the final rupiah budget is less than the amount stated herein, the remaining dollars may be used to purchase rupiahs for justified rupiah cost increases over and above rupiah costs listed in the original rupiah budget, if approved in writing by USAID.

The Grantee may not expend USAID funds in excess of the amount obligated under this Grant.

The Grantee agrees, as a condition to this Grant being made by USAID, that it will assure that the USAID contribution to the Total Program Budget does not exceed 75% of the Total Program Budget with all other funding coming from non-USAID sources. Failure of the Grantee to assure such non-USAID funding from other donors or its own resources may necessitate the termination of this Grant and possible refund action.

#### E. REPORTING AND EVALUATION

1. The Grantee will prepare and submit to USAID/VHP a semi-annual narrative report on the progress of the project. This report is to be in sufficient detail for USAID to judge the effectiveness and efficiency with which the project was implemented.
2. The Grantee will also prepare and submit to USAID/VHP, on a quarterly basis, financial reports pursuant to the "Payment - Periodic Advance" clause of the Standard Provisions. A final financial report will be submitted within 90 days of project completion.
3. In addition, an evaluation will be conducted by the Grantee in consultation with USAID at the conclusion of the project.
4. Prior to the required final performance reporting date, events may occur that have significant impact upon the project. In such instances, the Grantee shall inform USAID/VHP as soon as the following types of conditions become known:

- Problems, delays or adverse conditions that will materially affect the ability to attain program objectives, prevent the meeting of time schedules and goals, or preclude the attainment of project work activities by the established time period. This disclosure shall be accompanied by a statement of the action taken, or contemplated, and any assistance needed to resolve the situation.
- Favorable developments or events that enable time schedules to be met sooner than anticipated or more work activities to be performed than originally projected.

F. SPECIAL PROVISIONS

1. The total amount of this Grant is \$47,000. It is estimated that this amount will be sufficient to fund the Grant for one year. Subsequent year funding may be agreed to, depending on the availability of funds and the progress of the project; however, this does not constitute a commitment of any additional funding by USAID.
2. Provision for Partially Funded USAID Grants
  - a. The funds provided by this grant represent partial support of the program/project as described in the Schedule of this grant, and may be used to support the costs of the program/project as specified in the Financial Plan included in the Schedule.
  - b. The restrictions on the use of USAID grant funds hereunder set forth in the Standard Provisions of this grant are applicable to expenditures incurred with USAID funds provided under this grant. The Standard Provisions are not applicable to expenditures incurred with funds provided from non-U.S.G. sources. The Grantee will account for the USAID funds in accordance with the Standard Provisions of this grant entitled, "Accounting, Audit and Records".
  - c. Notwithstanding paragraph (b) of the Standard Provisions of this grant entitled, "Refunds", the parties agree that in the event of any disallowance of expenditures from USAID grant funds provided hereunder, the Grantee may substitute for such disallowance expenditures made with funds provided from non-U.S.G. sources provided they are otherwise incurred for the purpose of this grant. At the expiration or termination of this grant, amounts of disallowance of expenditures from USAID grant funds for which a substitution with expenditures from non-U.S.G. funds cannot be made will be refunded to USAID.

3. With respect to Mandatory Standard Provision 3. Refunds, the Grantee is authorized to use program income for program purposes rather than refunding it to USAID, provided the income is used to continue and/or expand the activities originally planned. Program income earned through USAID-funded activities may revert to a "revolving fund" and may be used by the Grantee in the above mentioned ways, without accountability to USAID after termination of the project period, provided that prior to the expenditure of such reflows, the Grantee will inform USAID of the plan of operations and will keep USAID informed of actual activities during the life of this project. Please note that grant funds including cash advances cannot accrue interest prior to initial disbursement by the Grantee; interest on cash advances cannot be considered program income and must be refunded to USAID pursuant to Standard Provision 3.

4. Closeout Procedures

This section prescribes uniform closeout procedures for this grant.

a. The following definitions shall apply for the purpose of this section:

- i. Closeout. The closeout of a grant or agreement is the process by which USAID determines that all applicable administrative actions and all required work of the grant or agreement have been completed by the recipient and USAID.
- ii. Date of Completion. The date of completion is the date on which all work under grants is completed or the date on the award document, or any supplement or amendment thereto, on which USAID sponsorship ends.
- iii. Disallowed Costs. Disallowed costs are those charges to a grant that USAID or its representative determines to be unallowable, in accordance with the applicable U.S.G. cost principles or other conditions contained in the grant agreement.

b. USAID closeout procedures include the following requirements:

- i. Upon request, USAID shall make prompt payments to a recipient for allowable reimbursable costs under the grant agreement being closed out.

- ii. The recipient shall immediately refund any balance of unobligated (unencumbered) cash that USAID has advanced or paid and that is not authorized to be retained by the recipient for use in other grant agreements.
  - iii. USAID shall obtain from the recipient within 90 calendar days after the date of completion of the grant agreement all financial, performance, and other reports required as the condition of the grant agreement. USAID may grant extensions when requested by the recipient.
  - iv. When authorized by the grant agreement, USAID shall make a settlement for any upward or downward adjustments to USAID's share of costs after these reports are received.
  - v. The recipient shall account for any property acquired with USAID funds, or received from the U.S.G. in accordance with Attachment N of OMB Circular A-110 entitled, "Property Management Standards".
  - vi. In the event a final audit has not been performed prior to the closeout of the grant agreement, USAID shall retain the right to recover an appropriate amount after fully considering the recommendations on questioned costs resulting from the final audit.
- F. The following Standard Provisions (OMB Control No. 0412-0510) are applicable to this Grant:
- a. Mandatory Standard Provisions for Non-U.S., Non-Governmental Grantees, Clause 1-11; and
  - b. Optional Standard Provisions for Non-U.S., Non-Governmental Grantees, except that the following provisions are deleted:
    - 2. Payment - Cost Reimbursement
    - 16. Negotiated Overhead Rates - Provisional
    - 17. Government Furnished Excess Personal Property
    - 19. Title To and Care of Property (U.S. Government Title)
    - 20. Title To and Care of Property (Cooperating Country Title)
- G. The authorized geographic code for procurement of goods and services under this grant shall be in accordance with Optional Standard Provision No. 6 entitled, "AID Eligibility Rules for Goods and Services".



PROGRAM DESCRIPTION

A. PURPOSE

To introduce appropriate technology to improve fish production in Lake Toba, Sumatra.

B. SPECIFIC OBJECTIVES

1. To improve the economy and standard of living of people who live around Lake Toba and who depend upon fishing for their livelihood. It is expected that the improved technology will increase the availability of fish in the lake and the ability of the fishermen to increase their catches and income.
2. To construct and install 27 impounding-net cages at the Ambarita Fish Hatchery Center, for experimental purposes.

C. PROJECT IMPLEMENTATION

The Grantee, Yayasan Indonesia Sejahtera, will have overall responsibility and financial accountability to USAID while Lembaga Studi Pengembangan Wilayah (LSPW), the sub-grantee, will be responsible for the implementation of the program. The project will be carried out essentially as outlined in this Grant and the project proposal.

LSPW completed data collection for the project in April 1986 and the feasibility study in August of 1986, respectively, at its own expense.

The project is designed for 36 months. During the first year, an appropriate technology for the production of common carp and red tilapia in experimental impounding net systems will be introduced on a pilot basis and the fish production will be determined under a variety of stocking and feeding rates.

The selection of the project location is in line with the development program of the highland region of North Sumatra, especially for the utilization of Toba Lake water. Priority is given to the district's low income population, i.e., income per capita is less than Rp.115,000 or \$70 per annum and classified by the Ministry of Home Affairs as poor. The villagers are mostly farmers and small holders of land.

The construction phase of the project will be the building of 27 impounding-nets at the DGF fish hatchery at Ambarita. Building of the net cages is expected to be completed in a one-month period. The work will be supervised by an expert from LSPW with the assistance of LPPM, Nommensen University/Medan, and the Directorate General of Fisheries in Medan.

The net cage has a dimension of 100 ft<sup>2</sup>, with 2.5 m. height. The net will be placed in the water by using anchors (mooring type) or pilings. The shape of the impounding-net is square. The mesh size is one inch. The size of fingerlings which stock the net are 60-100 grams or about 10-15 fingerlings/kg. Depending on actual size of stocking fingerlings, a smaller mesh net may be used initially until growth has reached a size that the standard 1 inch mesh will hold them. The source of fingerlings will be the local hatcheries of DGF at Ambarita. Feeds will be obtained from locally available materials. Feeding rate will be determined by actual stocking density, and the experimental design. Stocking density should approximate 20,000/acre, but due to probable mortality should be 200 fingerlings per cage, with feeding rates ranging from age 10 to 30 lbs/acre/day. Frequency of feeding will be two-three times a day.

Due to DGF recommendation that Bogor broodstock of carp are superior, the experiment will include transport of such broodstock to compare with local broodstock for fingerling quality through growth rate experiments..

Locally available materials for feeds will be used as commercial feeds are too expensive for the farmers. Experimentation on contents and pellet-making will be incorporated into the project design. Benthic analyses will be conducted to determine availability of worms, insect, larvae, etc., that could be incorporated into the feed.

With the 27 cages, nine would be for red tilapia, nine for carp, and nine for polyculture. The experiment would be repeated three to five times varying stocking rate and feed. Water temperature, dissolved oxygen and ph will be measured frequently at the site and recorded. Stocking density for tilapia and carp would be the same initially and changed in later trials. Accurate recording of mortality is also essential. Determination of cause of mortality will be made, if possible.

A detailed project design for each experiment will be developed prior to its initiation. It will be based on economics, growth and other analyses conducted previously. In addition, a thorough economic analysis will be completed after each experiment and at the end of Phase I.

After one week, a sample of 10 fish will be removed per cage for length and weight determination, then returned to the cage. Thereafter, sampling should occur weekly. Harvesting would occur from age 3 to 6 months, however initial research results will determine optimum harvest strategy.

#### D. EVALUATION

Since this is an experimental and demonstration activity, regular reviews will be conducted at the project site by professional USAID and project staff. A schedule will be developed in consultation with USAID/VHP and ARD. The timing of the reviews will depend on the availability of USAID's expert on fish culture. However, at a minimum a formal assessment of the status of the project will be conducted by USAID and YIS/LPW after six months and a final joint evaluation will be conducted prior to the end of the one-year grant period.

The purpose of the evaluation are:

(1) to determine whether the technology of using an impounding net system can be disseminated around Lake Toba, and (2) to decide whether Phase II will be undertaken and funded by USAID. Evaluation related activities which will be implemented include an economic analysis by IPB/Bogor of the 27 cages at Ambarita and workshops in Prapat and Medan for key participating and interested organization, including DGF, LPPM/Nommensen University, North Tapanuli Planning Board, IPB/Bogor and project staff.

The plans for the workshops will be developed jointly by USAID and YIS/LPSW.