

PDCAX 855

CONFORMED COPY

LIMITED SCOPE GRANT PROJECT AGREEMENT

Between the United States of America, acting through the Agency for International Development (A.I.D.)

Loan and Grant Agreements

FM/LMD (if Loan)

FM/PAFD

FM/CAD

GC/ANE

ANE/Desk

ANE/TR Officer ✓

ANE/PD Officer & File

PPC/CDIE/DI

AND

JA
ES, CB
SB

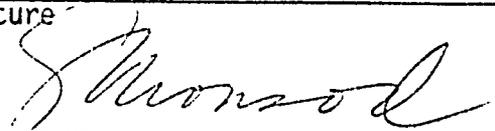
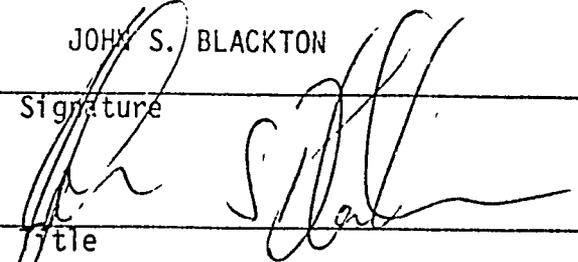
The Republic of the Philippines
(Grantee)

1. Project Title	:	2. AID Project Number
Project Development and Support: Employment and Employment Impacting Policy Studies	:	398-0249

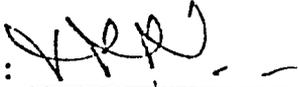
The above-named parties hereby mutually agree to carry out the Project described in this Agreement in accordance with (1) the terms of this Agreement, including any annexes attached hereto, and (2) any general agreement between the two governments regarding economic or technical cooperation.

3. Amount of A.I.D. Grant	:	4. Grantee Contribution to the Project	:	5. Project Assistance Completion Date
\$18,276	:	Indirect and Unallocable Administrative Overhead Costs	:	September 12, 1988

6. This Agreement consists of this title page and Annex A (Project Description) and Annex B (Standard Provisions Annex)

7. For the Grantee	:	8. For the Agency for International Development
SOLITA COLLAS-MONSOD	:	JOHN S. BLACKTON
Signature 	:	Signature 
Title	:	Title
Director-General, National Economic and Development Authority	:	Acting Director, U.S. Agency for International Development

DATE	:	DATE
Sept. 11, 1987	:	Sept. 11, 1987

Concur: 
 Filologo L. Pante, Jr.
 President
 Philippine Institute for Development Studies

Project Agreement
ANNEX A
Project Description

1. Project Title	:	2. AID Project Number
Project Development and Support:	:	398-0249
Employment and Employment	:	
Impacting Policy Studies	:	

3. Objective

To undertake studies addressing the Government of the Philippines (GOP) development policy analysis and implementation needs related to employment generation.

4. Scope and Coverage

4.1 For purposes of this agreement, "study" will include selected policy seminars or similar activities approved through procedures outlined in Block 8 below.

4.2 The studies shall include the following areas:

4.2.1 Trends and developments in employment, unemployment and underemployment.

4.2.2 Medium term and long term employment impacts of structural adjustment and of selected policies such as trade, investment and tax.

4.2.3 Impact of GOP Community Development and Employment Program.

4.2.4 Employment, Labor Productivity and Wages

4.2.5 Urban and Rural Labor Markets

4.2.6 Occupational and Sectoral Mobility of Labor

4.2.7 Overseas Employment

4.2.8 Employment, Technology and Factor Choice

4.2.9 Implications of Land Reform Program on Employment

- 4.3 The Government of the Philippines (GOP) through the implementing organization identified in Section 5 below, and A.I.D. may also propose topics in addition to or in lieu of studies identified in 4.2 should changing circumstances and new information so require.
- 4.4 Studies identified in 4.2 may be implemented only if they are acceptable to both parties in accordance with the implementation arrangements described below.

5. Implementing Organization

The Philippine Institute for Development Studies (PIDS) shall serve as the implementing organization designated to carry out the activities supported by this Grant.

6. Responsibilities of PIDS

PIDS shall have the following responsibilities:

- 6.1. Assign PIDS professional staff or arrange for the services of qualified government/private institutions or individuals recognized for their expertise in any of the general areas.
- 6.2 Assume indirect and unallocable overhead costs in administering the project's activities.
- 6.3 Assume other tasks that may be required for implementation from solicitation of proposals to reproduction of completed studies.

7. Responsibilities of the A.I.D.

- 7.1 A.I.D. shall provide grant support to studies identified in Block 4 of Annex A up to the amount shown in Block 3 of the Project Agreement Facesheet in accordance with the implementation and financial arrangements specified in Sections 8 and 9 below.

8. Implementation Arrangements

- 8.1 Steering Committee composed of designated PIDS and A.I.D. representatives shall be created with the following functions:
 - 8.1.1 Prepare list of studies for implementation and review/revise such listing if required.
 - 8.1.2 Schedule implementation of each study.
 - 8.1.3 Review terms of reference for each study.
 - 8.1.4 Review and select proposals, as appropriate.

- 8.1.5 Review and approve contracts or sub-agreements prepared by PIDS staff in accordance with A.I.D. and GOP regulations and procedures, and subject to A.I.D. review and approval. Where PIDS professional staff are identified to participate in or undertake a study, or where PIDS proposes to conduct a study in-house, prior Steering Committee and A.I.D. review and approval of proposed PIDS professional staff and study costs also shall be required.
- 8.1.6 Meet with principal investigators of ongoing studies as appropriate for a discussion of work status and problems encountered.
- 8.1.7 Review initial drafts of each study.
- 8.2. PIDS shall be the contracting agency, except as A.I.D. and PIDS may otherwise agree.
- 8.3 In reviewing proposals, attention shall be given to the appropriateness of the area/issue being addressed, thoroughness and scope of coverage, justification of costs and time frame, and the capability of the institutional or individual proponent to undertake the study or activity based on expertise, experience and ability to comply with the duration specified for the completion of the study. Further, each proposal shall have a quarterly listing of activities and a breakdown of financial requirements by quarter. In the case of institutional proponents, the type, number and duration of involvement of manpower shall be specified.
- 8.4 Initial drafts for all studies shall be submitted for joint Steering Committee review no later than six (6) months after they are initiated except as the parties otherwise agree in writing, provided, however, that all work under the Grant shall be completed by the Project Assistance Completion Date.
- 8.5 Each final draft shall be reproduced and circulated to appropriate parties no later than two (2) months after the initial drafts are reviewed except as the parties otherwise agree in writing, provided, however, that all work under the Grant shall be completed by the Project Assistance Completion Date.

9. Financial Arrangements

- 9.1 A.I.D. shall make an initial advance of funds equivalent to three months operating expenses to PIDS upon receipt of a Quarterly Request for Cash Advance and Details of Cash Requirement for the Quarter (Form No. 1 attached) based on the requirements of approved studies with complete financial documentation. Advances shall include provision for services of PIDS professional staff and other PIDS direct costs.

- 9.2 Subsequent requests for advances also shall be on a quarterly basis. PIDS shall submit requests for advances to A.I.D. together with work progress reports, and planned activities for each study for the succeeding quarter.
- 9.3 The liquidation of an advance must be treated as a separate report from the request for an advance. That is, PIDS may request a second advance prior to liquidation of the first advance. However, A.I.D. shall not provide a third advance without liquidation of the second advance.
- 9.4 Report on expenditures (Form No. 2 attached) to liquidate advances must be submitted to A.I.D. within one month following the close of each quarter. Any portion of the advance not liquidated by the final liquidation report filed under this grant must be refunded within sixty (60) days after the Project Assistance Completion Date.
- 9.5 Grant support shall not be used for payment of salaries, honoraria or other compensation to GOP employees other than individuals regarded as such solely by virtue of their affiliation with GOP-supported academic and research institutions.

9.6 Illustrative Budget

Principal Investigators (10 person-months at ₱20,000 per person-month)	₱200,000
Research Assistants (14 person-months at ₱6,000 per person-month)	84,000
Supplies and Materials (10 months at ₱3,000 per month)	30,000
Miscellaneous, Overhead, and Contingency	<u>51,520</u>
Total	₱365,520
ER = ₱20.00/\$1.00	\$ 18,276

QUARTERLY REQUEST FOR CASH ADVANCE
(Form No. 1)

Project Title: _____

Period: _____ to _____

Grant No. AID: _____

Prepared by: _____

Date Prepared: _____

- A. Total amount USAID authorized (LOP) ₱ _____
- B. Total USAID cash advances received to date _____
- C. Total disbursements of USAID funds to date _____
- D. Accrued payables to date if applicable (show details) _____
- E. Unexpended cash advances (line B less sum of lines C and D) _____
- F. Cash requirements for this Quarter (details below) _____
- G. Cash advance requested (line F less line E) _____

Details of cash requirements for this Quarter

Schedule Items	Breakdown			Totals
	1st month	2nd month	3rd month	
1. Personnel costs	₱ _____	₱ _____	₱ _____	₱ _____
2. Equipment & commodities	_____	_____	_____	_____
3. Monitoring & evaluation	_____	_____	_____	_____
4. Administration & travel	_____	_____	_____	_____
5. _____	_____	_____	_____	_____
6. _____	_____	_____	_____	_____
7. _____	_____	_____	_____	_____
8. _____	_____	_____	_____	_____

Cash requirements for this Quarter (should equal F above) ₱ _____

The undersigned hereby certifies:

- (1) that the above represents the best estimates of funds needed for the expenditures which will be incurred over the Quarter described;
- (2) that expenses under any previous advance are progressing in accordance with projections;
- (3) that appropriate refund or credit to the Grant will be made in the event funds are not expended;
- (4) that appropriate refund will be made in the event of disallowance in accordance with the terms of this Grant; and
- (5) that any interest accrued on the funds made available herein will be refunded to USAID.

Signature: _____

Typed name: _____

Title: _____

Date: _____

QUARTERLY EXPENDITURE REPORT
(Form No. 2)

Project Title: _____
Grant No. AID: _____

Period: _____ to _____
Prepared by: _____
Date Prepared: _____

Schedule Items

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.

USAID GRANT FUNDS				
(1) Approved Budget LOP	(2) Cumulative Advances To Date	(3) Disbursements This Quarter	(4) Cumulative Disbursements To Date	(5) Unexpended Balance (2 less 4)
Subtotal				

COUNTERPART FUNDS		
(5) Approved Budget LOP	(7) Disbursements This Quarter	(8) Cumulative Disbursements To Date

I, the undersigned hereby certify that: (1) the expenditures claimed under the cited agreement are proper and due and that appropriate refund to USAID will be made promptly upon request of USAID in the event of non-performance in whole or in part, under the terms of the agreement; (2) the information on this report is correct and such detailed supporting information as USAID may require will be furnished at the Grantee's home office, as appropriate; (3) that all requirements called for by the agreement to date of this certification have been met, and (4) that to the best of my knowledge, none of the commodities purchased were produced in and imported from other than Free World countries.

Signed: _____
Project Director/Authorized Representative

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 3.
- 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 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.