

PD KAF 919

A.I.D. Project Number 532-0059
Project Agreement No. 82-12

OCT 22 1982

PROJECT
GRANT AGREEMENT
BETWEEN
THE GOVERNMENT OF JAMAICA
and the
UNITED STATES OF AMERICA
for
FISH PRODUCTION SYSTEM DEVELOPMENT

Appropriation: 72-1121021.3

Allotment: LDAA-82-25532-AG13

Dated: September 29, 1982

RECORD COPY

The purpose of this Agreement is to amend the original Grant Agreement dated June 29, 1979, (1) to provide an additional Two Hundred and Thirty Thousand United States Dollars (US\$230,000) from fiscal year 1982 A.I.D. funds; (2) to amend the Illustrative Financial Plan to Attachment 1 to Annex 1 to reflect this increased obligation.

The following Section of the Agreement and Annex 1 are amended as indicated. All other Sections and provisions of the Agreement not modified herein remain unchanged.

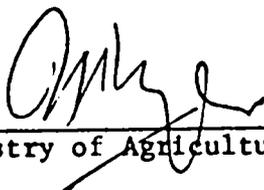
SECTION 3.1. The Grant is deleted in its entirety and replaced by the following:
Quote

SECTION 3.1. The Grant: To assist the Grantee to meet the costs of carrying out the Project, A.I.D. pursuant to the Foreign Assistance Act of 1961, as amended, and the General Agreement for Economic, Technical and Related Assistance of October 24, 1963, agrees to grant the Grantee under the terms of this Agreement not to exceed One Million One Hundred and Seventy Five Thousand United States ("U.S.") Dollars (US\$1,175,000) ("Grant"). The Grant may be used to finance foreign exchange costs, as defined in Section 6.1, and local currency costs, as defined in Section 6.2, of goods and services required for the Project. End Quote.

The Illustrative Financial Plan, Attachment 1 to Annex 1, is deleted in its entirety and replaced by the attached schedule.

IN WITNESS WHEREOF, the Grantee and The United States of America, each acting through its duly authorized representative, have caused this amendment to be signed in their names and delivered as of the day and year last below written.

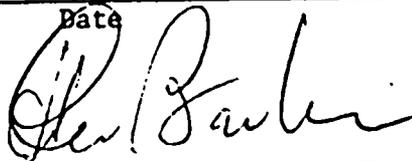
GOVERNMENT OF JAMAICA

BY: 
Ministry of Agriculture

UNITED STATES OF AMERICA

BY: 
A.I.D. Mission Director

29. 9. 82
Date

BY: 
Ministry of Finance

29/9/82
Date

1/10/82
Date

Project Agreement 82-12
 Attachment No. 1 to Annex 1
 of Project Agreement 79-6
 Project No. 532-0059
 Fish Production Systems Development Project.

ILLUSTRATIVE FINANCIAL PLAN

(Source and Application of Funding \$U.S. Thousand)

Project Inputs	Cummulative Obligations/ Commitments		This Amendment	Total	
	AID	Grantee	AID	AID	Grantee
Personnel	-	1,480	-	-	1,480
Technical Assistance	800	8	125	925	8
Participant Training	62	46	45	107	46
Commodities	45	-	30	75	-
Other Costs	38	3,324	30	68	3,324
TOTAL	945	4,858	230	1,175	4,858

W:

file

JAMAICA)
CITY OF KINGSTON)
EMBASSY OF THE UNITED) SS:
STATES OF AMERICA)

I, H. L. Orr, Consul of the United States of America at Kingston, Jamaica, duly commissioned and qualified, do hereby certify that the annexed photocopy of a Project Grant Agreement between the Government of Jamaica and the United States of America for Fish Production System Development.

is a true and faithful copy of the original this day presented to me, the same having been carefully examined by me and compared with the said original and found to agree therewith word for word and figure for figure.

IN WITNESS WHEREOF I have hereunto set my hand and affixed the seal of the Embassy at Kingston, this 11th day of July, 1979.

H. L. Orr

H. L. Orr
Consul of the United States of America
at Kingston, Jamaica



RECORD COPY

PROJECT
GRANT AGREEMENT
BETWEEN
THE GOVERNMENT OF JAMAICA
and the
UNITED STATES OF AMERICA
for
FISH PRODUCTION SYSTEM DEVELOPMENT

Dated: June 29, 1979

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Project Grant Agreement

Dated:

June 29, 1979

Between The Government of Jamaica ("Grantee") And The United States of America, acting through the Agency for International Development, ("A.I.D.").

Article 1: The Agreement

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Grantee of the Project described below, and with respect to the financing of the Project by the Parties.

Article 2: The Project

SECTION 2.1. Definition of Project.

The Project, which is further described in Annex 1, will develop institutional capabilities for the extension of fish farming techniques to farmers and increase freshwater fish production in Jamaica. Annex 1, attached, amplifies the above definition of the Project. Within the limits of the above definition of the Project, elements of the amplified description stated in Annex 1 may be changed by written agreement of the authorized representatives of the Parties named in Section 8.2, without formal amendment of this Agreement.

SECTION 2.2. Incremental Nature of Project

(a) A.I.D.'s contribution to the Project will be provided in increments, the initial one being made available in accordance with Section 3.1 of this Agreement. Subsequent increments will be subject to availability of funds to A.I.D. for this purpose, and to the mutual agreement of the Parties, at the time of a subsequent increment, to proceed.

(b) Within the overall Project Assistance Completion Date stated in this Agreement, A.I.D., based upon consultation with the Grantee, may specify in Project Implementation Letters appropriate time periods for the utilization of funds granted by A.I.D. under an individual increment of assistance.

Article 3: Financing

SECTION 3.1. The Grant.

To assist the Grantee to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended, agrees to grant the Grantee under the terms of this Agreement not to exceed Three Hundred and Eighty Thousand United States ("U.S.") Dollars (\$380,000) ("Grant"). The Grant may be used to finance foreign exchange costs, as defined in Section 6.1, and local currency costs, as defined in Section 6.2, of goods and services required for the Project.

SECTION 3.2. Grantee Resources for the Project.

(a) The Grantee agrees to provide or cause to be provided for the Project all funds, in addition to the Grant, and all other resources required to carry out the Project effectively and in a timely manner.

(b) The resources provided by Grantee for the Project will be not less than the equivalent of US\$4,858,000, including costs borne on an "in-kind" basis.

SECTION 3.3. Project Assistance Completion Date.

(a) The "Project Assistance Completion Date" (PACD), which is August 31, 1983, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services financed under the Grant will have been performed and all goods financed under the Grant will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the Grant for services performed subsequent to the PACD or for goods furnished for the project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters are to be received by A.I.D. or any bank described in Section 7.1 no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to the Grantee, may at any time or times reduce the amount of the Grant by all or any part thereof for which requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.



Article 4: Conditions Precedent to Disbursement

SECTION 4.1. First Disbursement.

Prior to the first disbursement under the Grant, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Grantee will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D., a statement of the name of the person holding or acting in the office of the Grantee specified in Section 8.2., and of any additional representatives, together with a specimen signature of each person specified in such statement.

SECTION 4.2. Additional Disbursement.

Prior to disbursement under the Grant, or to issuance by A.I.D. of documentation pursuant to which disbursement will be made, for Long Term Training for the University of the West Indies (U.W.I.) the Grantee will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D., an agreement with the University which states its agreement to pay the salary and international travel for the participant trainee, a procedure for insuring that the trainee will return to work for the University for a period of time not less than twice the time spent in training, and the plans of the University for incorporation of fresh water fish culture into the University's curriculum both at the undergraduate and graduate level.

SECTION 4.3. Notification.

When A.I.D. has determined that the conditions precedent specified in Section 4.1 and 4.2 have been met, it will promptly notify the Grantee.

SECTION 4.4 Terminal Dates for Conditions Precedent.

(a) If all of the conditions specified in Section 4.1 have not been met within ninety (90) days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by written notice to Grantee.

(b) If all of the conditions specified in Section 4.2 have not been met within one hundred and twenty (120) days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its options, may cancel the then undisbursed balance of the Grant, to the extent not irrevocably committed to third parties, and may terminate this Agreement by written notice to the Grantee.

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Article 5: Special Covenants

SECTION 5.1. Project Evaluation.

The Parties agree to establish an evaluation program as part of the Project. Except as the Parties otherwise agree in writing, the program will include, during the implementation of the Project and at one or more points thereafter:

(a) Annual evaluations (including a final evaluation after the PACD) of progress toward attainment of the objectives of the Project;

(b) Identification and evaluation of problem areas of constraints which may inhibit such attainment;

(c) Assessment of how such information may be used to help overcome such problems; and

(d) Evaluation, to the degree feasible, of the overall development impact of the Project.

SECTION 5.2. Project Implementation Schedules.

Grantee will furnish to A.I.D. by August 31, 1979, in form and substance satisfactory to A.I.D., a time-phased implementation schedule for the remainder of the first Project year through August 31, 1980. For the twelve-month periods commencing on August 31, 1980, 1981, and 1982, respectively, the Grantee will furnish within sixty (60) days of these dates to A.I.D. in form and substance satisfactory to A.I.D., time-phased implementation schedules for each such twelve-month period, each based on the results of the annual evaluation and annual audit of the Project during the previous twelve-month period.

SECTION 5.3. Participant Training.

Grantee agrees to pay salary costs and the costs of international travel for participant trainees employed by Grantee.

SECTION 5.4. Continued Employment of Participants.

Grantee will implement procedures, prior to participant trainee departure from Jamaica, to insure that returning participant trainees will continue their employment with Grantee for a period of time equal to not less than twice the length of time spent in training.

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Article 6: Procurement Source

SECTION 6.1. Foreign Exchange Costs.

Disbursement pursuant to Section 7.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in the United States (Code 000 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods or services) ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Project Grant Standard Provisions Annex, Section C.1(b) with respect to marine insurance. Ocean transportation costs will be financed under the Grant only on vessels under flag registry of the United States or Jamaica, except as A.I.D. may otherwise agree in writing. If A.I.D. determines either that there are no vessels under flag registry of Jamaica generally available for ocean transportation, or that Jamaica has no access or access at a reasonable or fair rate to U.S. flag service, A.I.D. in a Project Implementation Letter may agree to finance under the Grant ocean transportation costs on vessels under flag registry of any country included in A.I.D. Geographic Code Book 941.

SECTION 6.2. Local Currency Costs.

Disbursements pursuant to Section 7.2. will be used exclusively to finance the costs of goods and services required for the Project having their source and, except as A.I.D. may otherwise agree in writing, their origin in Jamaica ("Local Currency Costs").

Article 7: Disbursement

SECTION 7.1. Disbursement for Foreign Exchange Costs.

(a) After satisfaction of conditions precedent, the Grantee may obtain disbursements of funds under the Grant for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon:

(1) by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services, or, (B) requests for A.I.D. to procure commodities or services in Grantee's behalf for the Project; or,

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(2) by requesting A.I.D. to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letters of Credit or otherwise, for such goods or services, or (B) directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers for such goods or services.

(b) Banking charges incurred by Grantee in connection with Letters of Commitment and Letters of Credit will be financed under the Grant unless Grantee instructs A.I.D. to the contrary. Such other charges as the Parties may agree to may also be financed under the Grant.

SECTION 7.2. Disbursement for Local Currency Costs.

(a) After satisfaction of conditions precedent, the Grantee may obtain disbursements of funds under the Grant for Local Currency Costs required for the Project in accordance with the terms of this Agreement, by submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, requests to finance such costs.

(b) The local currency needed for such disbursement may be obtained:

(1) by acquisition by A.I.D. with U.S. Dollars by purchase or from local currency already owned by the U.S. Government, or

(2) by A.I.D. (A) requesting the Grantee to make available the local currency for such costs, and (B) thereafter making available to the Grantee, through the opening or amendment by A.I.D. of Special Letters of Credit in favor of the Grantee or its designee, an amount of U.S. Dollars equivalent to the amount of local currency made available by the Grantee, which dollars will be utilized for procurement from the United States under appropriate procedures described in Project Implementation Letters.

The U.S. Dollar equivalent of the local currency made available hereunder will be, in the case of subsection (b)(1) above, the amount of U.S. Dollars required by A.I.D. to obtain the local currency, and in the case of subsection (b)(2) above, an amount calculated at the rate of exchange specified in the applicable Special Letter of Credit

Implementation Memorandum hereunder as of the date of the opening or amendment of the applicable Special Letter of Credit.

SECTION 7.3. Other Forms of Disbursement.

Disbursements of the Grant may also be made through such other means as the Parties may agree to in writing.

SECTION 7.4. Rate of Exchange.

Except as may be more specifically provided under Section 7.2, if funds provided under the Grant are introduced into Jamaica by A.I.D. or any public or private agency for purposes of carrying out obligations of A.I.D. hereunder, the Grantee will make such arrangements as may be necessary so that such funds may be converted into currency of Jamaica at the highest rate of exchange which, at the time the conversion is made, is not unlawful in Jamaica.

Article 8: Miscellaneous

SECTION 8.1. Communications.

Any notice, request, document, or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following addresses:

To the Grantee:

Mail Address: Minister
Ministry of Agriculture
Hope Road
Kingston 6, Jamaica

To A.I.D.:

Mail Address: Director
USAID/Jamaica
2 Oxford Road
Kingston 5, Jamaica

All such communications will be in English, unless the Parties otherwise agree in writing. Other addresses may be substituted for the above upon the giving of notice.

SECTION 8.2. Representatives.

For all purposes relevant to this Agreement, after the execution hereof, the Grantee will be represented by the individual holding or acting in the office of Minister of Agriculture, and A.I.D. will be represented by the individual holding or acting in the office of Director, USAID/Jamaica, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1 to revise elements of the amplified description in Annex 1. The names of the representatives of the Grantee, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

SECTION 8.3. Standard Provisions Annex.

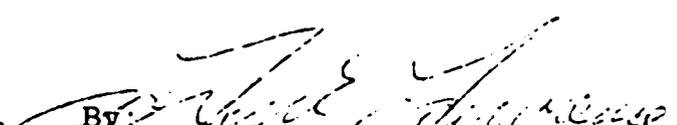
A "Project Grant Standard Provisions Annex" (Annex 2) is attached to and forms part of this Agreement.

IN WITNESS WHEREOF, the Grantee 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 year first above written.

GOVERNMENT OF JAMAICA

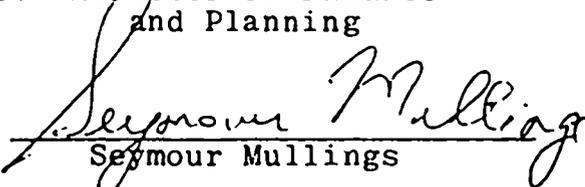
UNITED STATES OF AMERICA

By: 
Eric Bell

By: 
Loren Lawrence

Title: Minister of Finance
and Planning

Title: Ambassador

By: 
Seymour Mullings

By: 
Donor Lion

Title: Minister of Agriculture

Title: Mission Director
USAID/Jamaica

AMPLIFIED DESCRIPTION OF THE PROJECT

1. The goals of the Fish Production System Development Project are to increase food production, income, employment, improve nutrition in rural areas, and to assist the Government of Jamaica to mitigate its foreign exchange problems. The project will develop the capacity of GOJ institutions to increase freshwater fish production by establishing aquaculture as a viable farming activity throughout Jamaica.
2. AID funds for the project are to be provided in part as Loan funds and in part as Grant funds. Only the Grant funds are contained in this Agreement, but because of the integrated nature of project activities, those being funded by the AID Loan are also included in this project description.
3. Specific Project Activities are as follows:

A. Technical Assistance (\$962,000)

AID - Loan --; Grant \$954,000; Total \$954,000

GOJ - \$8,000

USAID will provide technical support through a Grant funded institutional contract for technical advisors. A senior technical advisor will be with the project for four years and work at the national policy level. Two extension advisors will each be with the project for three years working at the regional level.

The senior technical advisor will have his office at the Twickenham Park facility and be a counterpart to the Director of the Inland Fisheries Unit. He will serve as team leader for the technical services contract, and as liaison between Government of Jamaica, USAID, and Peace Corps. He will design and assist in the implementation of research activities, organize and participate in training of Inland Fisheries personnel, teach formal courses in aquaculture at Jamaica School of Agriculture and the University of the West Indies and advise on the selection of overseas training participants. The senior technical advisor is scheduled for four years to insure the timely planning, coordination and implementation of the project's activities.

The two extension advisors will serve as counterparts to the Regional Fisheries Extension Officers in the eastern and western regions. The advisors will assist and teach pond surveying and design, preparation of detailed management plans for fish production in individual farm ponds, and preparation of literature (extension bulletins) for use in aquaculture extension. They will be responsible for training parish fishery extension specialists in addition to these other duties.

During the first year of the project, there will be one extension advisor who will work in the eastern region because it will take a

ear before the western regional staff and facilities are in place sufficiently to warrant the use of a full time foreign technician.

At the end of year three, the extension advisor will no longer be needed in the eastern region. By this time the Inland Fisheries Unit personnel will have been trained to perform the work in this region.

The second extension advisor will be assigned to the western region in year two through the end of the project to provide the expertise to develop the extension program in that region. The U.S. staff will help maintain program momentum and provide technical backstopping to the various activities, particularly while counterpart staff are away receiving further training.

To provide new Inland Fisheries Unit staff members with the technical and operational skills needed in fingerling production and extension work, they will undergo special in-service training at Twickenham Park assisted by specialists brought in on a short-term basis from the U.S. under the Grant. A total of nine months short-term assistance in the first two years of the project at a cost of \$48,000 is budgeted. The staff of the Inland Fisheries Unit will increase from 44 to 160 by 1982 and will consist of 36 professional fisheries officers and 124 laborers, clerical, pond operators, and drivers.

One month of short-term advisory support (\$6,000) has been budgeted under technical services for a U.S. consultant who will assist in a mid-term project evaluation.

The Peace Corps has been requested to provide Peace Corps Volunteers to work as counterparts to the Inland Fisheries Unit staff during the three to four years it will take to build its competency. Over the life of the project, 25 Peace Corps Volunteers will be assigned as counterparts to the Inland Fisheries Unit staff mainly in the area of extension and hatchery management. The Government of Jamaica will contribute \$8,000 to Peace Corps to help support these Volunteers. Other Volunteer training and support costs will be provided under the Peace Corps budget.

The Peace Corps will attempt to recruit Volunteers who have college level courses in limnology or fisheries biology. Volunteers assigned to hatchery management counterparts will assist in the operation and management of large-scale fingerling production and applied research facilities at Twickenham Park, Mitchell Town and Ferris Cross. Their duties will be to assist their counterparts in the daily operations such as fingerling sexing, water quality testing, calculation of adjustments to feeding schedules for fingerlings. These Volunteers and their counterparts will also be responsible for maintaining records of requests for fingerling for stocking from the extension staff and for maintaining adequate fingerling production to meet these requests.

Volunteers assigned as counterparts to extension agents will assist in farm site surveys for pond construction, farm visits during the fish production cycle to advise and assist farmers in such things as water quality, feeding rates, harvesting, and marketing.

B. Training (\$268,000)

AID - Loan \$170,000; Grant \$52,000; Total \$222,000.

GOJ - \$46,000.

The project will provide in-service training for 27 new hatchery and extension staff members of the Inland Fisheries Unit in the areas of pond management, fish production methodology and extension techniques. The training will be provided by short term technical assistance and the long term technical advisors assigned to the Inland Fisheries Unit. In addition, further training in the U.S. will be necessary for career fishery officers to give them the technical and theoretical skills and knowledge to manage a complex aquaculture program. This project will provide approximately 12 months of training in aquaculture for a research/training officer; 14 months training with specialty in aquaculture extension for two regional extension specialists and 24 months training in aquaculture for a regional production/extension officer. In addition, 12 fishery extension agents will be sent on a rotational basis to a 15-week Aquaculture Training Program.

The Inland Fisheries Unit staff and long term technical advisors will be used to teach courses in pond management and production techniques to farmers. These courses will be offered on a quarterly basis and will be given at the Twickenham Park facility which has a 14 person dormitory and training building. Every farmer will be encouraged to attend one of these one-week short courses.

To supply the continuing needs of trained farm management and extension personnel, a three course curriculum consisting of Introduction to Fish Culture, Pond Management, and Aquaculture Extension Methods will be developed at the Jamaica School of Agriculture. The project will provide 15 months of training in aquaculture, fisheries extension and economics to two Jamaica School of Agriculture staff members to supply the expertise. While the Jamaica School of Agriculture staff member is on study leave, the long term advisors and Inland Fisheries Unit staff will provide the teaching needs at Jamaica School of Agriculture.

The need also exists for trained people above the level given at Jamaica School of Agriculture so additional support is provided under the Grant to give nine months of postdoctoral training to one faculty member of the University of the West Indies. This person will study freshwater fish culture in the U.S. and then incorporate this material into the curriculum both at the undergraduate and graduate level at the University of the West Indies.

C. Construction of Facilities - (\$830,000)

AID - Loan \$380,000; Grant \$--; Total \$380,000.

GOJ - \$450,000.

The Fish Production Development Project will provide Loan funds to cover foreign exchange costs required to upgrade or renovate research facilities at Twickenham Park and hatchery facilities at Mitchell Town in the eastern region and Ferris Cross in the western region. The estimated budget for these activities is \$380,000. The upgraded hatchery facilities will provide the Inland Fisheries Unit with the basic infrastructure to produce 13 million fingerlings annually. This capacity will be more than sufficient to cover the need for fingerlings during the life of the project. It will also allow continued expansion of fish production after the end of the project without the need for expansion of the Inland Fisheries Unit's facilities.

Upgrading the research facility at Twickenham Park by additional ponds will provide the Inland Fisheries Unit with the capacity to investigate new species and conduct practical research on feeding and stocking rates, mixed sex culture, and polyculture.

As an incentive to encourage fish production by small farmers (ten acres or less) the Government of Jamaica will share half the cost of their pond construction. This assistance will be in the form of providing a bulldozer and operator through the Inland Fisheries Unit to construct ponds. Each regional facility will have a pond construction team equipped with a bulldozer and equipment to transport it. This team will survey pond sites and design and construct ponds.

The total immediate cost to the Government of Jamaica of small farmer pond construction will be \$420,000. Half of this cost will be in the form of Government of Jamaica Grant of services to the small farmers and the other half will be repaid by the farmers out of their operational profits. Another \$30,000 will be expended by the Government of Jamaica on project facilities.

D. Commodities (\$1,705,000)

AID - Loan \$1,665,000; Grant \$40,000.

GOJ - \$--.

Loan funds in the amount of \$272,000 will be provided for the purchase of utility vehicles. These vehicles will be distributed among the three facilities in the following manner. The Twickenham Park research and training facility will receive two station wagons and a van to provide transportation for the Inland Fisheries Unit personnel and training participants; this facility will also be provided a pickup truck to transport feed, fertilizer, chemicals, and equipment necessary to carry out a research program.

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The project will provide \$262,000 in Loan funds for the purchase of three bulldozers and two trucks for transportation. These will be used for the small farmer pond construction and a depreciation reserve set up for their replacement.

The two hatchery facilities will each receive a small farm tractor to do light pond maintenance and hauling, and a two-ton truck for transporting fingerlings to farmers' ponds. The western regional facility will receive a station wagon and a pickup for transporting the feed, fertilizer, and chemicals needed for the daily operation of a hatchery. The western facility will also receive a trailer for the farm tractor.

The regional and parish extension officers will be provided with pickups to haul pond surveying equipment and sampling nets when they visit farmers' ponds. These officers may also assist small farmers in very remote areas by hauling feed or fertilizer for them. A total of 18 pickups, nine for each region, will be needed.

The project provides for ten two-man extension contact teams, made up of an extension agent and a Peace Corps Volunteer counterpart, to visit small farmers who are raising fish to answer questions and advise them on proper methodology. In order to keep costs to a minimum and still have the mobility needed, the extension contact team members will be provided with trailbikes. The estimated cost for 20 trailbikes of approximately 125 cc size is \$20,000.

The project will provide \$900,000 in Loan funds to the Government of Jamaica to ensure that supplies of feed, fertilizer, and seine material, are available in-country during the life of the project. In the first project year, Loan funds will equal 100 percent of the expected foreign need to import these items. In years two, three and four, the Loan will provide 69 percent, 36 percent, and 17 percent of the estimated needs, respectively.

Loan funds will be made available to the Bank of Jamaica which will in turn make the money available to in-country feed manufacturers to buy the necessary components for a fish feed ration, such as vitamin premix and soybean meal, from U.S. sources. The feed manufacturers will then make a feed ration specifically for fish which will be sold to farmers in Jamaica through existing retail outlets.

The local currency generated from the sale of U.S. dollars to feed manufacturers will be used to support the project in a manner jointly agreed upon by USAID and the Government of Jamaica.

At regular intervals the Inland Fisheries Unit will review the project's needs for feed, fertilizer, and seine material and provide the Bank of Jamaica with a projection of the supplies needed for the next six months.

The future success of the Inland Fisheries Unit will depend on the continuing supply of well trained professional fisheries officers. The University of the West Indies and Jamaica School of Agriculture could supply these people if an aquaculture curriculum were established at these schools. To stimulate the rapid development of such curricula, the project provides Grant funds to these two institutions for training facilities and the purchase of equipment and supplies necessary to teach courses in aquaculture. These two institutions also serve a Regional training function and it is expected that students from other Caribbean countries will take advantage of the aquaculture courses offered.

The Inland Fisheries Unit will need to purchase a number of commodities such as seines, tanks for hauling fingerlings, agitators, dip nets, laboratory equipment, surveying equipment, and chemicals for the operation of the research and training facility and the two hatcheries. The project provides \$211,000 for the purchase of this equipment.

E. Operations, Maintenance and Salaries - (\$3,136,000)

AID - Loan \$--, Grant \$--;

GOJ - \$3,136,000

During the life of the project, the staff of the Inland Fisheries Unit will increase from 44 to 160 people. The Government of Jamaica will contribute \$1,480,000 to cover the salaries for these personnel, and will contribute \$1,656,000 for operation and maintenance of facilities, equipment, and vehicles.

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Budget Summary
(US \$000)

	<u>A I D</u>		<u>GOJ</u>	<u>Total</u>
	<u>Grant</u>	<u>Loan</u>		
<u>Technical Assistance</u>				
Long Term	900	--	8 ^{2/}	908
Short Term	54	--	--	54
<u>Participant Training</u>				
Long Term	52	86	9	147
Short Term	--	84	37	121
<u>Commodities</u>				
Vehicles	10	554	--	564
Equipment	30	211	--	241
Fertilizer & Feed	--	900	--	900
Construction	--	380	450	830
Salaries	--	--	1,480	1,480
Maintenance & Operation	--	--	1,656	1,656
Contingency	53	111	182	346
Inflation	<u>268</u>	<u>414</u>	<u>1,036</u>	<u>1,718</u>
TOTAL	1,367	2,740	4,858	8,965

2/ GOJ Contribution to Peace Corps.

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Project Grant StandardProvisions Annex

Definitions: As used in this Annex, the "Agreement" refers to the Project Grant Agreement to which this Annex is attached and of which this Annex forms a part. Terms used in this Annex have the same meaning or reference as in the Agreement.

Article A: Project Implementation Letters

To assist Grantee in the Implementation of the Project, A.I.D., from time to time, will issue Project Implementation Letters that will furnish additional information about matters stated in this Agreement. The parties may also use jointly agreed-upon Project Implementation Letters to confirm and record their mutual understanding on aspects of the implementation of this Agreement. Project Implementation Letters will not be used to amend the text of the Agreement, but can be used to record revisions or exceptions which are permitted by the Agreement, including the revision of elements of the amplified description of the Project in Annex 1.

Article B: General CovenantsSECTION B.1. Consultation.

The Parties will cooperate to assure that the purpose of this Agreement will be accomplished. To this end, the Parties, at the request of either, will exchange views on the progress of the Project, the performance of obligations under this Agreement, the performance of any consultants, contractors, or suppliers engaged on the Project, and other matters relating to the Project.

SECTION B.2. Execution of Project.

The Grantee will:

(a) carry out the Project or cause it to be carried out with due diligence and efficiency, in conformity with sound technical, financial, and management practices, and in conformity with those documents, plans, specifications, contracts, schedules or other arrangements, and with any modifications therein, approved by A.I.D. pursuant to this Agreement; and

(b) provide qualified and experienced management for, and train such staff as may be appropriate for the maintenance and operation of the Project, and, as applicable for continuing activities, cause the Project to be operated and maintained in such manner as to assure the continuing and success-

ful achievement of the purposes of the Project.

SECTION B.3. Utilization of Goods and Services.

(a) Any resources financed under the Grant will, unless otherwise agreed in writing by A.I.D., be devoted to the Project until the completion of the Project, and thereafter will be used so as to further the objectives sought in carrying out the Project.

(b) Goods or services financed under the Grant, except as A.I.D. may otherwise agree in writing, will not be used to promote or assist a foreign aid project or activity associated with or financed by a country not included in Code 935 of the A.I.D. Geographic Code Book as in effect at the time of such use.

SECTION B.4. Taxation.

(a) This Agreement and the Grant will be free from any taxation or fees imposed under laws in effect in the territory of the Grantee.

(b) Pursuant to the "General Agreement for Economic, Technical and Related Assistance Between the Government of the United States of America and the Government of Jamaica, dated October 24, 1963, to the extent that (1) any contractor, including any consulting firm, any personnel of such contractor financed under the Grant, and any property or transaction relating to such contracts and (2) any commodity procurement transaction financed under the Grant, are not exempt from identifiable taxes, tariffs, duties or other levies imposed under laws in effect in the territory of the Grantee, the Grantee will, as and to the extent provided in and pursuant to Project Implementation Letters, pay or reimburse the same with funds other than those provided under the Grant.

SECTION B.5. Reports, Records, Inspections, Audit.

The Grantee will:

(a) furnish A.I.D. such information and reports relating to the Project and to this Agreement as A.I.D. may reasonably request;

(b) maintain or cause to be maintained, in accordance with generally accepted accounting principles and practices consistently applied, books and records relating to the Project and to this Agreement, adequate to show, without limitation, the receipt and use of goods and services acquired under the Grant. Such books and records will be audited

regularly, in accordance with generally accepted auditing standards, and maintained for three years after the date of last disbursement by A.I.D.; such books and records will also be adequate to show the nature and extent of solicitations of prospective suppliers of goods and services acquired, the basis of award of contracts and orders, and the overall progress of the Project toward completion; and

(c) afford authorized representatives of a Party the opportunity at all reasonable times to inspect the Project, the utilization of goods and services financed by such Party, and books, records, and other documents relating to the Project and the Grant.

SECTION B.6. Completeness of Information.

The Grantee confirms:

(a) that the facts and circumstances of which it has informed A.I.D., or cause A.I.D. to be informed, in the course of reaching agreement with A.I.D. on the Grant, are accurate and complete, and include all facts and circumstances that might materially affect the Project and the discharge of responsibilities under this Agreement;

(b) that it will inform A.I.D. in timely fashion of any subsequent facts and circumstances that might materially affect, or that it is reasonable to believe might so affect, the Project or the discharge of responsibilities under this Agreement.

SECTION B.7. Other Payments.

Grantee affirms that no payments have been or will be received by any official of the Grantee in connection with the procurement of goods or services financed under the Grant, except fees, taxes, or similar payments legally established in the country of the Grantee.

SECTION B.8. Information and Marking.

The Grantee will give appropriate publicity to the Grant and the Project as a program to which the United States has contributed, identify the Project site, and mark goods financed by A.I.D., as described in Project Implementation Letters.

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Article C: Procurement Provisions

SECTION C.1. Special Rules.

(a) The source and origin of ocean and air shipping will be deemed to be the ocean vessel's or aircraft's country of registry at the time of shipment.

(b) Premiums for marines insurance placed in the territory of the Grantee will be deemed an eligible Foreign Exchange Cost, if otherwise eligible under Section C.7(a).

(c) Any motor vehicles financed under the Grant will be of United States manufacture, except as A.I.D. may otherwise agree in writing.

(d) Transportation by air, financed under the Grant, of property or persons, will be on carriers holding United States certification, to the extent service by such carriers is available. Details on this requirement will be described in a Project Implementation Letter.

SECTION C.2. Eligibility Date.

No goods or services may be financed under the Grant which are procured pursuant to orders or contracts firmly placed or entered into prior to the date of this Agreement, except as the Parties may otherwise agree in writing.

SECTION C.3. Plans, Specifications, and Contracts.

In order for there to be mutual agreement on the following matters, and except as the Parties may otherwise agree in writing:

(a) The Grantee will furnish to A.I.D. upon preparation,

(1) any plans, specifications, procurement or construction schedules, contracts, or other documentation relating to goods or services to be financed under the Grant, including documentation relating to the prequalification and selection of contractors and to the solicitation of bids and proposals. Material modifications in such documentation will likewise be furnished A.I.D. on preparation;

(2) such documentation will also be furnished to A.I.D., upon preparation, relating to any goods or services, which, though not financed under the Grant, are deemed by

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A.I.D. to be of major importance to the Project. Aspects of the Project involving matters under this subsection (a)(2) will be identified in Project Implementation Letters;

(b) Documents related to the prequalification of contractors, and to the solicitation of bids or proposals for goods and services financed under the Grant will be approved by A.I.D. in writing prior to their issuance, and their terms will include United States standards and measurements;

(c) Contracts and contractors financed under the Grant for engineering and other professional services, for construction services, and for such other services, equipment or materials as may be specified in Project Implementation Letters, will be approved by A.I.D. in writing prior to execution of the contract. Material modifications in such contracts will also be approved in writing by A.I.D. prior to execution; and

(d) Consulting firms used by the Grantee for the Project but not financed under the Grant, the scope of their services and such of their personnel assigned to the Project as A.I.D. may specify, and construction contractors used by the Grantee for the Project but not financed under the Grant, shall be acceptable to A.I.D.

SECTION C.4. Reasonable Price.

No more than reasonable prices will be paid for any goods or services financed, in whole or in part, under the Grant. Such items will be procured on a fair and, to the maximum extent practicable, on a competitive basis.

SECTION C.5. Notification to Potential Suppliers.

To permit all United States firms to have the opportunity to participate in furnishing goods and services to be financed under the Grant, the Grantee will furnish A.I.D. such information with regard thereto, and at such times, as A.I.D. may request in Project Implementation Letters.

SECTION C.6. Shipping.

(a) Goods which are to be transported to the territory of the Grantee may not be financed under the Grant if transported either: (1) on an ocean vessel or aircraft under the flag of a country which is not included in A.I.D. Geographic

Code 935 as in effect at the time of shipment, or (2) on an ocean vessel which A.I.D., by written notice to the Grantee has designated as ineligible; or (3) under an ocean or air charter which has not received prior A.I.D. approval.

(b) Costs of ocean or air transportation (of goods or persons) and related delivery services may not be financed under the Grant, if such goods or persons are carried: (1) on an ocean vessel under the flag of a country not, at the time of shipment, identified under the paragraph of the Agreement entitled "Procurement Source: Foreign Exchange Costs," without prior written A.I.D. approval; or (2) on an ocean vessel which A.I.D., by written notice to the Grantee, has designated as ineligible; or (3) under an ocean vessel or air charter which has not received prior A.I.D. approval.

(c) Unless A.I.D. determines that privately owned United States-flag commercial ocean vessels are not available at fair and reasonable rates for such vessels, (1) at least fifty percent (50%) of the goods tonnage of all goods (computed separately for dry bulk carriers, dry cargo liners and tankers) financed by A.I.D. which may be transported on ocean vessels will be transported on privately owned United States-flag commercial vessels, and (2) at least fifty percent (50%) of the gross freight revenue generated by all shipments financed by A.I.D. and transported to the territory of the Grantee on dry cargo liners shall be paid to or for the benefit of privately owned United States-flag commercial vessels. Compliance with the requirements of (1) and (2) of this subsection must be achieved with respect to both any cargo transported from U.S. ports and any cargo transported from non-U.S. ports, computed separately.

SECTION C.7. Insurance.

(a) Marine insurance on goods financed by A.I.D. which are to be transported to the territory of the Grantee may be financed as a Foreign Exchange Cost under this Agreement provided (1) such insurance is placed at the lowest available competitive rate, and (2) claims thereunder are payable in the currency in which such goods were financed or in any freely convertible currency. If the Grantee (or government of Grantee), by statute, decree, rule, regulation, or practice discriminates with respect to A.I.D.-financed procurement against any marine insurance company authorized to do business in any State of the United States, then all goods shipped to the territory of the Grantee financed by A.I.D. hereunder will be insured against marine risks and such insurance will be placed in the United States with a company or companies authorized to do a marine insurance business in a State of the United States.

(b) Except as A.I.D. may otherwise agree in writing, the Grantee will insure, or cause to be insured, goods financed under the Grant imported for the Project against risks incident to their transit to the point of their use in the Projects; such insurance will be issued on terms and conditions consistent with sound commercial practice and will insure the full value of the goods. Any indemnification received by the Grantee under such insurance will be used to replace or repair any material damage or any loss of the goods insured or will be used to reimburse the Grantee for the replacement or repair of such goods. Any such replacements will be of source and origin of countries listed in A.I.D. Geographic Code 935 as in effect at the time of replacement, and, except as the Parties may agree in writing, will be otherwise subject to the provisions of the Agreement.

SECTION C.8. U.S. Government-Owned Excess Property.

The Grantee agrees that wherever practicable, United States Government-owned excess personal property, in lieu of new items financed under the Grant, should be utilized. Funds under the Grant may be used to finance the costs of obtaining such property for the Project.

Article D: Termination; Remedies

SECTION D.1. Termination.

Either Party may terminate this Agreement by giving the other Party thirty (30) days written notice. Termination of this Agreement will terminate any obligations of the Parties to provide financial or other resources to the Project pursuant to this Agreement, except for payment which they are committed to make pursuant to noncancellable commitments entered into with third parties prior to the termination of this Agreement. In addition, upon such termination A.I.D. may, at A.I.D.'s expense, direct that title to goods financed under the Grant be transferred to A.I.D. if the goods are from a source outside Grantee's country, are in a deliverable state and have not been offloaded in ports of entry of Grantee's country.

SECTION D.2. Refunds.

(a) In the case of any disbursement which is not supported by valid documentation in accordance with this Agreement, or which is not made or used in accordance with this Agreement, or which was for goods or services not used in accordance with this Agreement, A.I.D., notwithstanding

the availability or exercise of any other remedies under this Agreement, may require the Grantee to refund the amount of such disbursement in U.S. Dollars to A.I.D. within sixty (60) days after receipt of a request therefor.

(b) If the failure of Grantee to comply with any of its obligations under this Agreement has the result that goods or services financed under the Grant are not used effectively in accordance with this Agreement, A.I.D. may require the Grantee to refund all or any part of the amount of the disbursements under this Agreement for such goods or services in U.S. Dollars to A.I.D., within sixty (60) days after receipt of a request therefor.

(c) The right under subsection (a) or (b) to require a refund of a disbursement will continue, notwithstanding any other provision of this Agreement, for three (3) years from the date of the last disbursement under this Agreement.

(d) (1) Any refund under subsection (a) or (b), or (2) any refund to A.I.D. from a contractor, supplier, bank or other third party with respect to goods or services financed under the Grant, which refund relates to an unreasonable price for or erroneous invoicing of goods and services, or to goods that did not conform to specifications, or to services that were inadequate, will (A) be made available first for the cost of goods and services required for the Project, to the extent justified, and (B) the remainder, if any, will be applied to reduce the amount of the Grant.

(e) Any interest or other earnings on Grant funds disbursed by A.I.D. to the Grantee under this Agreement prior to the authorized use of such funds for the Project will be returned to A.I.D. in U.S. Dollars by the Grantee.

SECTION D.3. Nonwaiver of Remedies.

No delay in exercising any right or remedy accruing to a Party in connection with its financing under this Agreement will be construed as a waiver of such right or remedy.

SECTION D.4. Assignment.

The Grantee agrees, upon request, to execute an assignment to A.I.D. 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 A.I.D. financed in whole or in part out of funds granted by A.I.D. under this Agreement.