

PD/KNH/190

PROJECT AUTHORIZATION

Name of Country: Honduras
Name of Project: Private Sector Population Program
Number of Project: 522-0286

1. Pursuant to Section 104 of the Foreign Assistance Act of 1961, as amended, I hereby authorize the Private Sector Population Program project for Honduras (the "Cooperating Country") involving planned obligations of not to exceed Nine Million Eight Hundred Ten Thousand Dollars (US\$9,810,000) in grant funds ("Grant") over a four year period from the date of authorization.

2. The Project ("Project") will assist the Asociación Hondurena de Planificación Familiar ("ASHONPLAFA") to expand coverage of family planning services in Honduras by financing the management decentralization and regionalization of ASHCNPLAFA's clinical and voluntary sterilization services; expansion of the Community Based Distribution system; increased effectiveness of the Contraceptive Social Marketing activities; and the expansion of the Information, Education, and Communication Department of ASHCNPLAFA.

3. The Project Agreement shall be subject to the following essential terms, covenants and major conditions, together with such other terms and conditions as A.I.D. may deem appropriate:

a. Source and Origin of Goods.

1. All goods and services, the costs of which are to be reimbursed under this grant and which will be financed with United States dollars, shall be purchased in and shipped from: (1) The United States (A.I.D. Geographic Code 000), (2) Honduras or (3) countries included under A.I.D. Geographic Code 941. Transportation of goods and services financed by A.I.D. under the Grant shall, except as A.I.D. may otherwise agree in writing, be financed in accordance with the applicable Standard Provisions for Non-U.S., Nongovernment Grantees.

b. General Conditions

The Grantee certification clauses regarding abortion and specified in STATE 171768 have been included verbatim in the Schedule of the Grant Agreement.

c. Conditions Precedent to Disbursements

1. Prior to the initial disbursement, the Grantee shall furnish to A.I.D., in form and substance satisfactory to A.I.D., a specimen signature of the individual(s) empowered to act on behalf of the Grantee for this program.
2. Prior to disbursements beyond the initial three months of the program, the Grantee shall furnish to A.I.D., in form and substance satisfactory to A.I.D., the following:
 - i. documentation detailing the administrative, personnel, budgetary procedures, and delegation of authority and responsibility to implement the Grantee's decentralized and regionalized operations;
 - ii. evidence that, prior to the disbursement of funds beyond the initial year of the Project, the Grantee will cause to be carried out an audit of the program funds by an independent auditing firm; and
 - iii. Evidence that RIG has cleared on the outstanding audit recommendations, as of June 1, 1985.
3. Prior to the disbursement of any funds for the construction, remodeling/renovation or purchase of land or buildings under the program, the Grantee shall furnish to A.I.D., in form and substance satisfactory to A.I.D., the following:
 - i. an analysis of the technical and financial feasibility of the alternatives for providing adequate physical facilities to house the project activities; and
 - ii. in the event that construction activities are selected for implementation, be they new or remodeled/renovated construction activities, a detailed physical design plan with appropriate specifications and cost estimates.

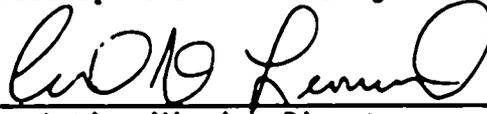
c. Covenant

The Grantee covenants to make best efforts to provide the full counterpart contribution to the financing of the Project, including a review and analysis of: (1) increasing revenues through greater cost recovery from sales and fees; and (2) alternative strategies to increase the coverage and amount of revenue generated through contributions by both national and international organizations.

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Waiver

A waiver of Grantee counterpart for this Project is hereby authorized.



Acting Mission Director
USAID/Honduras

6/21/85

Date