

PD-ABK-039



UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

Regional Development Office/South Pacific

August 18, 1993.

Telephone (679) 311-399
Telefax (679) 300-075

American Embassy
P.O. Box 218
Suva, Fiji

Mr. Ati George Sokomanu
Secretary General
South Pacific Commission
B.P. D5, Noumea Cedex
New Caledonia

Dear Secretary General:

I am pleased to inform you that, pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Government of the United States of America, acting through the Agency for International Development (hereinafter referred to as the Grantor or AID) hereby grants to the South Pacific Commission (hereinafter referred to as the Grantee or SPC) the sum of U.S. dollars Ninety Nine Thousand, Seven Hundred, Seventy Nine (\$99,779), to be used to support the implementation of the regional impact component of USAID's Pacific Islands Marine Resources (PIMAR) project, as more fully described in Attachment 2, Program Description.

This Grant is effective as of the date of this letter, and is applicable to expenditures made by the Grantee in support of the program objectives during and through September 30, 1995.

This Grant is made to the Grantee on condition that the funds will be administered in accordance with the terms and conditions as set forth on Attachment 1 (the Schedule); Attachment 2 (the Program Description); and Attachment 3 (the Standard Provisions) all of which have been agreed to by your organization.

Please indicate your acceptance of this Grant by signing the original and two copies of this letter in the space provided below, and returning one copy to me.

THE UNITED STATES OF AMERICA

By: *Larry T. Armstrong*
Larry T. Armstrong, Grants Officer
Title: Regional Director
USAID/RDO/SP

ACCEPTED:
SOUTH PACIFIC COMMISSION

By: *[Signature]*

Title: *Acty Secretary - General*

Date: *17 August 1993*

ACCOUNTING CLASSIFICATION

72-1131021
HDVA9327879EG13
S930296 / F930027 / P/E = 06
GRANT NO. 879-0020-G-SS-3128

- Attachments:
1. Schedule
 2. Program Description
 3. Standard Provision

BEST AVAILABLE DOCUMENT

SCHEDULE

A. Purpose of the Grant

The purpose of this Grant is to provide support for SPC to implement the regional impact component of the A.I.D. Pacific Islands Marine Resources Project (PIMAR) (879-0020), as more specifically described in Attachment 2 (the Program Description) of this Grant.

B. Period of Grant

1. The effective date of this Grant is date of grant letter. The expiration date of this Grant is September 30, 1995.

2. Funds obligated hereunder are available for program expenditures for the estimated period from date of grant letter to September 30, 1995 as shown in the Grant Budget below.

C. Amount of Grant and Payment

1. The total estimated amount of this Grant for the period shown in B.1 above is \$480,000.

2. A.I.D hereby obligates the amount \$99,779 for program expenditures during the period set forth in B.2. above and as shown in the Grant Budget below.

3. Payment shall be made to the Grantee in accordance with procedures set forth in Attachment 3 (the Standard Provisions).

4. Additional funds up to the total amount of the grant shown in C.1. above may be obligated by A.I.D. subject to the availability of funds, the mutual agreement of the parties, and the requirements of the Standard Provisions of the Grant entitled "Revision of Grant Budget."

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ATTACHMENT 1

D. Grant Budget

The grant budget is \$480,000. Revisions to this budget shall be made in accordance with the Standard Provision of this Grant entitled "Revision of Grant Budget".

Budget Items:

<u>Element Number</u>	<u>Line Items</u>	<u>FY94</u>	<u>FY95 (US\$ 000's)</u>	<u>Total</u>
01	Publications/documents	2.0	31.0	33.0
02	Pearl culture workshop	0	50.0	50.0
03	Training attachments	0	78.0	78.0
04	Finfish workshop	0	90.0	90.0
05	Project support costs	<u>98.0</u>	<u>131.0</u>	<u>229.0</u>
	Total	100.0	380.0	480.0

E. Source and Origin of Goods and Services

Unless otherwise agreed by A.I.D. in writing, all commodities financed under the Grant must have their source and origin and all suppliers of goods and services their nationality either in any of the ten independent South Pacific countries (see note on list of countries served by USAID/RDO/SP) or the United States (A.I.D. Geographic Code 000).

F. Procurement Procedures

The Grantee may use its established procedures for the procurement of goods and services required under the regional impact component which may involve A.I.D grant funds.

Note: The ten independent countries served by USAID include: Cook Islands, Fiji, Kiribati, Niue, Papua New Guinea, Solomon Islands, Tonga, Tuvalu, Vanuatu and Western Samoa.

G. Reporting

In addition to the financial reporting requirements outlined in the Payment (periodic advances) provision of Attachment 3, the Grantee will provide to RDO/SP one mid-term progress report due on October 1, 1994.

The grantee shall prepare and submit two copies of the report required by this grant to RDO/SP, P.O.Box 218, Suva, Fiji.

The final report shall be presented as an SPC technical report after it has been approved by RDO/SP.

H. Grant Implementation Letters

To assist the Grantee in the implementation of this Grant, RDO/SP, from time to time, may issue Grant Implementation Letters (GIL) that will furnish additional information about matters stated in this Agreement. The parties may also use jointly agreed-upon GILs to confirm and record their mutual understanding on aspects of the implementation of this Grant. GILs will not be used to amend the text of this Grant Agreement, but can be used to record revisions or exceptions which are permitted by the Agreement, including the revision of elements of the Program Description in Attachment 2.

I. Evaluation

The project shall be formally evaluated about one year after the Agreement is signed by personnel from RDO/SP and SPC. Criteria for evaluation will include, but not be limited to, the following: The performance of the Grantee in (a) complying with the terms of this Grant, and (b) carrying out the activities included in the Program Description.

J. Unallowable Costs

Notwithstanding Standard Provisions in Attachment 3, the following costs are not allowable and reimbursable costs under this Grant: (1) overhead or general and administrative (G&A) costs attributable or allocable to the activities financed under the Grant; and (2) any other costs incurred by the Grantee which, while partially allocable to Grant activities, were not incurred solely for the purposes of the Grant.

K. Special Payment Provisions

Standard Provision 11, PAYMENT (PERIODIC ADVANCES), is modified by deleting subparagraph (b) and substituting the following:

"(b) To request an advance, SPC will submit a certified consolidated project cash flow statement (Attachment 3, Annex 1) to the Regional Development Office/South Pacific (RDO/SP), Suva Fiji. The advance to be requested, initial or otherwise, must be for not more than a 90-day cash requirement, unless there are compelling reasons that can be fully justified.

"Each advance payment, whether initial or otherwise, must be accounted for at least quarterly in order for any subsequent advance payment to be made. If a request for an additional advance is desired, it should be accompanied by a certified consolidated expenditure report (Attachment 3, Annex 2) as well as the consolidated project cash flow statement (Attachment 3, Annex 1).

"RDO/SP, upon receipt of the above mentioned documents, will review them and if they are in order, will process the next advance and/or liquidation of the outstanding advance".

L. Title to Property

Title to all property financed under this Grant shall be vested in the Grantee, subject to the following conditions:

(1) The Grantee shall not charge for any depreciation, amortization, or use of any property, title to which remains in the Grantee under this provision under the Grant or any other U.S. Government agreement, subagreement, contract or subcontract.

(2) The Grantee agrees to use and maintain the property for the purpose of the Grant in accordance with the requirements of paragraphs (3), (4) and (5) below.

(3) The Grantee shall use the property in the program for which it was acquired as long as needed, whether or not the program continues to be funded by A.I.D. When no longer needed for the original program, the property may be used for such other purposes as may be agreed by A.I.D. or, with the prior approval of A.I.D., disposed of by sale and the proceeds thereof used for purposes mutually agreed upon by the Grantee and A.I.D.

(4) The Grantee agrees to report all items of nonexpendable property with a unit cost of the equivalent of US\$500 or more to the Grant Officer from time to time as they are acquired

and to maintain a control system which will permit the ready identification and location of all property, expendable and non-expendable, financed under the Grant. For the purposes of this subparagraph, nonexpendable property shall be considered as any item of tangible personal property having a useful life of more than two years.

(5) The Grantee will ensure that a control system is in effect to insure adequate safeguards to prevent loss, damage, or theft of all property financed under the Grant. Adequate maintenance procedures shall also be implemented to keep such property in good condition. At the conclusion of the Grant period, the Grantee shall provide the Grant Officer with a complete inventory of all property financed under the Grant which remains in the Grantee's possession at the time with the Grantee's recommendations for disposition.

M. Standard Provisions

The standard provisions for this grant are those numbered 1 to 11 in Attachment 3 to this grant.

PROGRAM DESCRIPTION

A. Goal and Purpose

The goal of this grant is to provide direct assistance to the development of private sector, export oriented marine resources activities (production, marketing and resources management).

The purpose of the grant is to disseminate the results of the PIMAR project to other countries in the region through workshops, short term technical assistance, training attachments, and publications.

B. Project Description

Each component of PIMAR has been designed as a self-contained project which meets the needs of a specific country. At the same time, the components collectively test a full array of potentially replicable strategies for the Pacific Islands countries.

The regional impact component will therefore provide a grant to SPC to support the dissemination of PIMAR project results through the completion of four main tasks:

- (1) The publication and dissemination of technical and general information on PIMAR country projects through regular, established SPC technical information publications, and through the preparation of specialized technical documentation based on project result outputs (commencing immediately and continuing throughout 1994 and 1995);
- (2) The conduct of a regional workshop on black pearl culture industry development (last quarter of 1994);
- (3) Training attachments and study tours to PIMAR country project results (during 1995); and
- (4) The conduct of a regional workshop on finfish fishery development and management strategies (last quarter 1995).

ANNEX 1 to the SPC proposal provides the detailed descriptions of the above four tasks including the implementation schedules for each of the tasks.

ANNEX 2 to the SPC proposal provides a breakdown of the budget items under the Grant Budget.

All major reports related to the PIMAR projects must have prior RDO/SP approval before they can be released or published.

C. Project Support and Project Implementation

This grant will be implemented by the SPC Marine Resources Programme. The SPC will use grant funds to support one full-time junior project officer over two years to coordinate the regional impact component. His main tasks principally involves the implementation of task 1 (publications/documentation), and will liaise and maintain regular contact with the contractors implementing the country components as well as RDO/SP. The officer will also liase with other SPC fisheries specialists, who will be responsible for the delivery of tasks 2-4.

The procurement of goods and services, and participant training will be carried out in conformity to applicable A.I.D regulations.

The SPC will maintain contacts with all the PIMAR projects team leaders and the USAID regional development office in Suva, Fiji (USAID/RDO/SP) in the execution of the grant. The USAID/RDO/SP will monitor the SPC's progress in executing the regional impact component of the PIMAR project.

STANDARD PROVISIONS FOR
GRANTS TO PUBLIC INTERNATIONAL ORGANIZATIONS

- | | |
|----------------------------------|-----------------------|
| 1. Allowable Costs | 6. Nonliability |
| 2. Refunds | 7. Amendment |
| 3. Revision of Grant Budget | 8. Notices |
| 4. Termination Procedures | 9. Publications |
| 5. U.S. Officials Not to Benefit | 10. Audit and Records |
| | 11. Payment |

1. ALLOWABLE COSTS

(a) The grantee shall be reimbursed for costs incurred in carrying out the purposes of this grant which are reasonable, allocable, and allowable.

(1) Reasonable shall mean those costs that do not exceed those which would be incurred by an ordinarily prudent person in the conduct of normal business.

(2) Allocable shall mean those costs which are necessary to the grant.

(3) Allowable shall mean those costs which are reasonable and allocable, and which conform to any limitations set forth in this grant.

(b) Prior to incurring a questionable or unique cost, the grantee is encouraged to obtain the grant officer's written determination as to whether the costs will be allowable.

2. REFUNDS

(a) The grantee is encouraged to utilize interest bearing accounts where feasible and shall remit to A.I.D. all interest earned on funds provided by A.I.D.

(b) Funds obligated by A.I.D. but not disbursed to the grantee at the time the grant expires or is terminated shall revert to A.I.D., except for such funds encumbered by the grantee by a legally binding transaction applicable to this grant. Any funds advanced to but not expended by the grantee at the time of expiration or termination of the grant shall be refunded to A.I.D. except for such funds encumbered by the grantee by a legally binding transaction applicable to this grant.

(c) If, at any time during the life of the grant, or as a result of final audit, it is determined that A.I.D. funds provided under this grant have been expended for purposes not in accordance with the terms of this grant, the grantee shall refund such amount to A.I.D.

3. REVISION OF GRANT BUDGET

(a) The approved grant budget is the financial expression of the grantee's program as approved during the grant award process.

(b) The grantee shall immediately request approval from the grant officer when there is reason to believe that within the next 30 calendar days a revision of the approved grant budget will be necessary for any of the following reasons:

- (1) To change the scope or the objectives of the project and/or revise the funding allocated among project objectives.
- (2) Additional funding is needed.
- (3) The grantee expects the amount of A.I.D. authorized funds to exceed its needs by more than \$5,000 or five percent of the A.I.D. award, whichever is greater.

(c) Except as required by other provisions of this grant specifically stated to be an exception from this provision, A.I.D. shall not be obligated to reimburse the grantee for costs incurred in excess of the total amount obligated under the grant. The grantee shall not be obligated to continue performance under the grant (including actions under the "Termination Procedures" provision) or otherwise to incur costs in excess of the amount obligated under the grant, unless and until the grant officer has notified the grantee in writing that such obligated amount has been increased and has specified the new grant total amount.

4. TERMINATION PROCEDURES

This agreement may be terminated, in whole or in part, by either party at any time upon 30 days written notice of termination. Upon receipt of and in accordance with a termination notice from the grant officer, the grantee shall take immediate action to cease all expenditures financed by

this grant and to cancel all unliquidated obligations if possible. Further, upon receipt of notice of termination, the grantee shall not enter into any further obligations under this grant. Except as provided below, no further reimbursement shall be made after the effective date of termination. The grantee shall within 30 days of the effective date of termination repay to A.I.D. all unexpended A.I.D. funds which are not otherwise obligated by a legally binding transaction applicable to this grant. Should the funds paid by A.I.D. to the grantee prior to the effective date of termination be insufficient to cover the grantee's obligations in a legally binding transaction, the grantee may submit to A.I.D. within 90 days after the effective date of termination a written claim for such amount. The grant officer shall determine the amount(s) to be paid by A.I.D. to the grantee under such claim in accordance with the "Allowable Costs" provision of this grant.

5. U.S. OFFICIALS NOT TO BENEFIT

No member of or delegate to the U.S. Congress or resident U.S. Commissioner shall be admitted to any share or part of this grant or to any benefit that may arise therefrom.

6. NONLIABILITY

A.I.D. does not assume liability for any third party claims for damages arising out of this grant.

7. AMENDMENT

The grant may be amended upon mutual consent of the parties by formal modifications to the basic grant document or by means of an exchange of letters between the grant officer and an appropriate official of the grantee.

8. NOTICES

Any notice given by A.I.D. or the grantee shall be sufficient only if in writing and delivered in person, mailed, or cabled as follows:

To the A.I.D. grant officer, at the address specified in the grant.

To grantee, at grantee's address shown in the grant or to

(b) Grantees shall submit requests for advances (using SF-270, Request for Advance or Reimbursement") at least monthly to the paying office specified in the grant letter. Requests shall state the estimated disbursements to be made during the period covered by the request, less the estimated balance of cash on hand at the beginning of the period and the advance amount being requested.

(c) The grantee shall submit a "Financial Status Report" (SF-269A) quarterly, no later than 30 days after the end of the period, to the paying office specified in the grant letter. The report shall show disbursements, advances received, and any cash remaining on hand for the period covered by the report. Within 90 days following the expiration of the grant, the Grantee will submit a report (SF-269A) showing total disbursements, total advances received and any cash remaining on hand, which will be refunded to A.I.D.

(d) If at any time, the A.I.D. Controller determines that the Grantee has demonstrated an unwillingness or inability to: (1) establish procedures that will minimize the time elapsing between cash advances and the disbursement thereof, (2) timely report cash disbursements and balances as required by the terms of the grant, and (3) impose the same standards of timing of advances and reporting on any subrecipient or any of the Grantee's overseas field organizations; the A.I.D. Controller shall advise the grant officer who may suspend or revoke the advance payment procedure.

- Annex 1. Consolidated Project Cash Flow Statement
- Annex 2. Consolidated Quarterly Expenditure Report

CONSOLIDATED PROJECT CASH FLOW STATEMENT
(Quarter from 1 July to 30 September 1993*)
in U.S. Dollars

A.	Cash advances received to date from inception of grant	\$ xxxxxx
B.	Less cash disbursements (expenditures) to date (from inception of grant)	\$ xxxxxx -----
C.	Cash advances outstanding to date (A minus B)	\$ xxxxxx
D.	Projected disbursements (expenditures) next quarter	\$ xxxxxx
E.	Cash advance required for next quarter (D minus C)	\$ xxxxxx =====

The undersigned hereby certifies: (1) that the above represents the best estimate of funds needed for expenditures to be incurred over the period described; (2) that appropriate refund or credit to the grant will be made in the event funds are not expended; (3) that appropriate refund will be made in the event of disallowance in accordance with the terms of this grant; and (4) that any interest accrued on the funds made available herein will be refunded to AID.

BY: _____

TITLE: _____

DATE: _____

*note: Period indicated is for illustrative purposes only.

CONSOLIDATED QUARTERLY EXPENDITURE REPORT
(Quarter from 1 July to 30 September 1993*)
in U.S. Dollars

Expenditures

<u>Budget Line Items</u>	<u>Budget Amount</u>	<u>Cumulative through Previous Quarter</u>	<u>This Quarter</u>	<u>Total to Date</u>
01 Publications/documents	33.0			
02 Pearl culture workshop	50.0			
03 Training attachments	78.0			
04 Finfish workshop	90.0			
05 Project support costs	<u>229.0</u>			
Total	<u>480.0</u>			

I, the undersigned, hereby certify that: (1) the expenditures claimed under the cited agreement are proper and due and that appropriate refund to AID will be made promptly upon request of AID in the event of non-performance in whole or in part under the terms of the agreement or for breach of the terms of the agreement; (2) the information on the fiscal report is correct and such detailed supporting information as AID may require will be furnished, as appropriate; and (3) all requirements called for by the agreement to date of this certification have been met.

BY: _____

TITLE: _____

DATE: _____

*note: Period indicated is for illustrative purposes only.

BEST AVAILABLE DOCUMENT

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