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A.I.D. Project No. 650-0059
Amendment No. TWO

PROJECT GRANT
AGREEMENT AMENDMENT
BETWEEN
THE UNITED STATES OF AMERICA
AND
THE DEMOCRATIC REPUBLIC OF THE SUDAN
FOR
THE ENERGY PLANNING AND MANAGEMENT PROJECT

Date: December 5, 1983

Amendment dated _____, 1983, to the Project Grant Agreement of August 31, 1982, as amended, between the Democratic Republic of the Sudan ("Grantee") and the United States of America, acting through the Agency for International Development ("A.I.D.") for the Energy Planning and Management Project.

1. The purposes of this amendment are: (a) to provide for an increase in the proposed life-of-project funding for the Grant by adding thereto the sum of \$1,850,000; (b) to extend the Project Assistance Completion Date to March 30, 1988; (c) to make related amendments.

2. The following further amendments are made to the Project Grant Agreement:

a. Section 3.1 The Grant, is amended by adding the following sentence: "It is anticipated that, subject to the conditions stated in Section 2.2, A.I.D. will make available an additional \$5,395,000 to the Project".

b. Section 3.2 Grantee Resources for the Project, is amended in paragraph (b) by deleting "5,600,000" and substituting therefor "6,500,000".

c. Section 3.3, Project Assistance Completion Date, is amended in paragraph (a) by deleting "September 30, 1987" and substituting therefor "March 30, 1988",

d. Annex 1, the Amplified Project Description is amended, as follows:

(1) On page 1, delete the entire third paragraph and substitute the following paragraph therefor:

Selected use of short-term and long-term technical assistance will be coupled with a mixture of in-country and overseas training programs,

and an appropriate range of commodity and local currency supports in order to conduct the EPM. The financial plan for the EPM calls for A.I.D. inputs of \$8,450,000 (including contingency and project evaluation) over six years, with approximately 50% of the U.S. Dollar budget for NEC, 45% for MEM/NEA, and 5.0% for the GPC. GOS inputs will total \$6,500,000 over six years with approximately 35% of funds budgeted for NEC, 50% for MEM/NEA, 15% for GPC. The GOS contribution includes both financing from its recurrent budget and from GOS owned local currencies generated under the CIP Program.

(2) On page 1, delete the introduction to the fourth paragraph and substitute the following therefor:

At the conclusion of this six year project (i.e. during 1988), the energy planning and management capabilities of the GOS will have been improved such that:

(3) Pages 7 and 8 are deleted in their entirety and substitute therefor new pages 7 and 8 as attached to this amendment.

(4) On page 9, Section III, B, delete the first sentence and substitute the following:

"Procurement of commodities within the project will be approximately \$ 850,000".

(5) On page 10 delete the paragraph entitled "General Activities" and substitute the following therefor:

<u>General Activities</u>	<u>Due Date</u>	<u>Responsibilities</u>
a. Execute Project Agreement	August 31, 1982	USAID, GOS
b. RFP completed for long-term institutional contracts	June 30, 1983	AID/W
c. Contracts executed	November 30, 1983	USAID/CO and Contractor
d. Chiefs of Party arrive	January 15, 1984	Contractor
e. Baseline evaluation study completed	April 30, 1984	USAID, GOS and Contractor
f. General work plan for entire project completion	May 30, 1984	Contractor

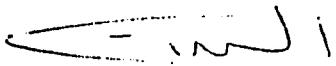
<u>General Activities</u>	<u>Due Date</u>	<u>Responsibilities</u>
g. Final evaluation	December 15, 1987	Evaluator, GOS and Contractor
h. Chiefs of Party depart	January 15, 1988	Contractor

(6) On page 10, Section IV, Evaluation, under "Scheduled Period" delete the dates "August 1983, January 1985 and April 1987," respectively and substitute therefor, the dates "April 1984, September 1986 and December 1987" respectively.

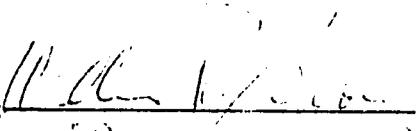
(7) Page 11 is deleted in its entirety and substitute therefor a new page 11 as attached to this amendment.

Except as amended hereby, the Project Grant Agreement of August 31, 1982, as amended, continues in full force and effect.

The Democratic Republic of the Sudan

By: 
 By: ELSAYED A.A. ZAKI
 Title: Acting Under Secy. of Planning
 Date: Nov, 8, 1983

The United States of America

By: 
 By: William H. Dean
 Title: Director (412)
 Date: 9 December 1983

II. Contribution of the Parties

In order to achieve the purpose and objectives of the Parties, the Parties will make inputs to the Project as described below:

A. A.I.D.

1) Technical Assistance

a) Long-term

1) NEC: AID will provide \$ 2,215,060 in funding for long-term technical assistance advisors to assist NEC in accomplishing the activities described above. A team of four specialists: Chief of Party, Maintenance/Purchasing and Stores Advisor, Financial Controls/Budget Planning Advisor, and an Energy Efficiency/Load Management Advisor will be provided to NEC. The NEC Chief of Party will be resident at the NEC and will concentrate his efforts on power system operational matters and technical assistance team administration.

2) NEA/MEM: AID will provide \$ 1,529,400 in funding for long-term technical assistance to NEA and MEM. A three-member team of advisors: Chief of Party, Energy Planning and Economics Advisor and Energy Supply/Logistics/Pricing and Allocations Advisor will be provided to NEA/MEM. The NEA/MEM technical assistance team will be lead by a Chief of Party who will divide his time between MEM, where he will be a senior policy advisor, and the NEA, where he will provide energy policy and planning aid. The job descriptions for each of these advisors have been reviewed and approved by the Parties.

b) Short-term

1) NEC: Short-term technical assistance will be provided to NEC in the following special areas of emphasis: manpower and staffing levels, systems analysis and operations research, computer applications and programming, and financial analysis/cash flow management. NEC will also receive short-term technical assistance from the contractor handling the procurement and installation of CIP-funded purchases to rehabilitate the BNG.

2) NEA/MEM: Short-term technical assistance will be provided to NEA/MEM concentrating on aspects of energy planning and management such as manpower and staffing levels, energy efficiency end-use, supply and demand analysis, computer applications and programming, national energy policy and administration, forestry and renewable energy sources, and distribution and marketing of fuels. NEA/MEM will also receive short-term technical assistance early in the project to continue energy assessment and analysis activities begun under the Energy Policy and Planning Project (936-5703).

c) General Petroleum Corporation

1) No long-term technical assistance on operational issues is budgeted for GPC. Selected planning and policy evaluation issues, such as supply planning and allocations policy, will be addressed in consultation with the GPC by the NEA/MEM long-term technical advisor.

2) As part of the general support provided under NEA/MEM described above in paragraph A., 1., b), 2), short-term technical assistance will be provided to GPC in such areas as manpower and staffing levels, exploration and production economics, agreements and licensing for exploration and production, and storage/distribution/logistics.

Annex 1

(Pro Ag Amdnt 2)

2) Training

Long and short-term training activities will be conducted under the project. Sudanese training facilities and instructors will be used, whenever appropriate. Certain training courses and inspection visits will take place in the U.S. or third countries. To facilitate overseas training, a \$ 45,000 budget has been allocated for English language training program at the American Center in Khartoum. For the most, part, overseas training is planned for the U.S. Most of the short-term courses however will be for one or two weeks in the Sudan, involving a team of U.S. and Sudanese instructors. The short-term third country and U.S. training will include inspection tours. Training of NEC staff will be directed at operations and tactical problem-solving. The training of NEA and GPC staff, on the other hand, will address long-term strategic aspects of energy planning and management. A close coordination between NEA and GPC will be necessary in the selection of appropriate issues and course attendees. The anticipated breakdown of training budget by location is as follows:

	<u>Foreign Exchange</u>	\$i000	<u>Local Currency</u>
Sudan Short-term	396.1		373.8
U.S. - Long-term	51.4		2.0
U.S. - Short-term	126.8		14.0
Third country short-term	<u>73.3</u>		<u>3.0</u>
English language	45.0		
Total	\$ 692.6		\$ 392.8

3) Commodities

AID will provide approximately \$ 849,000 to finance the costs of various commodities required for the project. Commodities to be procured include 4 vehicles for long-term technical advisors to the NEC, spare parts, POL, audio-visual and training equipment, and microcomputers for NEC; three vehicles for the long-term technical advisors to the NEA/MEM, spare parts, POL, audio-visual and training equipment, furniture and equipment for technical assistance team and microcomputers for GPC. GOS will provide the additional funding required for purchase of these commodities (see GOS contributions, paragraph B3 below).

B. Government of Sudan

The Government of Sudan will provide the following contributions to the project:

1. Planning, Analysis, Study and Policy Making Activities

The GOS will make the following contributions in support of their project activities: Salaries of NEC, NEA, and GPC personnel; local currency costs of the long and short-term technical assistance contracts, costs of local consulting and study services, and office space for resident advisors.

2. Training

The GOS will provide approximately LS 392,800 to support the training programs described in paragraph A2 above. GOS support will include assistance in locating local training institutions and administrative assistance for condition of courses. Additionally the GOS will continue salary support

Illustrative Life of Project Budget

	<u>NEC</u>		\$1000	<u>NEA/MEM</u>	
	<u>AID</u>	<u>GOS</u>		<u>AID</u>	<u>GOS</u>
Technical Assistance					
- Long-term	2215.06	1221.19	1529.4	1552.0	
- Short-term	930.1	391.4	1272.0	1015.5	
Training					
- Long-term	-	-	51.4	2.0	
- Short-term	229.5	128.5	366.7	264.3	
- Language	22.5	-	22.5	-	
Local Consultants & Studies	-	250.0	-	920.0	
Commodities	376.4	130.6	472.4	98.6	
Project Evaluation	<u>22.8</u>	<u>8.0</u>	<u>22.9</u>	<u>9.9</u>	
Sub-Total	3796.36	2129.69	3737.3	3862.3	
Contingency	<u>463.64</u>	<u>295.31</u>	<u>453.0</u>	<u>212.7</u>	
Total Rounded	<u>4260.00</u>	<u>2425.0</u>	<u>4190.0</u>	<u>4075.0</u>	

	AID	GOS
Organizational Breakdown of Assistance		
NEC	4260.0	2425.0
NEA/MEM	<u>4190.0</u>	<u>4075.0</u>
	\$8450.0	6500.0

\$1000

Total \$14,950,000

Summary of Project Funding as of June 30, 1983:

AID Contribution to date	\$ 3,055.000
AID Anticipated Future Year Contribution	\$ 5,395.000
Total AID Contribution	\$ 8,450.000
Total GOS Contribution	\$ 6,500.000
Total Project Cost	\$14,950.000