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AID 1320-1 (8-64)

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PROJECT AGREEMENT

BETWEEN THE DEPARTMENT OF STATE, AGENCY FOR INTERNATIONAL DEVELOPMENT (AID), AN AGENCY OF THE GOVERNMENT OF THE UNITED STATES OF AMERICA, AND

AN AGENCY OF THE GOVERNMENT OF THE REPUBLIC OF GUINEA

The above-named parties hereby mutually agree to carry out a project in accordance with the terms set forth herein and the terms set forth in any annexes attached hereto, as checked below:

☐ PROJECT DESCRIPTION ANNEX A ☐ FOREIGN CURRENCY STANDARD PROVISIONS ANNEX

☐ STANDARD PROVISIONS ANNEX ☐ SPECIAL LOAN PROVISIONS ANNEX

This Project Agreement is further subject to the terms of the following agreement between the two governments, as modified and supplemented:

☐ GENERAL AGREEMENT FOR TECHNICAL COOPERATION — DATE

☐ ECONOMIC COOPERATION AGREEMENT — DATE

☒ (other) Bilateral Agreement — DATE Sep 30, 1960

1. PROJECT/ACTIVITY NO. 675-11-998-038

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2. AGREEMENT NO. 675-71-01

3. ☒ ORIGINAL OR REVISION NO.

4. PROJECT/ACTIVITY TITLE

GUINEA/PEACE CORPS SELF-HELP
FARANAH CITY OF THE AIR PROJECT

5. PROJECT DESCRIPTION AND EXPLANATION

(See Annex A attached)

6. AID APPROPRIATION SYMBOL: 72-1111004

7. AID ALLOTMENT SYMBOL: 154-61-691-00-69-11

8. AID FINANCING ☐ DOLLARS ☐ LOCAL CURRENCY	PREVIOUS TOTAL (A)	INCREASE (B)	DECREASE (C)	TOTAL TO DATE (D)
(a) Total Self-Help Funds		10,000		10,000
(b) Contract Services				
(c) Commodities		10,000		10,000
(d) Other Costs				
9. COOPERATING AGENCY FINANCING - DOLLAR EQUIVALENT $1.00 = 246.5 GF				
(a) Total		101,420		101,420
(b) Technical and other Services				
(c) Commodities				
(d) Other Costs		101,420		101,420

CLEARANCES

Ministry of Transport

Peace Corps Director

10. SPECIAL PROVISIONS (Use Additional Continuation Sheets, if Necessary)

This agreement consists of 8 pages including Annex A and the Standard Provisions Annex, and is considered to be signed on each page.

11. DATE OF ORIGINAL AGREEMENT: September 3, 1970

12. DATE OF THIS REVISION:

13. ESTIMATED FINAL CONSTRUCTION DATE: June 30, 1971

14. FOR THE COOPERATING GOVERNMENT OR AGENCY:
Paul Stephen
Director of American Division
Ministry of Domain of Exchanges

15. FOR THE AGENCY FOR INTERNATIONAL DEVELOPMENT:
Ellis O. Jones
Economic Officer, American Embassy
Conakry, Guinea

PROJECT AGREEMENT Between AID and the Government of the Republic of Guinea	1. Project/Activity No. 675-11-098-038	Page 2 of 8 pages
	2. Agreement No. 675-71-01	3. Original
	3. Project Activity Title GUINEA/PEACE CORPS SELF-HELP FARANAH CITY OF THE AIR PROJECT	

I. DESCRIPTION OF THE PROJECT

The purpose of this project agreement is to provide the dollar funds contributed by the U.S. Government and to concur in the provision of Guinean Francs by the Government of Guinea in support of joint Peace Corps/GOG self-help activities in Guinea.

The area of activity described in this original agreement encompasses participation in the Ministry of Transportation program to expand needed airport and ancillary facilities and may be only a portion of the activities which might later be funded under this Self-Help project. The U.S. Government, through AID Self-Help funds made available to this Mission (STATE 121412, July 29, 1970) will allocate $10,000 to the project and as future allocations are made, or when Peace Corps Self-Help activities expand into other precise areas, such additional funding and/or activities will be covered by amendment to this agreement.

II. DESCRIPTION AND LOCATION OF THE FARANAH AIR CITY PROJECT

The GOG has completed preliminary planning for the development of a "City of the Air" at Faranah, Capital of the Region of Faranah. Faranah is located on the major and direct route between Conakry and Southern Guinea and is centrally located to a major portion of the population of Guinea and, in particular, the western two-thirds of the country and the predominant Moslem populace. Faranah is also near the head of the Niger River, an area of long range potential tourism, and the home of the President of the Republic of Guinea.

The Government of Guinea plans to implement a program to establish a so-called "City of the Air" as a small airport complex to releave the overtaxed Conakry airport facilities. In particular, air service will be provided for the large number of groups of pilgrims to Mecca.

Further advantages of this location are access to surrounding country capitals for routine air transportation along with convenience in serving the Moslem population of these countries through the location of a nearby airport with direct flights to Mecca. The field will also serve as an alternate landing facility when Conakry, Dakar, Freetown and Monrovia are closed down due to climatic adverse conditions.

The initial program for the "City" is that of the installation of a modest air strip with apron to handle propeller jets of the Comet class (2,000/2,300m); a small terminal building and a hangar type eating-sleeping hostel to accomodate travelers. As volume and funds permit, these basic facilities may be expanded to include impzoved accomodations, an administration center, an industrial zone, shops and restaurant. In addition, tourism will be promoted.

The Government of Guinea has provided, is providing or will provide the 2000/2300m landing strip and parking apron and the small terminal building. The Government of Guinea will also make other arrangements for grading and landscaping along with the bringing of power to the site. The Belgians are to provide the necessary lighting facilities.

U.S. Government participation in this initial phase of the program is to provide a very basic and modest sleeping-eating hangar type hostel to accomodate a normal 120 pilgrims and an overload of upwards to 150 travelers totaling approximately 10,000 square feet along with related minimal essencial utilities.

Two Peace Corps Volunteers assisted in the planning of the initial facilities as an extension of their present involvement with the construction of Conakry bus shelters and public sanitary facilities. The volunteers will plan and design the hostel, including the necessary facilities, and supervise the construction of the hostel. They may also be called upon by the Government of Guinea to assist in future planning and site layout.

The United States participation in the basic facilities will be approximately 10% of the total cost of these initial facilities. Future United States Government participation may center around Peace Corps demonstration project for the self-help construction of additional housing and buildings, to also serve as a demonstration of low cost construction and training related skills, and for possible assistance in the development of small industries and tourism.

III. CONTRIBUTION OF THE PARTIES

A. The United States Government

The United States Government will contribute $10,000 from Self-Help funds for the purchase of non available commodities such as a generator for power during construction, a pump for bringing water from either the nearby Niger River or a deep well, water supply pipe and miscellaneous fixtures, etc.
In accordance with procedures developed by the AID/Washington Africa Bureau, (Ref. Operations Manual dated October 25,1968), the Accounting, Reporting and Auditing of Self-Help projects are handled in a special manner. The provisions of the Operations Manual will be followed for this Project.

The Peace Corps Director for Guinea in cooperation with the interested Ministries of the Government of Guinea, the Ministry of Transportation and the Regional Governor will be responsible for the implementation of this project.

B. The Government of the Republic of Guinea

The Government of the Republic of Guinea has recently completed the construction of 2200 meters of the desired 2500 meter landing strip and a basic terminal building. An additional 300 meters of strip are desired to permit maximum plane loading in relation to maintaining adequate safety standards. Until the additional 300 meters of runway are constructed, aircraft will not be loaded to maximum capacity. This direct construction by the Government of Guinea is estimated at approximately GF 200,000,000 excluding the additional 300 meters of runway.

The Regional Government will also contribute an additional GF 10,000,000 approximately for site grading, logistical support, housing and power.

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The Government of Guinea will contribute GF 25,000,000 to be provided from Counterpart Funds generated under the AID-financed Import Commodity Program. These funds will be utilized for such items as shown in the following budget:

Cement	GF 1,500,000
Laterite & Hauling	300,000
Sand	500,000
Gravel	450,000
Lumber	200,000
Nails	10,000
Reinforcing bars	500,000
Asphalt Roofing	1,500,000
Steel Hanger Framing	10,000,000
Labor	7,000,000
Miscellaneous	3,040,000
Total	GF 25,000,000

For the local currency costs of this project, the Government of Guinea will release Counterpart Funds for the requirements which are listed above.

In order to provide flexibility, the amounts shown for individual items are illustrative only and adjustments can be made between items so long as the total budget does not exceed the amount stated in this agreement.

IV. GENERAL PROVISIONS

A. Release of Counterpart Funds

Counterpart release for the purchase of materials will be effected in the following manner:

1) A request for release of Counterpart funds (Demande de Deblocage des Fonds de Contrepartie) in an original and nine copies will be prepared by the Peace Corps and the American Embassy, in cooperation with the appropriate Ministry of the Government of Guinea.

2) The request will then be signed by the appropriate Officials of the Embassy who will transmit it to the Ministry of State (Plan) through the office of the Ministry of Domaine of Exchanges. When it has been approved by the Ministry of State (Plan), appropriate office of the Ministry of Domaine of Exchanges signs for the Government of Guinea.

3) The signed forms will then be transmitted to the Banque Guineenne du Commerce Exterieur (BGCE) for action.

4) The Director of the BGCE will then make a transfer from the Counterpart Special Account No. 32-39-269 to the Trust Fund Account No. 32-39-443. The Director of the BGCE keeps one copy of the release request and distributes the balance as indicated on the release form.

5) The funds released to the Trust Fund Account will be obligated and administered by the Embassy in the same manner as other dollar allotments and local currencies.

B. Reporting

After Counterpart Funds have been released under procedures outlined above, the Peace Corps Director, in conjuction with his Guinean Counterpart will submit a report on the project's progress each calendar quarter as follows: 2 copies to the appropriate Ministry, 2 copies to the Peace Corps and 2 copies to the Embassy.

C. Title to Commodities

Title to commodities purchased with Counterpart funds for this project will be vested in the Government of Guinea but retained in the custody and control of the Peace Corps for the duration of the project.