

94932

A.I.D. Project No. 931-1054

Grant Agreement No. 79-632-5

GRANT AGREEMENT
BETWEEN
THE UNITED STATES OF AMERICA
AND
THE GOVERNMENT OF LESOTHO
FOR
NON-FORMAL EDUCATION

Date August 2, 1979

Appropriation 72-1191021.5

Allotment 945-36-099-00-20-91

Project Grant Agreement

Dated

Between the Government of Lesotho

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 assist the Grantee, through the Lesotho Distance Teaching Center, (LDTTC) to develop and test an innovative organizational approach to provision by central government agencies of technical and financial assistance to organizations and communities involved in nonformal education activities.

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 Seven hundred thirty thousand U.S. Dollars (\$730,000) ("Grant") in FY 79. Subject to the conditions in Section 2.2. it is anticipated that A.I.D.'s total contribution to this project will be \$2,690,000. 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 the Grantee for the project will be not less than the equivalent of U.S.\$200,000 including costs borne on an "in-kind" basis.

SECTION 3.3. Project Assistance Completion Date

(a) The "Project Assistance Completion Date" (PACD), which is April 30, 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 to 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: Condition Precedent to Disbursement.

SECTION 4.1. First Condition. 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 or cause to be furnished 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. Second Condition Precedent to Disbursement.

Prior to disbursement under the Grant, or to 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. evidence that the Grantee has established the LDTC as a financially autonomous entity within the Grantee's Ministry of Education with all authorities necessary to implement this project.

SECTION 4.3. Third Condition Precedent to Disbursement.

Deputy Director/Service Agency Coordinator. Prior to disbursement under the Grant, or to 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.; an executed contract with an individual acceptable to A.I.D.; to serve in the capacity of LDTC Deputy Director/Service Agency Coordinator or other evidence adequate to demonstrate that an LDTC Deputy Director/Service Agency Coordinator acceptable to A.I.D. has been retained.

SECTION 4.4. Fourth Condition Precedent to Disbursement- LDTC

Assistance Fund. Prior to disbursement under the Grant, or to issuance by A.I.D. of documentation pursuant to which disbursement will be made for the purpose of providing support to the LDTC Assistance Fund, the Grantee will provide or cause to be provided to A.I.D. in form and substance satisfactory to A.I.D., documentation evidencing, unless A.I.D. otherwise agrees in writing, the following:

- (1) criteria to be utilized to distinguish between those organizations or communities which may receive grant assistance and those which may receive loan assistance from the LDTC Assistance Fund;
- (2) terms, procedures and interest rates to be used in making loans to eligible organizations or communities; and

- (3) establishment, in an acceptable local financial institution, of a separate account for the LDTC Assistance Fund.

SECTION 4.5. Notification. When A.I.D. has determined that the conditions precedent specified in Section 4.1. through 4.4. have been met, it will promptly notify the Grantee.

SECTION 4.6. Terminal Dates for Conditions Precedent. If the conditions specified in Section 4.1.-4.4. have not been met within 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 the Grantee.

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 an annual review of the following points:

- (a) evaluation 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. LDTC Assistance Fund-Reflows; The Grantee covenants that repayment of loans made from the LDTC Assistance Fund, and any interest paid thereon, will be returned to the Fund and will be used during the life of the project, unless otherwise agreed to by the Parties in writing, exclusively to provide assistance to organizations or communities with non-formal education programs in accordance with the criteria included in Annex 1 of this Agreement and submitted pursuant to Section 4.4. Such criteria may be modified from time to time by mutual agreement of the Parties.

SECTION 5.3. LDTC Assistance Fund Account. The Grantee covenants that the LDTC Assistance Fund Account, into which A. I. D.'s contribution will be deposited, will be maintained separate and distinct from any other accounts which the LDTC may now or in the future control, and will be used only, except as the Parties may

otherwise agree in writing for the purpose of providing loan or grant assistance to organizations or communities for non-formal education programs, in accordance with criteria contained in Annex 1 of this Agreement and that submitted in accordance with Section 4.4.

SECTION 5.4. Participant Training. The Grantee covenants that qualified participants, acceptable to A.I.D. for long-term and regional training will be identified and made available for such training in the United States or less developed countries, as defined in Code No. 941 on a timely basis. The Grantee also covenants that such participants upon the successful completion of their training, will be returned to positions within the LDTC, or such other positions as the Parties may agree to in writing.

SECTION 5.5. LDTC Deputy Director/Service Agency Coordinator.

The Grantee covenants that there will be no change in the person contracted for by the LDTC to serve as Coordinator under the title LDTC Deputy Director without prior consultation with A.I.D.

SECTION 5.6. Reporting. The Grantee covenants that it will submit or cause the LDTC to submit, such reports as A.I.D. may reasonably request. The content and timing for these reports will be set forth in subsequent Project Implementation Letters. However, with regard to the LDTC Assistance Fund, these reports will include, unless the Parties otherwise agree in writing, the following:

- a) Financial statement of account, and
- b) a narrative summarization of loans and grants made to date and projections of future loans and grants which it is contemplated will be made from the Assistance Fund.

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 countries included in Code 941 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.

SECTION 6.2. Local Currency Costs. Disbursement 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 Lesotho ("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

(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 ^{the} Grantee in connection with Letters of Commitment and Letters of Credit will be financed under the Grant unless ^{the} 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 disbursements may be obtained by acquisition by A.I.D. with U.S. Dollars by purchase or by such other means as the Parties may agree to in writing.

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 Lesotho 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 the currency of Lesotho at the highest rate of exchange which, at the time of conversion is made, is not unlawful in Lesotho.

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: Minister
 Ministry of Finance
 P.O. Box 395
 Maseru 100 Lesotho

with a copy to
Mail Address: Lesotho Distance Teaching Center
 P.O. Box 781
 Maseru 100 Lesotho

Alternate Address for cables: Distance Maseru

To A.I.D.
Mail Address: c/o American Embassy
 P.O. Box 333
 Maseru 100 Lesotho

Alternate Address for cables: American Embassy Maseru

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

SECTION 8.2. Representatives. For all purposes relevant to this Agreement, the Grantee will be represented by the individual holding or acting in the office of Director, LDTC and A.I.D. will be represented by the individual holding or acting in the office of Director, USAID/Lesotho, each of whom, by written notice, may designate additional representatives for all purposes other than exercising the power under Section 2.1. to revised 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 Provision 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 LESOTHO

By: _____

Title: MINISTER OF FINANCE

UNITED STATES OF AMERICA

By: _____

Title: Acting Director

AMPLIFIED PROJECT DESCRIPTIONI. Description of the Project.

This project will develop and test an innovative organizational approach to provision by central governments or central government agencies of technical and financial assistance to organizations and communities involved in non-formal education activities. These organizational prototypes will be used to assist the government in its efforts to seek ways to channel support to the multitude of agencies involved in Non-Formal Education (NFE). It will also attempt to rationalize NFE activities with a view toward expanding their coverage and thereby maximizing effective access to them for people in areas with relatively little possibility of using them at present.

The project will entail assistance to the Lesotho Distance Teaching Center (LDTC) to develop its Service Agency (SA) capability. The project will enable the LDTC to provide at an expanded and improved level, assistance in materials, development, communications, staff training and finance to publicly supported institutions in Lesotho which need help to improve their NFE programs. As part of its assistance, LDTC will encourage expansion of NFE services to parts of the country which have least effective access to organized learning opportunities. While providing such assistance LDTC staff will receive advice and training from selected A.I.D. contractors with relevant expertise.

Past experience has shown that improvement in the following areas, in which this project will focus is necessary if NFE organizations are to do a better job.

- 1) Materials Development - Emphasis will be on putting together educational "tools" which are participatory, in nature, can be easily made situation-specific, and which are usable with little or no training, i.e., printed materials, slide and tape shows, posters, pamphlets, radio programs and educational games.
- 2) Training - NFE projects will be provided assistance by the Service Agency with in-service training of immediate utility, aimed essentially at non-professionals, especially in program management and group dynamics skills. Specific training plans will be drawn up with client groups.
- 3) Communications - Support to NFE projects will be provided by the LDTC in at least four related areas:

(a) Delivery of information, as is done in mass "campaigns". The Service Agency will assist in development and implementation of such activities.

(b) Feedback and evaluation activities, using appropriate technology to link users and planners as directly as possible. The Service Agency will introduce NFE organizations to innovative approaches in the area.

(c) Local program production for mass media, especially radio. Audio cassette recorders are increasingly being used in this way. The Service Agency will assist with production and broadcast arrangements.

(d) "Horizontal" information exchange, i.e. communication directly between NFE practitioners. The Service Agency will help establish and operate an NFE Information network.

4) Finance - The project will finance an LDTC Assistance Fund, administered by an intersectoral board*, the LDTC management committee, whose function it will be to provide grant or loan financial support to organizations or communities with NFE programs. Such support will be provided in accordance with criteria contained in Section V below.

This project will initially support development of the LDTC as an NFE Service Agency. The Service Agency will be staffed largely by technicians able to provide advice, training, and help with program implementation. Clients of the Service Agency will be organizations and groups working in NFE and wishing to improve/expand their programs. At the outset, little emphasis will be placed on helping develop new NFE programs since so many exist already and these could improve/expand their activities at marginal cost. If it becomes apparent as the project goes on that gaps must be filled by new programs, the Service Agency would be in a good position to assist such an endeavor. Results of the Service Agency's activities will be linked to educational planning, and will help to define new directions for education as five-year plans are develop.

II. Project Implementation

A. Initial concentration will be on upgrading LDTC staff skills, mainly through in-service training (although some would pursue short-term studies outside Lesotho).

* Including Director and Deputy Director of LDTC, Permanent Secretary MOE, Representatives from Planning, Agric, Health and Rural Development.

B. Since expansion of LDTC's Service Agency activities into a national coverage will begin relatively slowly, new staff will be hired in areas such as materials development, training radio programming, research and administration. These persons will remain on LDTC staff after the project terminates.

A needs analysis will be conducted by the research section of LDTC and a training schedule set up. Training will begin as soon as appropriate areas have been indentified (within 6 months). At the same time an existing survey of NFE activities will be updated and expanded to include mapping of services offered.

It is anticipated that technical assistance to LDTC will be provided as follows:

1. Long-term assistance: Three Third World personnel or American technicians will be hired in the following positions:

- a) Chief Project Advisor
- b) Senior Research Officer
- c) Editor

- The Chief Project Advisor will work with and under the Service Agency Coordinator to ensure that the expansion of LDTC's service agency capacity is both sensible and orderly and to ensure that LDTC provides quality service to its clients. It is envisaged that there will be a considerable overlapping of duties between the Chief Project Advisor and the Service Agency Coordinator. The duties of the Chief Project Advisor will include:

- advising clients on the most appropriate educational materials and media to meet their needs
- service agency work often requires LDTC to produce an integrated 'package' of educational materials (e.g. radio spots, pamphlets and posters). The Chief Project Advisor will be responsible for ensuring that the materials are well integrated.
- assisting the Service Agency Coordinator to co-ordinate the production of materials that are of good quality and meet production deadlines
- organizing the training and up-grading of LDTC staff. This may include workshops run by short-term external consultants or short trips by LDTC staff to similar institutions in Africa.

4.

- producing annual reports on the service agency work carried out by LDTC
 - in the absence of the Service Agency Coordinator the Chief Project Advisor will take on his duties as section head
 - Senior Research Officer's duties will include:
 - assisting the evaluator with the design, analysis and report writing of all activities undertaken by the research section
 - taking over the duties of the evaluator in his absence
 - up-grading the skills and knowledge of the research section.
 - The Editor's duties will involve:
 - editing formal correspondence course lessons
 - training and helping course writers
 - ensuring that course writers meet deadlines
 - liaising with production staff to ensure that courses are typed, illustrated, proof-read, laid out and printed on time
 - editing research and other reports produced by the Centre
 - training one or possible two local staff to be editors.
2. Short-term assistance for workshops. Persons with expertise in needs assessment and analysis, mapping techniques, evaluation, materials development, training, mass communications networking, finance/revolving funds.
- C. It is anticipated that additional A.I.D. support will include:
1. Salaries for 5 new Basotho LDTC staff members to be identified.
 2. Senior staff training and related costs. Possible slots for training are: director LDTC, SA Officer, SA Assistant Officer, 2 writers of NFE materials, 1 radio programmes officer, 1 researcher, other posts will be identified as the project unfolds. The training will take place in other African countries, USA or other suitable countries. Location will depend on the identification of an appropriate course and institution.

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5.

3. Intermediate staff training in other African countries. These would be short-term study visits of approximately 3/4 weeks duration.
4. Commodity procurement - a list of equipment will be developed by LDTC staff in cooperation with consultants. Prior to procurement A.I.D. will have to process any necessary waivers.
5. Vehicle use support and per diem and other costs involved in holding workshops.

At the end of year 1 staff training will have progressed to a point where Service Agency activities can be increased. Alongside this increase, LDTC will begin assisting NFE programmes to expand their services into new areas.

- D. During year 2, more workshops will be held in tandem with Service Agency function. Mapping will continue to ascertain which areas are obtaining access to NFE, and where additional assistance is needed. A major evaluation workshop will be held annually.

It is anticipated project funding will be for four years. Transfer of project support responsibility to the GOL will occur by year five.

Monitoring implementation problems will be primarily the responsibility of the Service Agency section of LDTC. The collection of evaluation data will be continuous and data will be reviewed at regular intervals by the research section of LDTC. In addition, each staff development seminar will offer trainers and trainees the opportunity for self-monitoring. Progress and problems will be reported to A.I.D. and the LDTC in the consultant's reports.

III. Management Arrangement

A. General

The project will be carried out under the aegis of the Lesotho Distance Teaching Center. The Government will provide assurances, either through legislation or otherwise acceptable means that it will provide LDTC with fiscal autonomy for administration of international assistance projects, thereby avoiding any problem of commingling of funds.

Central responsibility for coordinating technical assistance and monitoring project progress will be taken by Director and the Deputy Director of the LDTC. Shortly after the project begins, the director will visit the U.S. to acquaint himself with a number of contractor-

consultant personnel and capabilities, who will eventually be contracted for at least a two-year period to assist LDTC with responsibilities in needs analysis, program advising and evaluation, arrange training courses and schedules coordinating long and short consultant selection editorship of SA publications and monitoring the SA's functions.

AID monitoring will be the responsibility, generally, of USAID/Maseru and, in particular, the Human Resources Development Officer attached to the USAID;

B. LDTC Assistance Fund.

Designation of recipients, total financial commitment, loan/grant conditions, repayment stipulations, and evaluations arrangements will be executed initially by SA's technical staff. LDTC management will review and confirm each proposed transaction, after which time it will be submitted to the LDTC Management Committee for ratification prior to disbursement. Procedures may be refined further as project implementation proceeds. Any such charges will be the subject of future Project Implementation Letters.

IV. Evaluation Arrangements

In the project's initial phase, the needs analysis prepared by the LDTC research section will be prepared and will include a training schedule. Evaluation mileposts will include the planned training as well as mutually-determined goals for levels of Service Agency assistance each year. Each instance of assistance to outside organizations will be evaluated by the research and evaluation section of LDTC. The evaluation workshop scheduled at the end of year one will provide the occasion of assembling micro-results of the first year. Such data will be brought together to reflect the project's overall status and will be used in programming year two, three and four. Assumptions will be re-examined, and outcomes analyzed to arrive at an annual evaluation of the project's strength and weaknesses and projected adaptations. The LDTC Research and Evaluation Section with A.I.D. membership will effect this evaluation and later publish workshop findings for NFE network distribution. A similar evaluation process will be included in each Service Agency project, which is a recipient of LDTC service agency funds.

In the project's final year, results from all Service Agency projects will be assembled and analyzed. Lessons drawn from the entire experience in combination with the interim evaluation results mentioned above, will form a modularized report, prepared by the LDTC staff and submitted to A.I.D.

V. LDTC Assistance Fund Criteria

Criteria which will be used to base decisions on whether and to what extent recipient organizations will receive LDTC support are as follows:

1. Objectives - LDTC's Service Agency work provides an educational service aimed at improving the conditions of life in rural areas. This might involve raising awareness of social, economic or health problems, or communicating skills designed to encourage self employment. It may also involve conducting research which will ultimately lead to the improvement of the quality of rural life. Benefits to rural people may be direct or indirect. Preference will be given to projects that will have some lasting effect.
2. Target Group - We are mainly interested in reaching rural people in Lesotho, particularly those to whom few services are currently available.
3. Methods and Materials - Generally, Service Agency work should include the use of distance teaching methods such as printed materials, posters, radio and training courses for fieldworkers. Materials will normally be developed in Sesotho.
4. Cost - LDTC should be satisfied that the expenditure involved can be justified either by the number or the type of people reached by the Service.

- Before undertaking a job, LDTC must be clear about the objectives of the project, what the requesting organization expects of us and what we expect of them.

- LDTC must not accept a job which will duplicate the work of another organization.

- Realistic deadlines should be set for the job, taking into account LDTC's capabilities, other commitments and resources available.

- The job should only be accepted after all section heads who will be involved in the project, have been consulted.

- LDTC must appoint a person to be responsible for the job; the Service Agency Officer should maintain overall responsibility for all jobs undertaken.

Further Responsibilities of a Requesting Organization

- The requesting organization must be clear about what it wants to do and how it wants LDTC to help.
- A liaison person should be appointed to keep LDTC informed about any developments that may affect the progress of the work.
- The organization must be committed to doing the job even without the help of LDTC.
- It must also be committed to continuing with the project after LDTC's involvement has come to an end.
- The organization should also fully understand that it may be charged for such items as: initial consultation, baseline survey, materials development and evaluation.
- The requesting organization must be prepared to accept that:
 1. Pretesting is an integral part of the development of educational materials.
 2. The project may be evaluated by LDTC.
 3. Rural people should contribute to the cost of the programme.

Here is a list of questions that should be answered before taking on a job. It is advisable that 'yes' answers be given to the first seven questions.

1. Is the job educational?
2. Does it benefit rural people
3. Does the job involve distance teaching methods?
4. Does the size or nature of the target group justify the work?
5. Has LDTC time and resources to carry out the work?
6. Is the organization committed to cooperate with LDTC in the development and testing of educational material?
7. Is the organization committed to cooperate with LDTC in the dissemination of the educational material?
8. Which rural people does the job benefit?

Specify:

9. Which teaching methods will the project use?

Posters
booklets
radio
course
other

specify:

10. Will the effects of the project be temporary or permanent?
 11. How will the programme benefit the target group?

raise awareness
 skills contributing to
 self sufficiency
 improve conditions of life
 teach income earning skills
 other

Specify:

12. Does the work benefit the more disadvantaged rural people?
 directly
 indirectly

13. What is the coverage of the project?

local
 regional
 national

14. What is the life-time of the project?

15. What is the nature of the project?

experimental
 support of ongoing education
 beginning of education project

16. Who finances the job?

requesting organization
 rural people
 funding organization
 government
 other

Specify

17. a) Give details of the project's educational value.
 18. b) Give details of the expected benefits to rural people.
 19. Have section heads involved accepted the project and the deadlines set?
 20. Are there any other organizations already involved in this kind of work?
 21. Does the requesting organization fully understand the nature of the programme and their degree of involvement in it?

22. Does the requesting organization fully understand the degree of involvement of LDTC in the programme?
23. Is the requesting organization able to provide a liaison person who will be able to link effectively with LDTC?
24. What is the estimated cost of the project?
25. Has the requesting organization enough funds to pay for the project?
26. Would the Service Agency Section recommend that LDTC subsidise the job?
27. If so, how much?
28. Would the Service Agency section recommend that LDTC advance a loan?
29. If so, how much?

VI. Financial Plan

The following table illustrates A.I.D.'s and the Grantee's contribution to the project. Changes in the figures contained in this table may be made by Project Implementation Letter, except that the total A.I.D. contribution may not exceed the amounts stated in Section 3.1. without formal amendment of this Agreement. A.I.D. contributions to the project beyond that obligated by this Agreement are subject to the conditions set forth in Section 2.1.

Financial Plan/Budget Tables

| <u>AID Inputs</u> | (US \$ 000) | | | | |
|--------------------------|-----------------|-----------------|-------------------|------------------|------------------|
| | <u>Year One</u> | <u>Year Two</u> | <u>Year Three</u> | <u>Year Four</u> | <u>Year Five</u> |
| Salaries | 50 | 70 | 80 | 80 | |
| Travel | 82 | 200 | 50 | 50 | |
| Materials & Equip. | 40 | 50 | 20 | 10 | |
| Service Agency Exp. | 100 | 150 | 80 | 80 | |
| Consultants | 170 | 200 | 20 | 20 | |
| Assistance Fund | 100 | 200 | 300 | 300 | |
| Addit'l Office space | 100 | | | | |
| Contingency | 88 | | | | |
| Sub-Total | 730 | 870 | 550 | 540 | |
| <u>GOL Inputs</u> | | | | | |
| Staff Salaries | 15 | 16 | 18 | 20 | |
| Office Operations | 32 | 34 | 39 | 44 | |
| Expatriate Housing (3) | 12 | 13 | 15 | 17 | |
| Sub-Total | 59 | 63 | 72 | 81 | |
| TOTAL, ALL INPUTS | 789 | 933 | 622 | 621 | |

TOTAL LIFE OF PROJECT

| | |
|-----|--------------------|
| AID | \$2,690,000 |
| GOL | 275,000 |
| | <u>\$2,965,000</u> |

A.I.D. Project No. 931-1054

DS/ED Office Copy
Project Grant Agreement

Dated April

Between the Government of Lesotho acting through the Lesotho Distance Teaching Center

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 assist the Grantee, through the Lesotho Distance Teaching Center, (LDTC) to develop and test an innovative organizational approach to provision by central government agencies of technical and financial assistance to organizations and communities involved in nonformal education activities.

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 Seven hundred thirty thousand U.S. Dollars (\$730,000) ("Grant"). in FY 79. Subject to the conditions in Section 2.2. it is anticipated that A.I.D.'s total contribution to this project will be \$2,690,000. 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 U.S.\$200,000 including costs borne on an "in-kind" basis.

SECTION 3.3. Project Assistance Completion Date

(a) The "Project Assistance Completion Date" (PACD), which is April 30, 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 as 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: Condition Precedent to Disbursement.

SECTION 4.1. First Condition. 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 or cause to be furnished 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. Second Condition Precedent to Disbursement. Prior to disbursement under the Grant, or to 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. evidence that the Grantee has established the LDTC as a financially autonomous entity within the Grantee's Ministry of Education with all authorities necessary to implement this project.

SECTION 4.3. Third Condition Precedent to Disbursement. - LDTC Coordinator. Prior to disbursement under the Grant, or to 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., an executed contract with an individual acceptable to A.I.D. to serve in the capacity of LDTC Coordinator or other evidence adequate to demonstrate that an LDTC Coordinator acceptable to A.I.D. has been retained.

SECTION 4.4. Fourth Condition Precedent to Disbursement - LDTC

Assistance Fund. Prior to disbursement under the Grant, or to issuance by A.I.D. of documentation pursuant to which disbursement will be made for the purpose of providing support to the LDTC Assistance Fund, the Grantee will provide or cause to be provided to A.I.D., in form and substance satisfactory to A.I.D., documentation evidencing, unless A.I.D. otherwise agrees in writing, the following:

- (1) criteria to be utilized to distinguish between those organizations or communities which may receive grant assistance and those which may receive loan assistance from the LDTC Assistance Fund;
- (2) terms, procedures and interest rates to be used in making loans to eligible organizations or communities; and
- (3) establishment, in an acceptable local financial institution, of a separate account for the LDTC Assistance Fund.

SECTION 4.5. Notification. When A.I.D. has determined that the conditions precedent specified in Section 4.1. through 4.4. have been met, it will promptly notify the Grantee.

SECTION 4.6. Terminal Dates for Conditions Precedent. If the conditions specified in Section 4.1.-4.4. have not been met within 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.

Article 5: Special Covenants.

SECTION 5.1. Project Evaluation. The Parties agree to establish an

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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 an Annual review of the following points:

- (a) evaluation 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. LDTC Assistance Fund-Reflows. The Grantee covenants that repayment of loans made from the LDTC Assistance Fund, and any interest paid thereon, will be returned to the Fund and will be used during the life of the project, unless otherwise agreed to by the Parties in writing, exclusively to provide assistance to organizations or communities with non-formal education programs in accordance with the criteria included in Annex 1 of this Agreement and submitted pursuant to Section 4.4. Such criteria may be modified from time to time by mutual agreement of the Parties.

SECTION 5.3. LDTC Assistance Fund Account. The Grantee covenants that the LDTC Assistance Fund Account, into which A.I.D.'s contribution will be deposited, will be maintained separate and distinct from any other accounts which the LDTC may now or in the future control, and will be used only, except as the Parties may otherwise agree in writing for the purpose

of providing loan or grant assistance to organizations or communities for non-formal education programs, in accordance with criteria contained in Annex 1 of this Agreement and that submitted in accordance with Section 4.4.

SECTION 5.4. Participant Training. The Grantee covenants that qualified participants, acceptable to A.I.D. for long-term and regional training will be identified and made available for such training in the United States or less developed countries, as defined in Code No. 941 on a timely basis. The Grantee also covenants that such participants, upon the successful completion of their training, will be returned to positions within the LDTC, or such other positions as the Parties may agree to in writing.

SECTION 5.5. LDTC Coordinator. The Grantee covenants that there will be no change in the person contracted for by the LDTC to serve as LDTC Coordinator without prior consultation with A.I.D.

SECTION 5.6. Reporting. The Grantee covenants that it will submit, or cause the LDTC to submit, such reports as A.I.D. may reasonably request. The content and timing for these reports will be set forth in subsequent Project Implementation Letters. However, with regard to the LDTC Assistance Fund, these reports will include, unless the Parties otherwise agree in writing, the following:

- a. Financial statement of account, and
- b. a narrative summarization of loans and grants made to date and projections of future loans and grants which it is contemplated will be made from the Assistance Fund.

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 countries included in Code 941 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.

SECTION 6.2. Local Currency Costs. Disbursement 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 Lesotho ("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

(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 disbursements may be obtained by acquisition by A.I.D. with U.S. Dollars by purchase or by such other means as the Parties may agree to in writing.

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 Lesotho 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 Lesotho at the highest rate of exchange which, at the time of conversion is made, is not unlawful in Lesotho.

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:

11.

To the Grantee:

Mail Address: Lesotho Distance Teaching Center

P.O. Box MS 781

Maseru, Lesotho

Alternate address for cables: Distance Maseru

To A.I.D.:

Mail address: c/o American Embassy

P.O. Box MS 333

MASERU, Lesotho

Alternate address for cables: AMERICAN EMBASSY MASERU

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

SECTION 8.2. Representatives. For all purposes relevant to this Agreement, the Grantee will be represented by the individual holding or acting in the office of Director, LDTC and A.I.D. will be represented by the individual holding or acting in the office of Director, USAID/Lesotho, 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.

12.

SECTION 8.3. Standard Provision 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 LESOTHO

By: _____

Title: _____

UNITED STATES OF AMERICA

By: _____

Title: _____

AMPLIFIED PROJECT DESCRIPTION

I. Description of the Project.

This project will develop and test an innovative organizational approach to provision by central governments or central government agencies of technical and financial assistance to organizations and communities involved in non-formal education activities. These organizational prototypes will be used to assist the government in its efforts to seek ways to channel support to the multitude of agencies involved in Non-Formal Education (NFE) and b) attempt to rationalize NFE activities with a view toward expanding their coverage and thereby maximizing effective access to them for people in areas with relatively little possibility of using them at present.

This project will entail assistance to the Lesotho Distance Teaching Center (LDTC) to develop its Service Agency (SA) capability. The project will enable the LDTC to provide at an expanded and improved level, assistance in materials development, communications, staff training and finance to publicly and privately support institutions in Lesotho which need help to improve their NFE programs. As part of its assistance, LDTC will encourage expansion of NFE services to parts of the country which have least effective access to organized learning opportunities. While providing such assistance, LDTC staff will receive advice and training from selected A.I.D. contractors with relevant expertise.

Past experience has shown that improvement in the following areas, which will be focused on by this project, is necessary if NFE organizations are to do a better job:

- 1) Material Development - Emphasis will be on putting together educational "tools" which are participatory, in nature, can be easily made situation-specific, and which are usable with little or no training.
- 2) Training - NFE projects will be provided assistance by the Service Agency with in-service training of immediate utility, aimed essentially at non-professionals, especially in program management and group dynamics skills.
Specific training plans will be drawn up with client groups.
- 3) Communications - Support to NFE projects will be provided by the LDTC in at least four related areas:

2.

(a) Delivery of information, as is done in mass "campaigns". The Service Agency will assist in development and implementation of such activities.

(b) Feedback and evaluation activities, using appropriate technology to link users and planners as directly as possible. The Service Agency will introduce NFE organizations to innovative approaches in the area.

(c) Local program production for mass media, especially radio. Audio cassette recorders are increasingly being used in this way. The Service Agency will assist with production and broadcast arrangements.

(d) "Horizontal" information exchange, i.e. communication directly between NFE practitioners. The Service Agency will help establish and operate an NFE network.

4) Finance - The project will finance an LDTC Assistance Fund, administered by an intersectoral board*, the LDTC management committee, whose function it will be to provide grant or loan financial support to organizations or communities with NFE programs. Such support will be provided in accordance with criteria contained in Section V below.

This project will initially support development of the LDTC as an NFE Service Agency. The Service Agency will be staffed largely by technicians able to provide advice, training, and help with program implementation. Clients of the Service Agency will be organizations and groups working in NFE and wishing to improve/expand their programs. At the outset, little emphasis will be placed on helping develop new NFE programs since so many exist already and these could improve/expand their activities at marginal cost. If it becomes apparent as the project goes on that gaps must be filled by new programs, the Service Agency would be in a good position to assist such an endeavor. Results of the Service Agency's activities will be linked to educational planning, and will help to define new directions for education as five-year plans are developed.

II. Project Implementation

A. Initial concentration will be on upgrading LDTC staff skills, mainly through in-service training (although some would pursue short-term studies outside Lesotho).

* Including Director and Deputy Director of LDTC, Permanent Secretary MOE, Representatives from Planning, Agric, Health and Rural Development.

B. Since expansion of LDTTC's Service Agency activities into a national coverage will begin relatively slowly,

New staff will be hired in areas such as materials development, training radio programming, research and administration. These persons will remain on LDTTC staff after the project terminates.

A needs analysis will be conducted by the research section of LDTTC and a training schedule set up. Training will begin as soon as appropriate areas have been identified (within 6 months). At the same time an existing survey of NFE activities will be updated and expanded to include mapping of services offered.

It is anticipated that technical assistance to LDTTC will be provided as follows:-

1. Long-term assistance: one person with experience in implementation of non-formal educational projects and four persons with experience in areas such as radio production, graphics, groupwork, research, instructional materials design and rural education.
2. short-term assistance - for workshops. Persons with expertise in needs assessment and analysis, mapping techniques, evaluation, materials development, training, mass communications networking, finance/revolving funds.

C. It is anticipated that additional AID support will include -

1. Salaries for 5 new LDTTC staff members to be identified.
2. Senior staff training and related costs. Possible slots for training are: director LDTTC, SA officer, SA assistant officer, 2 writers of NFE materials, 1 radio programmes officer, 1 researcher. Other posts will be identified as the project unfolds. The training will take place in other African countries, USA or other suitable countries. Location will depend on the identification of an appropriate course and institution.
3. intermediate staff training in other African countries. These would be short-term study visits of approximately 3/4 weeks duration.
4. Commodity procurement - a list of equipment will be developed by LDTTC staff in cooperation with consultants. Prior to procurement AID will have to process any necessary waivers.

5. Vehicle use support and per diem and other costs involved in holding workshops.

At the end of year 1 staff training will have progressed to a point where Service Agency activities can be increased. Alongside this increase, LDTC will begin assisting NFE programmes to expand their services into new areas.

D. During Year two, more workshops will be held in tandem with SA function. Mapping will continue to ascertain which areas are obtaining access to NFE, and where additional assistance is needed. Major evaluation workshop will be held at the end of year two.

It is anticipated project funding will be for four years. Transfer of project support responsibility to the GOL will occur by year five.

Monitoring implementation problems will primarily be the responsibility of the Service Agency section of LDTC. The collection of evaluation data will be continuous and data will be reviewed at regular intervals by the research section of LDTC. In addition, each staff development seminar will offer trainers and trainees the opportunity for self-monitoring. Progress and problems will be reported to A.I.D. and the LDTC in the consultant's reports.

III. Management Arrangement

A. General

The project will be carried out under the aegis of the Lesotho Distance Teaching Center. The Government will provide assurances, either through legislation or otherwise acceptable means that it will provide LDTC with fiscal autonomy for administration of international assistance projects, thereby avoiding any problem of commingling of funds.

Central responsibility for coordinating technical assistance and monitoring project progress will be taken by Director and the Coordinator of the LDTC. Shortly after the project begins, the director will visit the U.S. to acquaint himself with a number of contractor-consultant personnel and capabilities, who will eventually be contracted for at least a two year period to assist LDTC with responsibilities in needs analysis. Program advising and evaluation, arrange training courses and schedules coordinating long and short consultant selection editorship of SA publications and monitoring the SA's functions.

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AID monitoring will be the responsibility, generally, of USAID/Maseru and, in particular, the Human Resource Development Officer attached to the USAID.

B. LDTA Assistance Fund

Designation of recipients, total financial commitment, loan/grant conditions, repayment stipulations, and evaluation arrangements will be executed initially by Service Agency technical staff. LDTA management will review and confirm each proposed transaction, after which time it will be submitted to the LDTA Management Committee for ratification prior to disbursement. Procedures may be refined further as project implementation proceeds. Any such changes will be the subject of future Project Implementation Letters.

IV. Evaluation Arrangements

In the project's initial phase, the needs analysis prepared by the LDTA research section will be prepared and will include a training schedule. Evaluation mileposts will include the planned training as well as mutually-determined goals for levels of Service Agency assistance each year. Each instance of assistance to outside organizations will be evaluated by the research and evaluation section of LDTA. The evaluation workshop scheduled at the end of year one will provide the occasion of assembling micro-results of the first year. Such data will be brought together to reflect the project's overall status and will be used in programming year 2, 3 and 4. Assumptions will be re-examined, and outcomes analyzed to arrive at an annual evaluation of the project's strength and weaknesses and projected adaptations. A LDTA committee with AID membership will effect this evaluation and later publish workshop findings for NFE network distribution. A similar evaluation process will be included in each Service Agency project, which is a recipient of LDTA service agency funds.

In the project's final year, results from all Service Agency projects will be assembled and analyzed. Lessons drawn from the entire experience, in combination with the interim evaluation results mentioned above, will form a modularized report, prepared by the LDTA staff and submitted to A.I.D.

V. LDTA Assistance Fund Criteria

Criteria which will be used to base decisions on whether and to what extent recipient organizations will receive LDTA support are as follows:

6.

1. Does the work benefit poor rural people either directly or indirectly?
~~In~~ what region of the country? Approximately how many?
2. Is the work educational? In what sense?
3. Do the numbers involved justify the work?
4. Does the project involve the use of distance teaching methods?
How?
5. Is LDTC able to carry out the work?
6. Can the requesting organization use LDTC's work properly?
How? What is the basis for concluding that requesting
organization can use LDTC's work properly?
7. Does the work benefit rural people directly? Where? How many?
8. Does the work benefit very poor rural people? Where? How many?
9. Will the work provide them with long term benefit? What kinds
of benefits?
10. Does the work benefit men? How?
11. Does the work benefit women? How?
12. Does the work provide income earning skills? What kinds of skills?
13. Does the work raise the quality of life? How?
14. Is the work aimed at the whole population?
15. Is the work similar to work LDTC has done before?
16. Has LDTC any control over material distribution?
17. Is the work to be paid for entirely by the Requesting Organization?
18. Has the Requesting Organization been educationally effective in
the past? Explain.
19. Are its staff members likely to remain with it? Explain.
20. Is the organization committed at all levels?
21. Has the organization appointed a liaison officer?

22. Is the organization going to do the work without LDTC support?
23. If support will be coming from the LDTC how much support will the requesting organization provide?
24. Is the nature of the financial support to be a grant or loan? If a loan what is the nature of repayment?

VI. Financial Plan

The following table illustrates A.I.D.'s and the Grantee's contribution to the project. Changes in the figures contained in this table may be made by Project Implementation Letter, except that the total A.I.D. contribution may not exceed the amounts stated in Section 3.1. without formal amendment of this Agreement. A.I.D. contributions to the project beyond that obligated by this Agreement are subject to the conditions set forth in Section 2.1.

Financial Plan/Budget Tables

| | <u>Year One</u> | <u>Year Two</u> | <u>Year Three</u> | <u>Year Four</u> | <u>Year Five</u> |
|----------------------------|-----------------|-----------------|-------------------|------------------|------------------|
| Salaries | 50 | 70 | 80 | 80 | |
| Travel | 82 | 200 | 50 | 50 | |
| Materials & Equip. | 40 | 50 | 20 | 10 | |
| Service Agency Exp. | 100 | 150 | 80 | 80 | |
| Consultants | 170 | 200 | 20 | 20 | |
| Assistance Fund | 100 | 200 | 300 | 300 | |
| Additional Office space | 100 | | | | |
| Contingency | 88 | | | | |
| | 730 | 870 | 550 | 540 | |

DS/ED finds the financial plan adequate and the overall project financially sound.