

GRANT PROJECT AGREEMENT
NO. 89-09

PDBBR-474

Between the United States of America, acting through
the Agency for International Development (AID)

AND

United Republic of Tanzania
(Grantee)

1. Project Title Program Development and Support	2. AID Project Number 621-0521
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The above-named parties hereby mutually agree to carry out the Project described in this Agreement in accordance with (1) the terms of this Agreement, including any annexes attached hereto, and (2) any general agreement between the two governments regarding economic or technical cooperation.

3. Amount of AID Grant U.S.\$ 167,000	4. Grantee Contribution to the Project \$ -0-	5. Project Assistance Completion Date 9/30/1990
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6. This Agreement consists of this title page, Annex A, Project Description; Annex B, Illustrative Budget and List of Studies; and Annex C, ProAg Standard Provisions Annex (AID 1330-17D, 5/79)

7. For the United Republic of Tanzania Simon M. Mbilinyi <u><i>Simon M. Mbilinyi</i></u> Signature	8. For the United States of America Frederick J. Guymont <u><i>Frederick J. Guymont</i></u> Signature
Title Principal Secretary Ministry of Finance <u>Aug. 30, 1989</u> Date	Title A.I.D. Acting Director <u>Aug. 30, 1989</u> Date

PROJECT AGREEMENT

Annex A

PROJECT DESCRIPTION

1. Project Title	2. AID Project Number
Program Development and Support	621-0521

3. This Project consists of:

technical and management studies, evaluations, economic and social assessments, in-country seminars and workshops on specific topics related to the Economic and Social Action Program and individual participation in international workshops and seminars. Activities undertaken through funding from this grant will be designed to provide information that is useful to Government or non-Government entities in the planning and designing of economic development interventions.

It is anticipated that a number of studies will be funded under this project. These, as well as the other activities included in this grant, will focus primarily on the major areas of agriculture, transportation, trade, population, selected services, management and training.

In addition to the studies listed in the illustrative budget in Annex B below, these funds may also be used to support evaluation and project design activities and other studies related to the Economic and Social Action Program that may be agreed upon.

4. Special Provisions

a. Nationality Requirements

- (1) Unless otherwise agreed by AID in writing, no commodities will be financed under this Grant.
 - (2) Except with respect to air transportation and ocean shipping, unless otherwise agreed by A.I.D., funds provided under the grant will be used exclusively to finance the cost of services having their nationality in the US, Tanzania, or in countries included in AID Geographic Code 935 (as in effect at the time orders are placed or contracts entered into for such services). Notwithstanding the foregoing, the extent practicable, all procurements of services will be of US nationality. All transportation by air or ocean shipping, financed under the Grant, of property or persons, will be on carriers holding United States certification, to the extent service by such carriers is available.
- b. Unless otherwise agreed by the Parties, all contracting for services required to carry out the activities financed under the Grant will be undertaken by AID.
- c. Additions and/or deletions of approved activities set forth in Annex B shall be mutually agreed upon by the AID Director, USAID/Tanzania and the Minister of Finance, the United Republic of Tanzania.

d. AID Contribution: AID's contribution to the Project is provided for one year only in the amount shown in item 3 of the Title page of the Agreement. Subsequent year grants will be subject to the availability of A.I.D. funds for the purpose of this Agreement as described in paragraph 3, above, of this Annex and to the mutual agreement of the Grantee and A.I.D., at the time of each subsequent grant. Each grant will fully fund the activities to be undertaken under the Project which will begin in the same or subsequent A.I.D. fiscal year.

e. Grantee Contribution:

The Grantee will be expected to make available, for activities funded under the Grant which are undertaken in Tanzania, office space, counterpart personnel, local transportation and per diem of Grantee officials taking part in the studies to be funded by the Grant, wherever relevant.

ANNEX B

BUDGET

Set forth herein is an illustrative summary cost estimate for the activities to be carried out under Project.

Within the limits of the general description of the Project set forth in paragraph 3 of Annex A above, the specific types of activities to be financed and the amount of funds budgeted therefore may be changed by mutual agreement of the Parties by a Project Implementation Letter without formal amendment of this agreement, provided the total budget for the project does not exceed the amount contained in Block 3 of the title page of this Agreement.

PROJECT FINANCIAL PLAN
(US DOLLARS)

Baseline study of rural road rehabilitation areas	50,000
Agriculture and Food Analysis, Transportation, Marketing and Trade Studies.	52,000
Analysis of Population and Family Planning Issues	30,000
Management Studies	15,000
Seminars and Workshops in support of the Economic and Social Action.	<u>20,000</u>
TOTAL	\$167,000

PROJECT AGREEMENT

Annex C

PROAG STANDARD PROVISIONS ANNEX

- A. Reference to 'this Agreement' means the original Project Agreement as modified by any revisions which have entered into effect. Reference to 'cooperating country' means the country or territory of the Grantee.
- B. (1) AID will make available the amount specified in Block 3 of this Agreement, as necessary for the Project, as may be further described in Annex A.
- (2) The Grantee will make available the amount specified in Block 4 of this Agreement, as necessary for the Project, as may further be described in Annex A. The Grantee will also make, or arrange to have made, additional contributions of property, services, facilities and funds required for carrying out the Project as specified in Annex A.
- C. AID and the Grantee may obtain the assistance of other public and private agencies in carrying out their respective obligations under this Agreement. The two parties may agree to accept contributions of property, services, facilities and funds for purposes of this Agreement from other public and private agencies, and may agree upon the participation of any such third party in carrying out activities under this Agreement.
- D. Except as otherwise specified herein or subsequently agreed by the parties, all contributions of the parties pursuant to this Agreement shall be made on or before the Project Assistance Completion Date, or amended date. A contribution of goods or services shall be considered to have been made when the services have been performed and the goods furnished as contemplated in this Agreement. Disbursement of funds may take place after final contributions have been made, but AID shall not be required to disburse funds hereunder after the expiration of nine months following the estimated Project Assistance Completion Date (Block 5 of this Agreement) or any amended Project Assistance Completion Date specified.
- E. The procurement of commodities and services to be financed in whole or in part by AID may (where so required by AID procedures) be undertaken only pursuant to Project Implementation Orders (PIOs) issued by AID.
- F. Unless otherwise specified in the applicable PIO or Project Implementation Letter (PIL), the procurement of commodities imported specifically for the Project and financed with the AID contribution referred to in Block 3 of this Agreement shall be subject to the provisions of AID Regulation 1.

- G. Unless otherwise agreed by the parties or otherwise specified in the applicable PIO, title to all property procured through financing by AID pursuant to Block 3 of this Agreement shall be in the Grantee, or such public or private agency as it may authorize.
- H. (1) Any property furnished to either party through financing by the other party pursuant to this Agreement shall unless otherwise agreed by the party which financed the procurement, be used effectively for the purposes of the Project in accordance with this Agreement, and upon completion of the Project, will be used so as to further the objectives sought in carrying out the Project. Either party shall offer to return to the other, or to reimburse the other for, any property which it obtains through financing by the other party pursuant to this Agreement which is not used in accordance with the preceding sentence.
- (2) Any funds provided to either party pursuant to this Agreement which are not used in accordance with this Agreement, shall be refunded to the party providing the funds.
- (3) Any interest or other earnings on funds provided by AID to the Grantee under this Agreement will be returned to AID by the Grantee.
- I (1) If AID and any public or private organization furnishing commodities through AID financing for operations hereunder in the cooperating country, is under the laws, regulations or administrative procedures of the cooperating country, liable for customs, duties and import taxes on commodities imported into the cooperating country for purposes of carrying out this Agreement, the Grantee will pay such duties and taxes unless exemption is otherwise provided by any applicable international agreement.
- (2) If any personnel (other than citizens and residents of the cooperating country), whether United States Government employees, or employees of public or private organizations under contract with, or individuals under contract with AID, the Grantee or any agency authorized by the Grantee who are present in the cooperating country to provide services which AID has agreed to furnish or finance under this Agreement, are under the laws, regulations or administrative procedures of the cooperative country, liable for income and social security taxes with respect to income which they are obligated to pay income or social security taxes to the Government of the United States of America, for property taxes on personal property intended for their own use, or for the payment of any tariff or duty upon personal or household goods brought into the cooperating country for the personal use of themselves and members of their families (not including such personal or household goods as may be sold by any such personnel in the cooperating country) or if any firm, not normally resident in the cooperating country, is liable for income, receipts, or other taxes on work financed by AID hereunder, the grantee will pay such taxes, tarrif, or duty unless exemption is otherwise provided by any applicable international agreement.

- J. If funds provided by AID are introduced into the cooperating country by AID or any public or private agency for purposes of carrying out obligations of AID hereunder, the Grantee will make such arrangements as may be necessary so that such funds shall be convertible into currency of the cooperating country at the highest rate which, at the time the conversion is made, is not unlawful in the cooperating country.
- K. AID shall expend funds and carry on operations pursuant to this Agreement only in accordance with the applicable laws and regulations of the United States Government.
- L. The two parties shall have the right at any time to observe operations carried out under this Agreement. Either party during the term of the Project and for three years after the completion of the Project shall further have the right (1) to examine any property procured through financing by that party under this Agreement, wherever such property is located, and (2) to inspect and audit any records and accounts with respect to funds provided by, or any properties and contract services procured through financing by, that party under this Agreement, wherever such records may be located and maintained. Each party, in arranging for any disposition of any property procured through financing by the other party under this agreement, shall assure that the rights of examination, inspection and audit described in the preceding sentence are reserved to the party which did the financing.
- M. AID and the Grantee shall each furnish the other with such information as may be needed to determine the nature and scope of operations under this Agreement and to evaluate the effectiveness of such operations.
- N. The present Agreement shall enter into force when signed. Either party may terminate this Agreement by giving the other party thirty (30) days written notice of intention to terminate it. Termination of this Agreement shall terminate any obligations of the two parties to make contributions pursuant to Blocks 3 and 4 of this Agreement, except for payments which they are committed to make pursuant to noncancellable commitments entered into with third parties prior to the termination of the Agreement. It is expressly understood that the obligations under paragraph H relating to the use of property or funds shall remain in force after such termination. In addition, upon such termination AID may, at AID's expense, direct that title to goods financed under the Grant be transferred to AID if the goods are from a source outside the Grantee's country, are in a deliverable state and have not been off loaded in ports of entry of the Grantee's country.
- O. To assist in the implementation of the Project, AID, from time to time, may issue PILs that will furnish additional information about matters stated in this Agreement. The parties may also use jointly agreed-upon PILs to confirm and record their mutual understanding on aspects of the implementation of this Agreement.

P The Grantee agrees, upon request, to execute an assignment to AID of any cause of action which may accrue to the Grantee in connection with or arising out of the contractual performance or breach of performance by a party to a direct U.S. Dollar contract with AID financed in whole or in part out of funds granted by AID under this Agreement.

Clearances:

PRM:MCHjelt M. de Jelt
WID:HMbuya H. Mbuya
CON:RDropik R. E. Dropik
PDP:FGuymont F. Guymont
DIR:JStepanek J. Stepanek

APP : 72-1191014

B.P.C.: GSSA-89-21621-KG63

PROJ. : 621-0521 (PD & S)

FUNDS AVAILABLE

Office of the Controller USAID/TANZANIA

Date; 8/27/89

Authorization

Name of Cooperating Country : United Republic of Tanzania

Name of Project: Program Development and Support

Number of Project: 621-0521

1. Pursuant to Section 103 through 106 of the Foreign Assistance Act of 1961, as amended, and pursuant to Title II of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988, Sub Saharan Africa Development Assistance Account (Development Fund for Africa), I hereby authorize the Program Development and Support Project for Tanzania involving planned obligations of not to exceed U.S.\$167,000 in Grant funds over a one-year period from date of authorization, subject to the availability of funds and in accordance with the A.I.D. OYB/Allotment process. The funds will finance foreign exchange and related local currency costs under the Grant. The planned life of the Grant is twelve months from the date of obligation.
2. In support of the Tanzanian Economic and Social Action Program, the Grant will finance technical as well as management studies, evaluations and economic and social assessments. Funds from this grant may also be used to conduct in-country seminars and workshops on specific topics relevant to the Economic and Social Action Program and send participants to workshops and seminars outside Tanzania.
3. The Grant Agreement, which may be negotiated and executed by the officer to whom such authority is delegated in accordance with A.I.D. regulations and Delegations of Authority, shall be subject to the following terms, covenants and conditions.
4. Source and Origin of Commodities Nationality of Services

Suppliers of services financed by A.I.D. under the Project shall have their place of nationality in the United States, in the Cooperating Country, or in other countries included in Code 935, except as A.I.D. may otherwise agree in writing and except with respect to air travel and transportation and ocean shipping. Commodities financed by AID under the Project shall have their source and origin in the United States, the cooperating country or other countries included in Code 935, except as AID may otherwise agree in writing. Notwithstanding the foregoing, to the extent practicable, all procurements of goods or services shall be of U.S. source, origin, or nationality.

Air travel and transportation, and ocean shipping sources, financed by AID under the Project shall, except as AID may otherwise agree in writing, be on U.S. flag carriers.

Signature *Don J. Bennett*
Acting Director

Date Aug. 28, 1989

Concurrence:

S. Shah (letter of August 4, 1989)
Director, REDSO/ESA

UNITED STATES OF AMERICA

AGENCY FOR INTERNATIONAL DEVELOPMENT

REGIONAL ECONOMIC DEVELOPMENT SERVICES OFFICE
FOR EAST AND SOUTHERN AFRICA (REDSO/ESA)

United States Postal Address

USAID
BOX 221
APO NEW YORK 09624

International Postal Address

PROSEKUTORSKIJ USTAN
NASPROMETENIJA

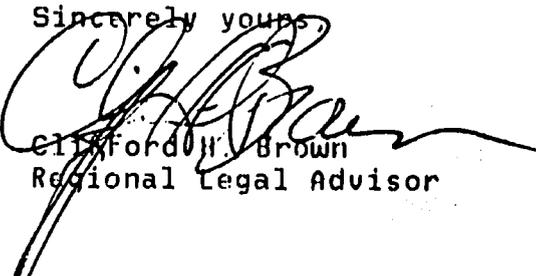
August 4, 1989

Christine Hjelt
Program Officer
USAID/Dar es Salaam
c/o U.S. Embassy
DAR ES SALAAM, Tanzania

Dear Chris:

Enclosed is the PD&S LSGA, which has REDSO and RLA clearance subject to the minor changes noted. Please call if you have any questions.

Sincerely yours,



Clifford H. Brown
Regional Legal Advisor

Clearance:

Satish. P. Shah
REDSO/ESA

Encls. a/s.

CHB: kew: 08/04/89
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