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Agence des Etats-Unis
pour le Développement International
Agency for International Development
Kinshasa

PDBCD 742



USAID Zaire
APO New York 09662-0006

September 4, 1991

Ms. Maria Diamanti
Representative
UNICEF
Kinshasa, Zaire

Subject: Grant No. 660-0421-G-00-1421

Project No. 660-0421-G-00-1421

Dear Ms. Diamanti:

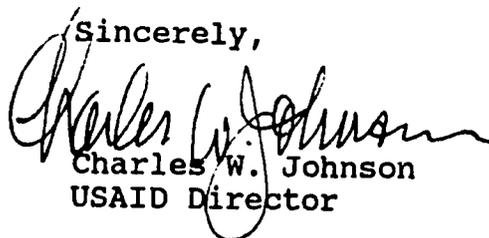
Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "A.I.D.") hereby grants to the United Nations Children's Fund (hereinafter referred to as the "Grantee"), the sum of \$2,154,000 which will be used to reinforce the existing child survival and health program, as described in the Schedule of this grant and in Attachment 2, entitled "Program Description."

This grant is effective and obligation is made as of the date of this letter and shall apply to expenditures made by the Grantee in the furtherance of program objectives during the period beginning September 4, 1991 and ending September 30, 1993.

This grant is made to the Grantee on condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachment 1 (the Schedule); Attachment 2 (the Program Description); Attachment 3 (the Standard Provisions); all of which have been reviewed by your organization; and Attachment 4 (A.I.D. Policy Guidance on Criteria for Payment of Salary Supplements for Host Government Employees).

Please sign the original and all enclosed copies of this letter to acknowledge your receipt of the grant, and return the original and all but one copy to me.

Sincerely,


Charles W. Johnson
USAID Director

Attachments:

1. Schedule
2. Program Description
3. Standard Provisions
4. Policy Guidance - Salary Supplements

ACKNOWLEDGED:

BY: *CC [Signature]*
TITLE: *UNICEF Representative in Zaire*
DATE: *5 September 1991*

FISCAL DATA

The following PIO/Ts have been summed to earmark funds for the grant:

<u>PIO/T number</u>	<u>Amount</u>	<u>Budget Plan Code</u>	<u>Appropriation</u>
698-0421-3-60214	\$ 65,081	GDAX-86-21660-FG13	72-11X1021
698-0421-3-70186	2,143	GDCA-87-21660-KG12	72-11M1021
698-0421-3-70189	400	GDHA-87-21660-KG12	75-11M1021
698-0421-3-80145	44,227	GSSA-88-21660-KG12	72-11M1014
698-0421-3-00156	973,103	CSSA-90-21660-KG12	72-1101014
698-0421-3-10028	1,069,046	GSSI-91-21660-KG12	72-111/21014

Project No. : 698-0421.60/
Total Estimated Amount: \$2,154,000
Total Obligated Amount: \$2,154,000 *Sum*
Paid by : Letter of Credit Number 72001471

SCHEDULE**A. Purpose of Grant**

The purpose of this Grant is to reinforce the existing child survival and health program in Zaire, as more specifically described in Attachment 2 (the Program Description) of this Grant.

B. Period of Grant

1. The effective date of this Grant is September 4, 1991. The expiration date of this grant is September 30, 1993.

2. Funds obligated hereunder are available for program expenditures for the estimated period from September 4, 1991 to September 30, 1993 as shown in the Grant Budget below.

C. Amount of Grant and Payment

1. The total estimated amount of this Grant for the period shown in B.1 above is \$2,154,000.

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

D. Grant Budget

The following is the Grant Budget. Revisions to this Budget shall be made in accordance with the Standard Provision of this Grant entitled "Revision of Grant Budget."

Total Estimated: \$2,154,000

From: September 4, 1991

To: September 30, 1993

<u>Item</u>	<u>US dollars</u>
Vaccines	1,508,000
Cold chain and vaccination equipment	324,000
Technical assistance	160,000
Training	40,000
Subtotal	<u>2,032,000</u>
Overhead cost @ 6%	<u>122,000</u>
Total	<u>\$2,154,000</u>

E. Special Provisions

1. United States law prohibits the direct or indirect transfer of funds to any Government of Zaire institution. This does not affect purchase of materials and services provided for or rendered to any GOZ entity. Grant funds may not be used to pay for salaries or salary supplements of government employees. Per diem will not be paid except in accordance with the A.I.D. Policy Guidance on Criteria for Payment of Salary Supplements for Host Government Employees, dated 26 April 1988 (Attachment 4). The Grantee will consult with A.I.D. in advance of initiating any payments of per diems in order to ensure compliance with this policy.

2. The following sections of the English version of the Standard Provisions for Grants to Public International Organizations do not apply:

10. Publications
11. Audit and Records (Standard)
Audit and Records (A.I.D. Sole Contributor)
12. Payment (Periodic Advances)
Payment (Cost Reimbursement)

3. The Grantee's current overhead rate is 6 percent on direct project costs. The overhead rate is subject to change and/or updating as appropriate.

PROGRAM DESCRIPTION

Introduction

Given USAID's and UNICEF's mutual interest in supporting child survival and health activities with the Programme Elargi de Vaccination et de Lutte Contre les Maladies Transmissibles de l'Enfance (PEV-LMTE), USAID will provide a grant of US \$2,154,000 to UNICEF. Grant funds will be used to purchase vaccines, cold chain and vaccination equipment, fund training for health care workers and project personnel, and provide for logistical support which will ensure the rapid and safe delivery of project equipment and supplies.

Program objectives

The program has four objectives:

- 1) To continue to ensure supply of vaccines for the 1992 immunization program and to vaccinate 60% of the children under 12 months (or 960,000 children);
- 2) To obtain vaccination materials and cold chain equipment required by health institutions throughout Zaire which are needed in 1992 and 1993.
- 3) To insure the delivery of project commodities to health centers and hospitals via health zone offices;
- 4) To reinforce existing training programs which will provide health care workers and PEV personnel with additional skills needed to effectively administer a nation-wide child survival program.

Project Time Frame

The program activities will begin on the date the grant letter is signed and will terminate September 30, 1993.

Background

The national vaccination program administered by PEV-LMTE (hereafter referred to as PEV) has been faced with a number of serious administrative and financial difficulties over the past several years which have hampered the procurement and delivery of project commodities. Consequently, vaccines and related materials must be quickly procured and transported to health facilities via PEV regional offices. To expedite the purchase and delivery of vaccines to the PEV regional offices, the major donors to PEV, UNICEF and USAID, have decided to play a more active role than in the past to ensure the success of the vaccination program. This

effort includes the procurement of project commodities, dispatch of donor-financed personnel to assure their arrival at the final destination in the health zones, and training project personnel. Training will focus on logistical and technical topics which are considered necessary to the success of the project.

Procurement of Commodities

UNICEF will procure vaccines and vaccination and cold chain equipment and materials from UNIPAC, the commodities procurement arm of UNICEF. A list of vaccines and commodities to be purchased with grant funds is provided in annex A and B, respectively. These lists have been formulated by UNICEF and USAID working with PEV personnel and represent the vaccination program needs for 1992 and 1993. Other project needs such as solar-powered refrigerators will be procured by USAID following normal procurement practices. A complete list of project material and equipment needs, to be provided by all of the donors, is given in annex C.

Technical Assistance

The recent performance of PEV in managing vaccine distribution and surveillance of the cold chain has been disappointing. Rather than placing total reliance on PEV or other GOZ institutions to ensure delivery of project materials, UNICEF and USAID have opted for contracting for technical assistance who will have responsibility for ensuring that items procured in this grant as well as other UNICEF and USAID commodities purchased for the vaccination program, reach their intended destinations. The technical advisor will have the following responsibilities:

- 1) Track the arrival of project commodities into the country.
- 2) Obtain the necessary documentation to release project commodities from ports of entry.
- 3) Contract with transportation companies and if necessary personally accompany project commodities to ensure safe arrival at PEV regional offices.
- 4) Ensure that project commodities are safely and properly stored and documented in inventory records.
- 5) Improve the system of tracking and documenting project commodities at each PEV regional office and at the national office to ensure adequate controls at all entry and exit points.
- 6) Train logistics personnel in the use of inventory controls.
- 7) Perform end-use and inventory checks and complete reports as required by USAID and UNICEF.

Training

Topics for training will include the maintenance of the cold chain equipment, epidemiological and survey techniques, project management and small project planning. These training are intended for personnel from PEV, the health zones and other health institutions. The training may be conducted by private individuals, NGOs, or the Training Division of PEV. If GOZ employees are used to conduct the trainings, per diem and transportation may not be paid except in accordance with the guidance provided in Attachment 4. Base salaries for GOZ employees may not be paid.

Grant Budget

ITEM	COST (FY91 - Sept. 93)
TECHNICAL ASSISTANCE	
Logistics Coordinator	\$160,000
COMMODITIES	
Vaccines	\$1,508,000
Equipment	\$324,000
TRAINING	\$40,000
OVERHEAD, @6%	\$122,000
TOTAL	\$2,154,000

A detailed list of vaccines and other supplies to be purchased is provided in annexes A and B.

Implementation Plan

Timing - UNICEF will purchase the needs for the 1992 vaccination program as soon as possible and will purchase the 1993 vaccination program needs as required.

Changes to the procurement plan - UNICEF will procure the items listed in Annex B. It will only be necessary for UNICEF and USAID to discuss any modifications to the intended procurement.

Payment - USAID will arrange for a Letter of Credit through the Treasury Financial Communication System. UNICEF will provide to USAID Zaire within one month after the signing of the attached grant letter, their funding requirements in order to carry out the procurement as described above. As per AID Handbook 1B, Chapter 15C, Section 1 (d) 1., cash drawdowns from the grant-financed

account should not be made more frequently than daily or for amounts less than \$5,000. Advance deposits into UNICEF accounts via the LOC should equal or exceed \$120,000 per year. UNICEF must minimize the time elapsed between the transfer of funds and their disbursement.

Contracting for logistics coordinator - UNICEF will be responsible for advertising for the position, performing the contract negotiations and providing the necessary legal documentation. The job description will be reviewed by USAID prior to advertisement. Due to Congressional restrictions, this position is specifically restricted to persons who are not under the employ of the Government of Zaire.

Training - UNICEF will provide to USAID at least three months before the anticipated training date, a training outline, budget and the number of participants. Training funds may not be used to pay salaries for GOZ employees.

ESTIMATED VACCINE REQUIREMENTS FOR PEV FOR THE PERIOD 1991-1993

TO ORDER IN 1991 for 1992

ANTIGEN	UNITS (000)	# DOSES\ UNIT	UNIT COST \$	TOTAL COST \$	COMMENT
BCG	0	-		-	BY 12/92 EXPECT A SURPLUS* OF 731,00
DPT	1,815	20	0.90	\$81,675.00	
TET	0	-		-	SURPLUS*
MEAS EZ	400	5	2.50	\$200,000.00	**
MEAS SCHWA	1,050	10	1.35	\$141,750.00	? ON 1.2 M IN 91
'91 TOTAL				\$423,425.00	PLACE IN '91
S & H @30%				\$127,027.50	
'91 DELIVERED COST				\$550,452.50	

TO ORDER IN 1992 for 1993

ANTIGEN	UNITS (000)	# DOSES\ UNIT	UNIT COST \$	TOTAL COST	COMMENT
BCG	1,555	20	1.20	\$93,300.00	-SURPLUS?
DPT	3,500	20	0.90	\$157,500.00	
TET	2,435	20	0.55	\$66,962.50	1/2 EXP IN 93
MEAS. EZ	400	5	2.50	\$200,000.00	**
MEA SCHWAR	1,360	10	1.35	\$183,600.00	? AVAILABLE
'92 TOTAL	-			\$701,362.50	
S & H @30%				\$210,408.75	
92 DELIVERED COST				\$911,771.25	
Inflation @ 5%				\$45,588.56	
GRAND TOTAL				\$1,507,812.31	Rounded to \$1,508,000

NOTES: S&H: Shipping and handling estimated at 30% (air ship).

Vaccine costs - based on current UNIPAC estimates

*: DANGER OF EXPIRATION

** : AFTER CLEARANCE FROM EPI UNICEF

ANNEX B

MATERIEL ET EQUIPEMENT	DESCRIPTION	QTE	PRIX UNITAIRE	COUT
Congelateurs	296 litre 11-216-10	28	1,850	\$51,800
Ice pack freezer	11 litre TCW 1990	28	810	\$22,680
Kit entr. frigo (petit)	Kit 11 520 00	20	32	\$640
	Kit entr. compresseur	10	2,000	\$20,000
Sterilisateur	Prestige 01 571 00	260	100	\$26,000
	Prestige 01 571 10	340	80	\$27,200
Pièces pour sterilisateur	Valves 01 571 13	1,300	3	\$3,900
	Gaskets 01 571 15	400	2	\$800
	Valves 01 571 16	1,300	2	\$2,600
	Handles 01 571-17	400	2	\$800
	Timers	400	3	\$1,200
Boites isotherms	2.8 L 11 850 05	1,500	22	\$33,000
	22 L 11 850 51	370	280	\$103,600
Bidon glace	UNIPAC 11 850 54	30	11	\$330
	UNIPAC 11 850 75	100	15	\$1,500
Thermomètres	Mod. 475 UNIPAC	800	3	\$2,400
Pièces de rechange, frigo.	Une gamme des pièces			\$25,000
Total				\$323,450

Annexe C

ITEM	DESCRIPTION (UNICEF Codes)	QTE	PRIX	COUT	FINANCIER	BESOIN CONNU	SPECIFICATIONS
Congelateurs:							
1	296 ltr 11-216-10	28	1850	\$51,800	USAID*B		Antennes & Dep.relais
2	Lg. Congelateurs	66	535	\$35,310	PASS		
3	Congelateurs en depot	0			UNICEF		
	Sous-total	94		\$87,110	All donors	28	
Congélateur pour briquette	PIS E3/62	28	810	\$22,680	USAID*B		
Solar Frigos:							
1	Solar FNMA 75	100	4300	\$430,000	USAID*A		std on FNMA/US Model
2	Solar FNMA 75	60	4300	\$258,000	SANRU		std on FNMA
	Sous-total	160		\$688,000	All donors	120	
Lg. Frigos:							
1	Frigo petrol 220ltr	124	550	\$68,200	UNICEF		Petrol/elect.
2	Lg. frigos 220 L PEV	66	535	\$35,310	PASS		ZS?
3	Lg. Frigos pet. 220ltr	80					
	Sous-total	270		\$103,510	All donors	180	ZS(152) Ant(24) PC(4)
Sm Frigos:							
1	50 L Frigo elec/ker	142	550	\$78,100	UNICEF		Pour les ZS
2	Sm. frigos PEV	180	325	\$58,500	PASS		
3	Sm. frigos		550	\$0	ECZ		ZSR() Ant() HC()
	Sous-total	322		\$136,600	All donors	536	ZSR(124 Unicef; PEV 412)

Donor coordination on PEV

ITEM	DESCRIPTION (UNICEF Codes)	QTE	PRIX	COUT	FINANCIER	BESOIN CONNU	SPECIFICATIONS
Kit Entr. Frigos:							
1	Kit 11 520 00	20	32	\$640	USAID*B	50	
2	Kit entr. compresseur	10	2000	\$20,000	USAID*B		
	Sous-total	30		\$20,640			
Motos							
	Honda XL125R	220	2000	\$440,000	USAID*A	456	Deja en depot a Kinshasa En distribution en mars-avril
	Honda XL125R	100	2000	\$200,000	SANRU		
	Motos	100	2700	\$270,000	PASS		
	Motos	134	2500	\$335,000	UNICEF		140 - 6 for sub-reg off
	Motos Honda XL125R	133	2500	\$332,500	ROTARY		
	Sous-total	554		\$1,577,500	All donors		ZS(200) Ant(7) DR(9)
Velos							
	Velos - Cyclor	0	215	\$0	USAID*A	2500	produit Zaire
	Bicyclettes	1500	215	\$322,500	PASS		
	Velos- cycles	1200	215	\$258,000	SANRU		produit Zaire
	Velos homme	484	215	\$104,060	UNICEF		
	Velos	384	215	\$82,560	ROTARY		
	Sous-total	3184		\$684,560	All donors		ZS(840) Ant(22) DR(7)
Kerosn htrs	Rechaud à petrol	90	25	\$2,250	UNICEF	100	ZS
Sterilisateur							
	Pres/seringues-Aiguilles						
1	Prestige 01 571 00	260	100	\$26,000	USAID*B	1200	Double set
2	Prestige 01 571 10	340	80	\$27,200	USAID*B		Single set
3	Sterilis.PEV	618	40	\$24,720	PASS		
4	Sterilis. UNICEF	203	90	\$18,270	UNICEF		Double/single set
	Sous-total	1421		\$96,190			ZS(1039) Ant(0)

Donor coordination on PEV

ITEM	DESCRIPTION (UNICEF Codes)	QTE	PRIX	COÛT	FINANCIER	BESOIN CONNU	SPECIFICATIONS
Pieces							
	Pour les stérilisateurs						
1	Valves 01 571 13	1300	3	\$3,900	USAID*B	1300	Unicef ctlg
2	Gasket 01 571 15	400	2	\$800	USAID*B	400	estimation
3	Valves 01 571 16	1300	2	\$2,600	USAID*B	1300	"
4	Handles 01 571-17	400	2	\$800	USAID*B	400	"
5	Timers 7510	400		\$0	USAID*B	1200	"
	Sous-total			\$8,100			
Boites isoth:							
1	2.8L 11 850 05	1500	22	\$33,000	USAID*B	1300	ZSR
2	22L 11 850 51	370	280	\$103,600	USAID*B	250	ZSR
3	Lg Box isoth.	126	55	\$6,930	PASS	126	
4	Sm Box isoth.	618	15	\$9,270	PASS	618	
5	22L Glacieres	33	280	\$9,240	UNICEF		
	Sous-total			\$162,040			
Bidon-glace							
	UNIPAC 11 850 54	30	11	\$330	USAID*B		ZSR
	UNIPAC 11 850 75	100	15	\$1,500	USAID*B		ZSR
	Sous-total			\$1,830			

Donor coordination on PEV

ITEM	DESCRIPTION (UNICEF Codes)	QTE	PRIX	COUT	FINANCIER	BESOIN CONNU	SPECIFICATIONS
Thermometers	Mod. 475 UNIPAC	800	3	\$2,400	USAID*B		
	Mod. UNIPAC	280	3	\$840	UNICEF		
	Sous-total	1080		\$3,240			
Hors-bord	40 CV Mercury	18	1500	\$27,000	USAID*A		
	15 CV Johnson	20	1500	\$30,000	SANRU		
	Sous-total	38		\$57,000	All donors	41	7SD 22 Liste?
Radio-phonie	liste a parte						
Calculatrice	liste a parte (PEV)						
				\$3,651,250	← TOTAL		

NOTES:

N.B.

- *USAID A = Achat direct d'USAID par le canal du PEV
- *USAID B = Don d'USAID a UNICEF
- *PASS = Program d'Adjustment Sector Sociau de la Banque Mondiale
- * Besoins sont elabores en tenant compte de commande d'UNICEF
- * Besoins sont elabores sans tenant compte d'approvisionnement venant de SANRU

Donor coordination on PEV

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APPENDIX 5C

STANDARD PROVISIONS FOR
GRANTS TO PUBLIC INTERNATIONAL ORGANIZATIONS

- | | |
|----------------------------------|--|
| 1. Allowable Costs | 10. Publications |
| 2. Refunds | 11. Audit and Records (Select and include only the applicable version as specified in the applicability statement of the provision.) |
| 3. Revision of Grant Budget | 12. Payment (Select and include only the applicable version as specified in the applicability statement of the provision.) |
| 4. Termination Procedures | |
| 5. Disputes | |
| 6. U.S. Officials Not to Benefit | |
| 7. Nonliability | |
| 8. Amendment | |
| 9. Notices | |

1. ALLOWABLE COSTS (JULY 1988)

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

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

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

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

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

2. REFUNDS (JULY 1988)

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

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

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

3. REVISION OF GRANT BUDGET (JULY 1988)

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

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

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

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

4. TERMINATION PROCEDURES (JULY 1988)

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

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5. DISPUTES (JULY 1988)

(a) Any dispute under this grant shall be decided by the A.I.D. grant officer. The grant officer shall furnish the grantee a written copy of the decision.

(b) Decisions of the A.I.D. grant officer shall be final unless, within 30 days of receipt of the decision of the grant officer, the grantee appeals the decision to the Administrator of A.I.D. Any appeal made under this provision shall be in writing and addressed to the Administrator, Agency for International Development, Washington, D.C. 20523. A copy of the appeal shall be concurrently furnished to the grant officer.

(c) In connection with any appeal proceeding under this provision, the grantee shall be given an opportunity to be heard and to offer evidence in support of its appeal.

(d) A decision under this provision by the Administrator or an authorized representative shall be the final decision of A.I.D.

6. U.S OFFICIALS NOT TO BENEFIT (JULY 1988)

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

7. NONLIABILITY (JULY 1988)

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

8. AMENDMENT (JULY 1988)

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

9. NOTICES (JULY 1988)

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

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

To grantee, at grantee's address shown in the grant or to such other address designated within the grant.

Notices shall be effective when delivered in accordance with this provision, or on the effective date of the notice, whichever is later.

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10. PUBLICATIONS (JULY 1988)

(This provision is applicable when publications are financed under the grant.)

(a) If it is the grantee's intention to identify A.I.D.'s contribution to any publication resulting from this grant, the grantee shall consult with A.I.D. on the nature of the acknowledgement prior to publication.

(b) The grantee shall provide the A.I.D. project officer with one copy of all published works developed under this grant and with lists of other written work produced under the grant.

(c) Except as otherwise provided in the terms and conditions of the grant, the author or the recipient is free to copyright any books, publications, or other copyrightable materials developed in the course of or under this grant, but A.I.D. reserves a royalty-free nonexclusive and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use the work for U.S. Government purposes.

11. AUDIT AND RECORDS (STANDARD) (JULY 1988)

(This provision is applicable when A.I.D. is not the sole contributor to the grant program.)

The grantee shall maintain books, records, documents, and other evidence in accordance with the grantee's usual accounting procedures to sufficiently substantiate charges to the grant. The Grantee confirms that this program will be subject to an independent audit in accordance with the Grantee's usual auditing procedure, and agree to furnish copies of these audit reports to A.I.D. along with such other related information as may be requested by A.I.D. with respect to questions arising from the audit report.

11. AUDIT AND RECORDS (A.I.D. SOLE CONTRIBUTOR) (JULY 1988)

(This provision is applicable when A.I.D. is the sole contributor to the grant program.)

The grantee shall maintain books, records, documents, and other evidence in accordance with the grantee's usual accounting procedures to sufficiently substantiate charges to the grant. The Grantee agrees to make available to A.I.D. or the Comptroller General of the United States all records and documents which support expenditures made under this program.

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11. Audit and Records (U.N. Grants) (July 1988)

(This provision is applicable to grants to the United Nations when A.I.D. is not sole contributor. When this provision is used the "Reporting and Evaluation" clause in the grant schedule should be deleted.)

It is agreed that the grantee will furnish the U.S. government with a final report on activities carried out under this grant, including accounting for these funds in sufficient detail to enable A.I.D. to liquidate the grant. The report should be submitted to the U.S. Mission to the U.N. in New York for forwarding to the A.I.D. program office.

It is understood that financial records, including documentation to support entries on accounting records and to substantiate charges against the grant, shall be maintained in accordance with the Grantee's usual accounting procedures, which shall follow generally accepted accounting practices. All such financial records shall be maintained for at least three years after the final disbursement of funds under this grant.

The Grantee confirms that the grant account will be audited in accordance with established procedures under appropriate provisions of the financial regulations and rules of the United Nations.

Any funds disbursed by A.I.D., but not committed by the Grantee prior to the expiration date shall be refunded to A.I.D. Funds not used for the purpose of this Grant shall be refunded to A.I.D. by the Grantee.

12. PAYMENT (PERIODIC ADVANCES) (JULY 1988)

(This provision is applicable when the conditions for use of a letter of credit cannot be met and when: (i) the grantee maintains procedures that minimize the time elapsing between the transfer of funds and the disbursement thereof, and (ii) the grantee's financial management system meets generally accepted accounting standards for fund control and accountability.)

(a) Periodic advances shall be limited to the minimum amounts needed to meet current disbursement needs and shall be scheduled so that the funds are available to the grantee as close as is administratively feasible to the actual disbursements by the grantee for program costs. Cash advances made by the grantee to secondary recipient organizations or the grantee's field organizations shall conform substantially to the same standards of timing and amount as apply to cash advances by A.I.D. to the grantee.

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(b) Grantees shall submit requests for advances (SF-270) at least monthly to the paying office specified in the grant letter. Requests for advances shall state the estimated disbursements to be made during the period covered by the request, less the estimated balance of cash on hand at the beginning of the period and the advance amount being requested. Within 90 days following the expiration of the grant, the grantee will submit a report (SF-269) showing total disbursements, total advances received and any cash remaining on hand, which will be refunded to A.I.D.

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

12. PAYMENT (COST-REIMBURSEMENT) (JULY 1988)

(This provision is applicable when the grantee does not meet the standards for a letter of credit or for periodic advances)

The grantee shall submit to the paying office indicated in the grant letter an original and 3 copies of SF 1034, "Public Voucher for Purchases and Services Other Than Personal" and SF 1034A, Continuation of SF 1034, normally once a month, but in any event no less than quarterly. Each voucher shall be identified by the grant number and shall state the total costs for which reimbursement is being requested.

12. PAYMENT (LETTER OF CREDIT) (JULY 1988)

(This provision is applicable when a Letter of Credit is requested by the grantee and approved by A.I.D.'s Office of Financial Management.)

(a) Payment under this grant shall be by means of a Letter of Credit (LOC) in accordance with the terms and conditions of the LOC and any instructions issued by the A.I.D. Office of Financial Management, Program Accounting and Finance Division (M/FM/PAFD).

(b) As long as the LOC is in effect, the terms and conditions of the LOC and any instructions issued by M/FM/PAFD constitute the payment conditions of this grant superseding and taking precedence over any other clause of this grant concerning payment.

(c) If the LOC is revoked, payment may be made on a cost-reimbursement basis, in accordance with paragraph (e) of this clause.

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(d) Revocation of the LOC is at the discretion of M/FM/PAFD after consultation with the grant officer. Notification to the recipient of revocation must be in writing and must specify the reasons for such action. The recipient may appeal any such revocation to the grant officer, in accordance with the Disputes clause of this grant. Pending final decision, payments under the contract will be in accordance with paragraph (e) of this clause

(e) If the LOC is revoked, the grantee shall submit to the A.I.D. Controller an original and 3 copies of SF 1034, "Public Voucher for Purchases and Services Other Than Personal" and SF 1034A, Continuation of SF 1034, normally once a month, but in any event no less than quarterly. Each voucher shall be identified by the grant number and shall state the total costs for which reimbursement is being requested.

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POLICY GUIDANCE ON CRITERIA FOR PAYMENT OF
SALARY SUPPLEMENTS FOR HOST GOVERNMENT EMPLOYEES

1. THIS CABLE CLARIFIES AND SUPERCEDES AGENCY POLICY GUIDANCE ON PAYMENT OF SALARY SUPPLEMENTS TO HOST GOVERNMENT [HG] EMPLOYEES CONTAINED IN REF [A]. AID/W HAS REVIEWED FIELD RESPONSES TO THE QUESTIONNAIRE ON SALARY SUPPLEMENTS CONTAINED IN REF [B] AND FOUND THESE RESPONSES HELPFUL IN IDENTIFYING NECESSARY CHANGES AND CLARIFICATIONS. MUCH OF THIS GUIDANCE IS IDENTICAL TO THE GUIDANCE CONTAINED IN REF [A]; HOWEVER, THE PARAGRAPHS BELOW DO PROVIDE NEW DEFINITIONS AND EXPLANATIONS OF THE COVERAGE OF THIS POLICY AS WELL AS ADDITIONAL REQUIREMENTS FOR DOCUMENTATION OF SALARY SUPPLEMENTS PAID BY A.I.D.
2. THE ISSUE OF SALARY SUPPLEMENTS REMAINS SENSITIVE AND A MATTER OF BOTH CONGRESSIONAL AND AGENCY CONCERN. IT IS A.I.D. POLICY THAT SALARY SUPPLEMENTS SHOULD BE CONSIDERED AN EXCEPTION TO NORMAL A.I.D. PRACTICE REQUIRING EXCEPTIONAL JUSTIFICATION.
3. DEFINITIONS:
 - A. A HG EMPLOYEE COVERED UNDER THIS GUIDANCE IS AN EMPLOYEE PAID BY THE HG, OCCUPYING AN ESTABLISHED POSITION, EITHER TEMPORARY OR PERMANENT, PART-TIME OR FULL-TIME, WITHIN A HG INSTITUTION. A HG INSTITUTION IS AN ORGANIZATION IN WHICH THE GOVERNMENT OWNS AT LEAST A FIFTY PERCENT SHARE OR RECEIVES AT LEAST FIFTY PERCENT OF ITS FINANCIAL SUPPORT FROM THE GOVERNMENT.
 - B. SALARY SUPPLEMENTATION OCCURS WHEN PAYMENTS ARE MADE THAT AUGMENT AN EMPLOYEE'S BASE SALARY OR PREMIUMS, OVERTIME, EXTRA PAYMENTS, INCENTIVE PAYMENT AND ALLOWANCES FOR WHICH THE HG EMPLOYEE WOULD QUALIFY UNDER HG RULES OR PRACTICE FOR THE PERFORMANCE OF HIS REGULAR DUTIES OR FOR WORK PERFORMED DURING HIS REGULAR OFFICE HOURS. PAYMENT, IN FULL OR PART, OF HG BASE SALARIES AND OTHER ENUMERATED PAYMENTS AT HG RATES WOULD BE SUBJECT TO THE AGENCY'S GUIDANCE ON RECURRENT COST [SEE HANDBOOK-1, PART III.A2]. WHERE THE MISSION PAYS THE SALARY AND ALLOWANCES OF HG OFFICIALS AT THE HG RATE, IT IS NOT CONSIDERED A SALARY SUPPLEMENT BUT RATHER RECURRENT COST.

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C. THE FOLLOWING ARE NOT CONSIDERED TO BE SALARY SUPPLEMENTS: PER DIEM; INVITATIONAL TRAVEL; HONORARIA AND PAYMENT FOR WORK CARRIED OUT OUTSIDE OF NORMAL WORKING HOURS. THE RULES GOVERNING THESE TYPES OF PAYMENTS ARE SUMMARIZED IN PARAGRAPH 5 BELOW.

4. RULES ON SALARY SUPPLEMENTS:

A. A.I.D. DISCOURAGES SALARY SUPPLEMENTS EXCEPT IN VERY SPECIAL CIRCUMSTANCES. HENCEFORTH, MISSIONS MUST SUBMIT ANY NEW PROPOSALS FOR SALARY SUPPLEMENTATION TO A.I.D. WASHINGTON FOR APPROVAL BY THE APPROPRIATE ASSISTANT ADMINISTRATOR.

B. A.I.D. NORMALLY EXPECTS THAT THE HG WILL FINANCE ANY NECESSARY SUPPLEMENTS TO COMPENSATION FOR ITS REGULAR EMPLOYEES WHEN THEY ARE ASSIGNED TO A.I.D.-FINANCED PROJECTS. THERE ARE INSTANCES, HOWEVER, WHERE AS A LAST RESORT A.I.D. FINANCING OF SUPPLEMENTS TO LOW HOST COUNTRY SALARIES MAY BE DEEMED ESSENTIAL TO THE ACHIEVEMENT OF HG AND A.I.D. JOINT PROGRAM OBJECTIVES. SUCH SUPPLEMENTS TYPICALLY TAKE THE FORM OF PREMIUMS FOR RELOCATION TO REMOTE PROJECT SITES, INCENTIVES, AND BONUSES NECESSARY TO ATTRACT HIGHLY TRAINED TECHNICAL SPECIALISTS TO DEVOTE THEIR EXPERTISE TO THE PLANNING OR IMPLEMENTATION OF DEVELOPMENT PROJECTS.

C. A.I.D. PROJECT FUNDS MAY BE USED FOR THESE PURPOSES ONLY IF THE FOLLOWING CRITERIA ARE MET:

- THE PAYMENTS ARE PERMITTED UNDER HOST COUNTRY LAW AND REGULATIONS.
- THE COOPERATING ENTITY HAS DEMONSTRATED THAT IT CANNOT MAKE THESE PAYMENTS FROM ITS OWN RESOURCES FOR VALID REASONS SUCH AS THE INABILITY OF THE ENTITY TO PROVIDE THE FINANCING WITHIN THE TIME REQUIRED TO MEET THE NEEDS OF THE ACTIVITY.
- THE SUPPLEMENTS ARE JUDGED ESSENTIAL TO THE ACHIEVEMENT OF PROJECT OR PROGRAM OBJECTIVES.
- EMPLOYEES DO NOT RECEIVE DUPLICATE PAYMENTS BY RECEIVING SUPPLEMENTS FROM ANOTHER SOURCE FOR THE SAME ACTIVITY.

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THE RATES AND FEES PAID ARE IN ACCORDANCE WITH LOCAL STANDARDS AND ARE LIMITED TO AMOUNTS REASONABLE IN RELATION TO AN EMPLOYEE'S PAY AND, FOR CONTINUING PROGRAMS, IN AMOUNTS WHICH THE HOST COUNTRY ENTITY COULD BE EXPECTED TO MEET FROM ITS OWN RESOURCES WITHIN A REASONABLE TIME.

THE PROPOSED RECIPIENTS WOULD BE CARRYING OUT TECHNICAL, MANAGERIAL OR ADMINISTRATIVE SUPPORT RATHER THAN BROAD POLICY FUNCTIONS.

A MECHANISM EXISTS FOR PROVIDING THE SUPPLEMENTS WHICH PREVENTS POTENTIAL ABUSE IN THE DETERMINATION OF RECIPIENTS AND AMOUNTS TO BE PROVIDED; ENSURES FINANCIAL INTEGRITY IN THE PAYMENT SYSTEM; AND ESTABLISHES ADEQUATE MONITORING AND REPORTING.

D. IF THE ABOVE CRITERIA ARE MET, JUSTIFICATION FOR THE PROPOSED SUPPLEMENTS AND A MECHANISM FOR PROVIDING THE SUPPLEMENTS MUST BE SET FORTH EXPLICITLY IN AND APPROVED AS PART OF THE ACTIVITY DOCUMENTATION AND/OR AUTHORIZATION AND DESCRIBED IN THE RELEVANT AGREEMENT. WHEN SALARY SUPPLEMENTS ARE LIKELY TO BE INCLUDED IN A PROPOSED A.I.D. PROJECT OR PROGRAM, THIS SHOULD BE CLEARLY INDICATED IN THE PROJECT IDENTIFICATION DOCUMENT [PID], OR OTHER RELEVANT DOCUMENT. THIS JUSTIFICATION AND A DESCRIPTION OF THE MECHANISM FOR PROVIDING THE SALARY SUPPLEMENTATION MUST BE REVIEWED BY THE APPROPRIATE ASSISTANT ADMINISTRATOR. DOCUMENTATION OF THE LEGALITY OF SUCH PAYMENTS UNDER HOST COUNTRY LAWS AND REGULATIONS SHOULD BE MAINTAINED AND READILY ACCESSIBLE AS PART OF THE PROJECT OR PROGRAM FILES.

E. THIS POLICY GUIDANCE APPLIES TO THE USE OF A.I.D. DOLLAR RESOURCES, AS WELL AS TO U.S.-OWNED LOCAL CURRENCY AND HOST COUNTRY-OWNED LOCAL CURRENCY JOINTLY PROGRAMMED BY A.I.D. AND THE HOST COUNTRY WHEN THE PROPOSED USES OF THE LOCAL CURRENCY INCLUDE EXPLICITLY PAYMENT OF SALARY SUPPLEMENTS.

F. POLICY-MAKING OFFICIALS SHALL NOT RECEIVE A.I.D. PAYMENT OF SALARY SUPPLEMENTS IN ANY FORM INCLUDING A.I.D. PAYMENTS FOR PROJECT-RELATED WORK CONDUCTED OUTSIDE NORMAL WORKING HOURS AS DISCUSSED IN PARAGRAPH 5.D. BELOW. POLICY-MAKING OFFICIALS ARE DEFINED AS HIGH-LEVEL ELECTED OR APPOINTED OFFICIALS SUCH AS THOSE SERVING ON THE CABINET OR IN THE IMMEDIATELY SUBORDINATE SUB-CABINET POSITION.

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G. THIS POLICY GUIDANCE APPLIES TO ALL NEW PROJECTS AND ACTIVITIES HENCEFORTH. IT MUST ALSO BE APPLIED TO ONGOING PROJECTS AND ACTIVITIES TO THE FULL DEGREE DEEMED FEASIBLE BY THE MISSION DIRECTOR AND WITHOUT JEOPARDIZING OVERALL A.I.D. COUNTRY PROGRAM OBJECTIVES PREVIOUSLY SIGNED BY THE USAID AND THE HG, INCLUDING THOSE FUNDED BY A.I.D. AND MANAGED BY PVOS OR OTHER NON-GOVERNMENTAL ORGANIZATIONS. APPROPRIATE ASSISTANT ADMINISTRATORS MUST BE ADVISED IMMEDIATELY OF SPECIFIC CIRCUMSTANCES WHERE ONGOING SALARY SUPPLEMENTS CANNOT BE BROUGHT INTO COMPLIANCE WITH THIS POLICY GUIDANCE. MISSIONS WILL PROVIDE SPECIFIC DETAILS TO THE ASSISTANT ADMINISTRATORS WHERE THERE IS ANY DOUBT REGARDING THE LEGAL BASIS OF SALARY SUPPLEMENTS [SEE SUBPARAGRAPH I BELOW].

H. USAIDS SHOULD DISCUSS THE ISSUE OF SALARY SUPPLEMENTS WITH OTHER DONORS IN AN EFFORT TO MINIMIZE THE PRACTICE, AVOID DUPLICATIVE PAYMENTS FOR THE SAME PROJECT OR ACTIVITY, MODERATE COMPETITIVE EFFORTS TO ATTRACT LIMITED CAPABLE PERSONNEL AND, IN CASES WHERE SUPPLEMENTATION IS NECESSARY, TO ARRIVE AT GENERALLY COMPARABLE LEVELS OF SUPPLEMENTARY COMPENSATION.

I. ANY LEGAL QUESTIONS SHOULD BE RESOLVED BY THE MISSION DIRECTOR IN COORDINATION WITH THE REGIONAL LEGAL ADVISOR. IF ANY DOUBT REMAINS CONCERNING LEGAL QUESTIONS, THE REGIONAL ASSISTANT ADMINISTRATOR OR HIS DESIGNEE IN COORDINATION WITH A.I.D./GC SHOULD MAKE THE DETERMINATION. ANY OTHER QUESTIONS REGARDING APPLICATION OF THIS GUIDANCE SHOULD BE DIRECTED TO THE REGIONAL BUREAU ASSISTANT ADMINISTRATOR AND AA/PPC.

J. EXCEPTIONS TO THIS POLICY AND ELIGIBILITY CRITERIA WILL BE GRANTED VERY RARELY AND MUST BE APPROVED IN ADVANCE BY THE APPROPRIATE ASSISTANT ADMINISTRATOR IN WASHINGTON.

5. RULES ON PAYMENTS TO INDIVIDUALS WHICH ARE NOT CONSIDERED TO BE SALARY SUPPLEMENTS:

A. PER DIEM IS PERMISSIBLE FOR PROGRAM OR PROJECT-RELATED ACTIVITIES PROVIDED ANY SUCH REIMBURSEMENT IS PAID AT THE HG RATE, U.S. GOVERNMENT RATE OR ON AN ACTUAL COST REIMBURSEMENT BASIS.

B. IT IS PERMISSIBLE TO FUND THE INTERNATIONAL TRAVEL OF POLICY OFFICIALS ON INVITATIONAL TRAVEL ORDERS APPROVED BY THE MISSION DIRECTOR. IN SPECIAL CIRCUMSTANCES, SUCH AS WHEN HG

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POLICY OFFICIALS ACCOMPANY U.S. GOVERNMENT OFFICIALS ON OFFICIAL TRAVEL WITHIN THE HOST COUNTRY, IT IS ALSO PERMISSIBLE TO FUND DOMESTIC TRAVEL OF HG POLICY-MAKING OFFICIALS AT THE U.S. GOVERNMENT RATE OR ON AN ACTUAL COST REIMBURSEMENT BASIS, EVEN THOUGH THE OFFICIAL IS NOT ON U.S. GOVERNMENT TRAVEL ORDERS. SUCH TRAVEL COSTS AND PER DIEM ARE NOT CONSIDERED SALARY SUPPLEMENTS.

C. HONORARIA MAY BE PAID TO UNIVERSITY EMPLOYEES AND TO MEMBERS OF RESEARCH INSTITUTIONS, WHO ARE HG EMPLOYEES SOLELY BY VIRTUE OF THEIR POSITION IN A UNIVERSITY OR RESEARCH INSTITUTION, CARRYING OUT PROJECT-RELATED ACTIVITIES OUTSIDE THEIR NORMAL DUTIES WHERE THE NORMAL PRACTICE OF THE HG CONDONES THIS TYPE OF ADDITIONAL WORK. ONLY NOMINAL AND OCCASIONAL PAYMENTS OF HONORARIA TO OTHER HG EMPLOYEES UNDER SIMILAR CIRCUMSTANCES MAY BE PAID PROVIDED SUCH PAYMENTS ARE CLEARLY FOR FUNCTIONS OUTSIDE THEIR NORMAL DUTIES AND DO NOT TAKE PLACE DURING NORMAL WORKING HOURS OR OTHERWISE CONFLICT WITH OFFICIAL DUTIES IN WHICH CASE THEY ARE NOT CONSIDERED SALARY SUPPLEMENTS. FREQUENT RECURRING PAYMENTS ARE PROHIBITED EXCEPT FOR UNIVERSITY EMPLOYEES.

D. PAYMENT FOR PROJECT-RELATED RESEARCH AND SPECIFIC STUDIES CONDUCTED OUTSIDE NORMAL WORKING HOURS AND PERMITTED BY HG PRACTICE AND LAW IS ALLOWABLE PROVIDED THE HG EMPLOYEE IS NOT COMPLETING THIS WORK DURING HOURS OF HIS REGULAR DUTIES PAID BY THE HG AND PROVIDED THE WORK DOES NOT CONFLICT IN ANY OTHER WAY WITH OFFICIAL DUTIES. A CLEAR RELATIONSHIP AND METHOD OF PAYMENT NEEDS TO BE ESTABLISHED FOR THESE SERVICES, E.G. - COOPERATIVE AGREEMENT, END PRODUCT OR PURCHASE ORDER. GENERALLY, A PSC IS NOT CONSIDERED AN APPROPRIATE MECHANISM BECAUSE OF THE IMPLIED EMPLOYEE/EMPLOYER RELATIONSHIP. MISSIONS SHOULD GENERALLY AVOID FINANCING PAYMENTS FOR INDIVIDUALS WHO ARE ALREADY CARRYING OUT SIMILAR ACTIVITIES AS PART OF THEIR NORMAL DAILY DUTIES OR OFFICIAL FUNCTION. ALSO TO THE MAXIMUM EXTENT PRACTICAL, THE WORK SHOULD BE PERFORMED ON A SITE OTHER THAN THE EMPLOYEE'S NORMAL WORK SITE. IT SHOULD BE KNOWN TO THE EMPLOYEE'S HG SUPERVISOR.

E. MISSIONS ARE RESPONSIBLE TO ENSURE THAT ADEQUATE DOCUMENTATION IS AVAILABLE IN PROJECT OR PROGRAM FILES TO SUPPORT ANY PAYMENTS MADE WITHIN THE SCOPE OF THIS POLICY GUIDANCE ON PAYMENTS TO INDIVIDUALS WHICH ARE NOT CONSIDERED TO BE SALARY SUPPLEMENTS.

ACTION AID 2 INFO AMB DCM ECON (5)

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RR RUEHKI
DE RUEHNR #1118/01 2410553
ZNR UUUUU 22H
R 290553Z AUG 91
FM AMEMBASSY NAIROBI
TO AMEMBASSY KINSHASA 6035

29-AUG-91 TOR: 05:57
CN: 24459
CHRG: AID
DIST: AID
ADD:

BT
UNCLAS SECTION 01 OF 02 NAIROBI 21118

AIDAC

E.O. 12356: N/A
SUBJECT: ZAIRE - UNICEF GRANT

REF: MEMORANDUM AND ATTACHMENTS DATED AUGUST
12, 1991 FROM MCDERMOTT/UTSHUDI

1. RLA CLEARS HB 13 GRANT IN FORM SUBMITTED
SUBJECT TO THE FOLLOWING. RLA ASSUMES THAT THE
FUNDS INVOLVED HAVE ALREADY BEEN OBLIGATED UNDER
A BILATERAL PROJECT AGREEMENT. IF NOT, YOU ARE
PROHIBITED FROM FUNDING THIS GRANT BY THE BROOKS
AMENDMENT. YOU MAY WISH TO INFORM UNICEF THAT
IF THE ACTIVITY IS NOT APPROVED AS PART OF THE
WIND DOWN PLAN, THE GRANT COULD BE TERMINATED
EARLY UNDER THE STANDARD PROVISIONS (30 DAY
NOTICE).

2. IN THE ACTION MEMORANDUM, THE LAST
PARAGRAPH, RECOMMENDATIONS, SHOULD BE DIVIDED
INTO TWO PARTS. THE FIRST SHOULD READ
"AUTHORITY. DELEGATION OF AUTHORITY ('DOA')
551. SECTION 5.P. DATED MARCH, 1989, GIVES YOU
THE AUTHORITY TO NEGOTIATE AND EXECUTE GRANT
AGREEMENTS WITH INTERNATIONAL ORGANIZATIONS SUCH
AS UNICEF WHICH HAVE A MEMBERSHIP CONSISTING
PRIMARILY OF FOREIGN GOVERNMENTS." (FYI, THE
REFERENCE IN HB 13 TO DOA 149.1.1 IS OBSOLETE.)
THE SECOND PART CAN READ "RECOMMENDATION: THAT
YOU SIGN THE ATTACHED GRANT TO UNICEF IN THE
AMOUNT OF U.S. DOLS 2,154.000 TO BE USED TO
REINFORCE THE EXISTING CHILD SURVIVAL AND HEALTH
PROGRAM."

2. IN THE FIRST PARAGRAPH OF ATTACHMENT 2 TO
THE GRANT, PROGRAM DESCRIPTION. ADD THE WORD
"FOR" BETWEEN THE WORDS "TRAINING" AND "HEALTH".

3. ON PAGE 2 OF THE PROGRAM DESCRIPTION. THE
REFERENCE TO "ASSISTANCE" SHOULD READ "ADVISORS"
IN THE PARAGRAPH ENTITLED TECHNICAL ASSISTANCE.
SINCE YOU ARE REFERRING TO THE INDIVIDUALS
THEMSELVES.

4. PER DIEMS AND HONORARIA MAY NOT BE PAID

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EXCEPT IN ACCORDANCE WITH THE AGENCY'S GUIDANCE DATED 16 APRIL 1988. SINCE EXACT DETAILS MAY NOT BE KNOWN NOW. PLEASE INCLUDE THE FOLLOWING SENTENCES: "PER DIEM AND HONORARIA WILL NOT BE PAID EXCEPT IN ACCORDANCE WITH THE A.I.D. POLICY GUIDANCE ON CRITERIA FOR PAYMENT OF SALARY SUPPLEMENTS FOR HOST GOVERNMENT EMPLOYEES DATED 16 APRIL 1988. A COPY OF THIS GUIDANCE HAS BEEN FURNISHED TO GRANTEE. GRANTEE WILL CONSULT WITH A.I.D. IN ADVANCE OF INITIATING ANY SUCH PAYMENTS OF HONORARIA OR PER DIEMS IN ORDER TO ENSURE COMPLIANCE WITH SUCH GUIDANCE." PLEASE DELIVER A COPY OF THE GUIDANCE TO UNICEF/ZAIRE.

5. WHILE PER DIEMS AND HONORARIA ARE NOT SALARY SUPPLEMENTS. THERE ARE RESTRICTIONS UNDER THE ABOVE POLICY ON THEIR PAYMENT. BRIEFLY, PER DIEMS CAN BE PAID ONLY AT THE U.S. GOVERNMENT RATE, THE HOST GOVERNMENT RATE, OR THE AMOUNT OF ACTUAL EXPENSES. (TAKE YOUR PICK -- SEE PARAGRAPH 5.A OF SUBJECT GUIDANCE.) REGULAR PAYMENTS OF HONORARIA CAN BE MADE ONLY TO EMPLOYEES OF UNIVERSITIES AND RESEARCH INSTITUTIONS, CARRYING OUT PROJECT RELATED ACTIVITIES OUTSIDE THEIR NORMAL DUTIES. WHERE THE NORMAL PRACTICE OF THE HOST GOVERNMENT CONDONES THE PRACTICE. FREQUENT RECURRING PAYMENTS OF HONORARIA ARE PROHIBITED EXCEPT TO THESE TYPES OF EMPLOYEES. NOMINAL AND OCCASIONAL PAYMENTS TO OTHER HG EMPLOYEES MAY BE MADE IF THEY ARE CLEARLY FOR FUNCTIONS OUTSIDE OF NORMAL DUTIES. DO NOT TAKE PLACE DURING NORMAL WORKING HOURS OR OTHERWISE CONFLICT WITH OFFICIAL DUTIES. (SEE PARAGRAPH 5.C OF SUBJECT GUIDANCE).

6. AS A PRACTICAL MATTER. UNLESS THE TRAINEES ARE CLEARLY HG EMPLOYEES SOLELY BY VIRTUE OF THEIR POSITION WITH A UNIVERSITY OR RESEARCH INSTITUTION, IT WOULD BE SAFER PRACTICE TO AVOID ANYTHING CALLED HONORARIA. THIS WOULD AVOID ANY ARGUMENTS ABOUT WHAT HAS A NOMINAL OR OCCASIONAL

PAYMENT OR WHAT THE NORMAL WORKING HOURS ARE.
(THE GUIDANCE DOES NOT EXPLAIN WHETHER EMPLOYEES EXCUSED FROM WORK TO ATTEND TRAINING ARE BEING TRAINED OUTSIDE OF QUOTE NORMAL HOURS UNQUOTE. RLA COULD ONLY GUESS AS TO THE INTENT OF THE DRAFTERS. AND THE GUESS WOULD BE NO GUARANTEE AGAINST A BATTLE WITH AUDITORS IN ANY EVENT.) ON THE OTHER HAND. THE POLICY DOES NOT PROHIBIT PAYMENT OF PER DIEM AT THE U.S. GOVERNMENT RATE. SUCH A PAYMENT PROBABLY WOULD BE SUFFICIENT TO PLEASE MOST TRAINEES WHO ARE OTHERWISE DEPRIVED OF SO CALLED HONORARIA.

7. THE MISSION SHOULD ENSURE THAT ITS FILES HAVE SUFFICIENT DOCUMENTATION TO PROVE THAT THE CONDITIONS FOR PAYMENT OF HONORARIA, EVEN TO UNIVERSITY AND RESEARCH INSTITUTION EMPLOYEES, ARE MET.

8. THE BLANKET STATEMENT IN BOTH THE GRANT AND THE ACTION MEMORANDUM THAT U.S. LAW DOES NOT AFFECT THE PURCHASE OF MATERIALS AND SERVICES PROVIDED FOR OR RENDERED TO ANY GOZ ENTITY, IS AN OVERSTATEMENT. THE STATEMENT CAN REMAIN AS IS IN THE GRANT INSTRUMENT. BUT IT SHOULD BE PRECEDED BY THE WORD "GENERALLY" IN THE ACTION MEMORANDUM. THE PURCHASE OF PROPERTY WHICH WOULD BE SUBJECT TO ABUSES SIMILAR TO THOSE THE U.S. CONGRESS HAS CONCERNED ABOUT WITH RESPECT TO FUNDS SHOULD NOT BE PERMITTED. PROPERTY ALSO SHOULD NOT BE PURCHASED IF THE ONLY INTENT IS TO REPLACE NORMAL OPERATING EXPENSES OF THE AGENCY, SINCE THIS IS EQUIVALENT TO A TRANSFER OF FUNDS. WHAT IS A NORMAL OPERATING EXPENSE AND WHETHER THE COMMODITIES WOULD BE SUBJECT TO SUCH ABUSE, HOWEVER, ARE SUBJECTS FOR THE MISSION'S JUDGEMENT. RLA ASSUMES THE MISSION IS SATISFIED THAT THE PURCHASE OF COMMODITIES OF THE TYPE HERE INVOLVED IS SUFFICIENTLY DIFFERENT FROM THE GOZ AGENCY'S NORMAL OPERATING EXPENSES OR THAT THE ACTIVITY IS SO PLAINLY WORTHWHILE AND NOT SUBJECT TO ABUSE THAT THESE LAST CONCERNS ARE NOT AN ISSUE. HEMPSTONE