



U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT
USAID/THAILAND

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August 10, 1990

Mr. Phillip A. Fishman
Country Director
Asian American Free Labor Institute
Kasemkij Building, Suite 402
120 Silom Road
Bangkok 10500

Loan and Grant Agreement

10/10/90 (12/10/90)

10/10/90

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Dear Mr. Fishman:

Grant No. ~~493-0342-8~~ SS-0129-00

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "USAID"), under the PVO Co-Financing II: Strengthening Participatory Institutions and Resources in Thailand Project, No. 493-0342, agrees to grant to The Asian American Free Labor Institute, (hereinafter referred to as "Grantee") under the terms of this Agreement, the amount of U.S. \$400,000 (Dollars four hundred thousand) with an additional \$300,000 (Dollars three hundred thousand) if funds become available and added by amendment to provide support for a three-year project titled "Worker Participation in the Government Decision Making Process," as more fully described in Annex A "Project Description" to this Grant and Annex D, the Grantee's proposal, dated June 1990 and fax of August 10, 1990. During the period involved, the Grantee will contribute an additional U.S. \$280,398 (Dollars two hundred eighty thousand three hundred ninety-eight), either in cash or in kind.

This grant is effective and obligation is made as of the date of this letter and shall apply to commitments made by the Grantee in furtherance of program objectives during the period beginning with the effective date and ending August 9, 1993.

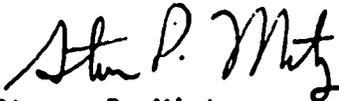
This Grant is made to the Grantee on condition that the funds will be administered in accordance with the terms and conditions as set forth in Annex A titled "Project Description," Annex B titled "Standard Provisions," and Annex F titled "Project Implementation Guidelines." In the event there is a discrepancy or disagreement between the Standard

E 1

Provisions and the Project Description or Letter Grant Agreement, the Project Description and/or Letter Grant Agreement shall prevail.

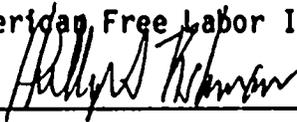
Please sign the Statement of Assurance of Compliance enclosed herein (Annex E), and the original and two (2) duplicate originals of this letter to acknowledge your acceptance of the conditions under which these funds have been granted, retain one (1) duplicate original for your files, and return the remaining two (2) copies to USAID.

Sincerely yours,


Steven P. Mintz
Acting Director

Acknowledged:

The Asian American Free Labor Institute:

BY : 

TITLE: Country Director

DATE : August 17, 1990

- Annexes:
- A. Project Description
 - B. Standard Provisions OMB Control No. 0412-0510
 - C. Report Forms
 - D. Grant Proposal dated October 1989
 - E. Statement of Assurance of Compliance
 - F. Project Implementation Guidelines
 - G. Annual Implementation Plan Format

FISCAL DATA:

Grant Amount	: \$ 700,000	ECN	: P900183
Estimated Cost	: \$ 980,398	RCN	: P900183
Cost Sharing	: \$ 280,398	Appropriation	: 72-1101021
		Allotment	: QDSA-90-27493-XG13
		Obligation	: \$ 400,000

Funds Available: 
O/FIN

AAFLI DUNS# 07-481-3791
LOC# 7200414
TAX ID# 52-0880529

Project Description

A. Purpose of Grant:

The purpose of this Grant is to enable the Grantee to undertake a three-year project to most effectively meet the goal stated below.

B. Project Goal:

The project will enhance the capability of the Thai labor movement to access and articulate the interests of workers to the public and to effectively channel these interests into the government decision-making process to achieve concrete problem resolution. A comprehensive approach consisting of a number of interrelated activity areas will be utilized to achieve this objective. First, the establishment of a broad-based Labor Think Tank will be supported that will assist the Thai labor movement to develop well-reasoned policy initiatives on national issues affecting workers. Second, efforts will be made to increase the participation of urban wage earners in the decision-making process and strengthening the capabilities of the Thai labor movement to act as their institutional voice. Finally, the project will promote private sector union development as a means to incorporate non-state enterprise workers into the economic and political fabric of Thai society.

C. Period of Grant:

1. The effective date of this Grant is August 10, 1990. The expiration date of this Grant is August 9, 1993.

2. Funds obligated hereunder are available for program expenditures for the estimated period August 10, 1990 to August 9, 1992 as shown in the Grant budget below.

D. Amount of Grant and Payment

1. The total estimated amount of this grant for the period shown in C. 1. above is \$700,000.

2. A.I.D. hereby obligates the amount of \$400,000 for program expenditures during the period set forth in C. 2. above and as shown in the Financial Plan below.

3. Payment shall be made to the Grantee in accordance with procedures set forth in Attachment B - Standard Provision 1, entitled "Payment - Letter of Credit."

4. Additional funds up to the total amount of the grant shown in D. 1 above may be obligated by A.I.D. subject to the availability of

funds and to the requirements of the Standard Provision of the Grant, entitled "Revision of Financial Plans."

E. Implementation:

The project financed by this Grant and its manner of implementation are described in the Grantee's proposal dated October, 1989 (Annex D). The Grantee will prepare and submit to USAID by October 30, 1990, a First Year Implementation Plan linking activities outlined in the project timeline to projected costs. A format for this purpose is included as Annex G. Implementation Plans for subsequent years will be due on October 30 each year of the Grant.

F. Reporting:

1. The Grantee will prepare and submit two copies each of detailed progress reports in English to the Private Sector Initiatives Division, USAID/Thailand, 37 Soi 15, Petchburi Road, Bangkok 10400 and U.S.A. Sub Division, the Department of Technical and Economic Cooperation (DTEC), 962 Krung Kasem Road, Bangkok 10100 from the date of the Grant and such reports will become due within 30 days following the 6th, 12th, 18th, 24th, 30th, and 36th months of the project, the latter constituting a comprehensive final report. Reports will describe the progress and problems related to those project activities set forth in the project proposal, following the recommended reporting format (Annex C). The reporting of gender-segregated data on participants and beneficiaries of project activities is also required.

2. The grantee is required to submit to A.I.D. the following annual reports within the noted number of days after the close of each Grantee's fiscal year):

a. Annual audited financial statements (within 150 days).

b. Current operational year budget, detailing sources of income, administrative expenses and program costs, including unaudited financial statements for AAFLI/Thailand for the operational (fiscal) year just ended, and a budget versus actual expenditures report for the preceding operational (fiscal) year just ended (within 45 days).

Following completion of the sixth month of the Grant period, and at six month intervals, the Grantee will submit an accounting of expenditures for the non-USAID portion of the budget.

3. Financial reports (SF 269 and SF 272) submitted in connection with this grant to A.I.D./M/FM/PAFD shall be copied to USAID/Thailand concurrently.

G. Evaluation:

An evaluation shall be conducted prior to termination of the grant. The evaluation report will be due within sixty days following the 36th month of the project (the terminal date of the project). Such evaluation report will be in sufficient detail, including gender-segregated data, that A.I.D. can judge the effectiveness of the project, the efficiency of implementation, and the impact of project activities.

H. Financial Plan:

The following is the Grant Budget, including local cost financing items. Revisions to this budget shall be made in accordance with Standard Provision of this Grant entitled "Revision of Grant Budget."

Budget:

1. The project budget is summarized as follows and is provided as part of Annex D.

<u>Source</u>	<u>USAID</u>			<u>Non-USAID</u>
	<u>From 8/10/90</u> <u>To 8/9/92</u> <u>US \$</u>	<u>From 8/10/92</u> <u>To 8/9/93</u> <u>US \$</u>	<u>From 8/10/90</u> <u>To 8/9/93</u> <u>US \$</u>	<u>From 8/10/90</u> <u>To 8/9/93</u> <u>US \$</u>
<u>Cost Element</u>				
A. Labor Think Tank	90,857	68,143	159,000	67,40
B. Political Participation	72,529	54,397	126,926	27,18
C. Private Sector Union Dev.	67,520	50,640	118,160	35,20
D. Monitoring and Evaluation	61,143	45,857	107,000	-0-
E. Administration	<u>17,429</u>	<u>13,071</u>	<u>30,500</u>	<u>150,61</u>
Total Direct Cost	309,478	232,108	541,586	280,39
F. Indirect Costs at 29.25%	<u>90,522</u>	<u>67,892</u>	<u>158,414</u>	<u>-0-</u>
Total	<u>400,000</u>	<u>300,000</u>	<u>700,000</u>	<u>280,39</u>
Cost Shares		71%		29%

2. The amount of U.S. \$700,000 represents the total contribution of USAID for this project. AAFLI will provide from other sources a minimum of 25% of the total amount to the project.

3. It is understood that the Grantee may make adjustments among the A-E line items in H.1. budget up to 15% of the amount of any line item (except indirect costs) provided, however, the total amount of the Grant may not be exceeded.

I. Audit:

In the event that the independent audit reports on the Grantee or any sub grantee or contractor, as provided for, and/or program reports, do not satisfy USAID's requirements as determined by the A.I.D. Inspector General (Audit), and the A.I.D. Inspector General chooses to make an on-site fiscal or program audit, the Grantee agrees to USAID taking reasonable steps to coordinate the scheduling and conduct of such audit with the Grantee in advance, and to providing unrestricted access to its books and records, as further described, and in accordance with, Mandatory Standard Provision 2.

J. Overhead (Indirect Cost) Rate:

Pending establishment of final overhead rates for the period beginning April 1, 1989 payment of indirect cost shall be on a provisional basis, applicable to the base, and for the period specified below:

<u>Rate</u>	<u>Base Applies to</u>	<u>Period</u>
29.25%	Total Direct Cost	From April 1, 1989, until amended.

K. Special Provisions:

The Standard Provisions to this Grant contained in Annex B consist of Mandatory and Other Standard Provisions for U.S., Non-Governmental Grantees. The following Optional Standard Provisions are hereby deleted.

1. Payment - Periodic Advance (November 1985)
3. Payment - Cost Reimbursement (November 1985)
5. Ocean Shipment of Goods (May 1986)
10. Patent Rights (November 1985)
12. Negotiated Indirect Cost Rates - Predetermined (May 1986)
14. Regulations Governing Employees (November 1985)

15. Participant Training (May 1986)
16. Voluntary Population Planning (August 1986)
17. Protection of the Individual as a Research Subject (November 1985)
18. Care of Laboratory Animals (November 1985)
19. Government Furnished Excess Personal Property (November 1985)
21. Title to and Care of Property (U.S. Government Title) (November 1985)

Procurement of goods and services under this grant must be in accord with Standard Provision 7, "A.I.D. Eligibility Rules for Goods and Services (November 1985.)"

L. Authorized Geographic Code

The authorized geographic codes for procurement of goods and services under this Grant Agreement are the U.S. and Thailand.