

No. 16623

**UNITED STATES OF AMERICA
and
AFRICAN DEVELOPMENT BANK**

Grant Agreement—*Regional Onchocerciasis Area Land Satellite (LANDSAT) Related Study in Benin, Ghana, and Upper Volta (with annex). Signed at Abidjan on 30 June 1976*

Authentic text: English.

Registered by the United States of America on 27 April 1978.

**ÉTATS-UNIS D'AMÉRIQUE
et
BANQUE AFRICAINE DE DÉVELOPPEMENT**

Accord de don — *Étude par satellite (LANDSAT) du terrain de certaines régions touchées par l'onchocercose au Bénin, au Ghana et en Haute-Volta (avec annexe). Signé à Abidjan le 30 juin 1976*

Texte authentique : anglais.

Enregistré par les États-Unis d'Amérique le 27 avril 1978.

GRANT AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA
AND THE AFRICAN DEVELOPMENT BANK—(*REGIONAL ONCHOCERCIASIS AREA LAND SATELLITE (LANDSAT) RELATED STUDY IN BENIN, GHANA, AND UPPER VOLTA*)

A.I.D. Project No. 625-11-190-912
Allotment No. 402-52-683-00-69-61
Appropriation No. 72-11X1023

This GRANT AGREEMENT is made on June 30, 1976 between the GOVERNMENT OF THE UNITED STATES OF AMERICA, acting through the AGENCY FOR INTERNATIONAL DEVELOPMENT (hereinafter called A.I.D.) and the AFRICAN DEVELOPMENT BANK (hereinafter called the "Grantee"), acting as the executing agency for the project.

Article I. THE GRANT

Section 1.1. AMOUNT. A.I.D. hereby agrees to grant to the Grantee in accordance with the terms and conditions of this Agreement an amount not to exceed One Million United States Dollars (\$1,000,000) to enable the Grantee to finance United States Dollar costs and local currency costs of goods and services required to further the purposes of this Grant as outlined in Section 1.2.

Section 1.2. PURPOSE. The purpose of the Grant is to enable the Grantee to finance a study to provide data on land use, land suitability, climate, and surface and ground water in Benin, Ghana and Upper Volta (hereinafter referred to as "Host Countries") using LANDSAT and other sources of information. The study, more specifically described in Annex I, attached hereto, shall be sometimes hereinafter referred to as "the Project".

Section 1.3. GRANTEE ADMINISTRATIVE COSTS. An amount not to exceed ten percent (10%) of the cost of the study contract to be financed under this Agreement may be allocated to cover the Grantee's Administrative and Overhead costs involved in carrying out the terms of this Agreement, provided that the sum of the study contract amount and the allowable costs under this Section shall not exceed One Million United States Dollars (\$1,000,000). The procedures for such disbursements and the definitions of allowable costs under this Section will be described in Implementation Letters issued pursuant to Section 3.1 herein.

Article II. PROCUREMENT

Section 2.1. SOURCE AND ORIGIN. Except as A.I.D. may otherwise agree in writing, disbursements made under this Grant shall be used to finance the procurement of goods and services having their source and origin in the U.S. provided, however, that the prime U.S. contractor(s) selected to carry out the Project may subcontract in an amount not to exceed Two Hundred Twenty Five Thousand United States Dollars (\$225,000) for services having their source and origin in countries listed in Code 935 of the A.I.D. Geographic Code Book where the prime contractor can demonstrate that portions of the study require considerable French language capability which is not available from otherwise qualified United States sources.

Section 2.2. PROCEDURES. With respect to activities financed hereunder, A.I.D. and the Grantee will mutually agree, through an exchange of implementation letters, as to the applicable procurement procedures.

¹ Came into force on 30 June 1976 by signature, in accordance with section 5.5.

Section 2.3. UTILIZATION OF GOODS AND SERVICES. Except as A.I.D. may otherwise agree in writing, goods and services financed under this Agreement shall be used exclusively for the Project and no goods or services financed hereunder may be used to promote or assist any foreign aid project or activity associated with or financed by any country not included in Code 935 of the A.I.D. Geographic Code Book as in effect at the time of such use.

Section 2.4. PLANS, SPECIFICATIONS AND CONTRACTS. (a) Except as A.I.D. may otherwise agree in writing, the Grantee shall furnish to A.I.D. promptly upon preparation the final terms of reference for the study to be financed under the Grant, the list of prequalified contractors, requests for proposals, and contracts relating to the Project to be financed by A.I.D. and any modifications therein.

(b) Except as A.I.D. may otherwise agree in writing, all of the documents required to be furnished to A.I.D. pursuant to subsection (a) above shall be approved by A.I.D. in writing.

(c) All documents related to the solicitation of proposals relating to goods and services financed under the Grant shall be approved by A.I.D. in writing prior to their issuance.

(d) All contracts and sub-contracts financed under the Grant shall be approved by A.I.D. in writing prior to their execution. A.I.D. shall also approve in writing the contractor and such contractor personnel as A.I.D. may specify. Material modifications in any of such contracts including, but not limited to, major changes in the general scope of work of the study previously approved by A.I.D. and changes in any of such personnel shall also be approved by A.I.D. in writing prior to their becoming effective.

Article III. DISBURSEMENTS

Section 3.1. METHOD OF DISBURSEMENT. (a) Upon written request of the Grantee A.I.D. may arrange for the issuance of letters of commitment in specified amounts to one or more U.S. banks, as designated by the Grantee, to cover the disbursements, through letters of credit, for the activities undertaken under this Grant Agreement.

(b) Upon the written request of the Grantee, A.I.D. may establish through letters of implementation, procedures for direct payment and/or reimbursement of the Grantee for disbursements for studies financed hereunder.

Section 3.2. TERMINAL DATE OF DISBURSEMENT. Except as A.I.D. may otherwise agree in writing, no letter of commitment or other commitment documents shall be issued in response to a request received by A.I.D. for the funding of the project after thirty (30) months, and no disbursement shall be made against documentation received by A.I.D. or any bank after thirty-six (36) months from the date of this Agreement. Any funds obligated hereunder but not disbursed to the Grantee at the time the Grant expires or is terminated, shall revert to A.I.D.

Article IV. GENERAL COVENANTS

Section 4.1. GRANTEE RESPONSIBILITY. The Grantee will be fully responsible for compliance with the Grant Agreement and, unless otherwise mutually agreed, for all awards, payments, negotiations, contracts, performance, evaluations, host country relationships, and other implementation aspects of the activities financed under this Agreement and shall cause the project to be carried out in conformity with all of the contracts, schedules, and other arrangements, and with all modifications therein, approved by A.I.D.

Section 4.2. APPROVAL OF PROJECT BY HOST COUNTRIES. Prior to the commencement of the information gathering activities to be financed under this Agreement, the Grantee shall secure the written approval by the Host Countries of the terms of reference of the Study Contract and of the publication of the data to be collected including

that gathered through the use of remote sensing techniques. The Grantee shall furnish A.I.D. with copies of such approvals.

Section 4.3. TAXES. (a) If A.I.D. or any public or private organization furnishing commodities through A.I.D. financing for operations hereunder in any of the Host Countries is, under the laws, regulations or administrative procedures of such State, liable for customs duties or import taxes on commodities imported into that State for the purpose of carrying out this Agreement, the Grantee will pay such duties and taxes unless exemption is otherwise provided by international agreement.

(b) If any personnel (other than citizens and permanent residents of the Host Country) whether United States Government employees, or employees of public or private organizations under contract with A.I.D., the Grantee, a Host Country or any other agency authorized by a Host Country, who are present in such Host Country to provide services which A.I.D. has agreed to furnish or finance under this Agreement, are, under the laws, regulations, or administrative procedures of such State (i) liable for income or social security taxes with respect to income upon which they are obligated to pay income or social security taxes to the Government of the United States, (ii) liable for property taxes on personal property intended for their own use, or (iii) liable for the payment of any tariff or duty upon personal or household goods brought into the Host Country for their own personal use, the Grantee will pay such taxes, tariff, or duty unless exemption is otherwise provided by any applicable international agreement.

Section 4.4. TRAVEL WITHIN HOST COUNTRIES. The Grantee will take such steps as may be necessary to facilitate entry and travel within the Host Countries for purposes of allowing persons to perform duties, functions and services under this Grant Agreement.

Section 4.5. CONSULTATION. The Grantee and A.I.D. shall consult as frequently as necessary concerning the execution of this Grant Agreement and the implementation of the activities contemplated by the Agreement.

Section 4.6. REPORTS. The Grantee shall keep A.I.D. currently informed as to the status, including the planning and implementation of the project, and will submit to A.I.D. such reports relating thereto as A.I.D. may reasonably request.

Section 4.7. CONVERTIBILITY OF FUNDS. The Grantee will make such arrangements as may be necessary so that funds introduced into the Host Countries by A.I.D. or any public or private agency for the purpose of carrying out obligations of A.I.D. hereunder shall be convertible into currency of that State at the highest rate which, at the time conversion is made, is not unlawful in the Host Country.

Section 4.8. REFUND. If A.I.D. determines that any disbursement or expenditure charged to this Grant was not made, used, or applied in accordance with the terms of this Agreement, the Grantee agrees to refund to A.I.D. within thirty (30) days after receipt of a request, therefore, the amount thereof, provided that A.I.D.'s request is made not later than five (5) years after final disbursement under this Grant.

Section 4.9. INSPECTION AND AUDIT. The parties hereto shall have the right at any time to observe operations carried out under this Grant Agreement. It is agreed that a financial audit of the project will be made by the two parties within six months after final disbursement under this Agreement and a report on the findings made. Any party, including representatives of A.I.D. or the Controller General of the United States, during the term of the Grant and three years after final disbursement under this Agreement shall further have the right:

- (a) To examine any property procured through financing by that party under this Grant Agreement, wherever such property is located; and,
- (b) 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 Grant Agreement, wherever such records may be located and maintained.

Financial records, including documentation to support entries on accounting records and to substantiate charges to the Grant, shall be kept in accordance with generally accepted accounting practices. Such records shall be maintained and neither destroyed nor otherwise disposed of until three (3) years after final disbursement under this Grant Agreement, or, if questions about expenditures are raised on audit or otherwise within such time, until all such questions have been resolved. Each party, in arranging for any disposition of any property procured through financing by the other party under this Grant Agreement shall assure that the rights of examination, inspection and audit described in the preceding sentence are reserved to the party which financed the procurement of the property.

Section 4.10. INTEREST EARNED ON GRANT FUNDS. The Grantee agrees that if the use of funds provided under this Grant results in the accrual of interest income to the Grantee, or any other person or organization to whom such funds are made available in carrying out the purposes of the Grant, the Grantee shall pay to A.I.D. an amount equal to the amount of interest accrued.

Article V. MISCELLANEOUS

Section 5.1 TERMINATION. Either party may terminate this Grant Agreement by giving the other party sixty (60) days' written notice of intention to terminate it. Termination of this Grant Agreement shall terminate any obligations of the parties to make contributions pursuant to this Grant Agreement, except for payments which they are committed to make pursuant to non-cancellable commitments entered into with third parties prior to the termination of the Grant Agreement. It is expressly understood that the other requirements under this Grant Agreement shall remain in force after such termination.

Section 5.2. LANGUAGE OF AGREEMENT. This Agreement is prepared in the English language. An official translation will be prepared in the French language by A.I.D. at the request of the Grantee. The English language version shall be considered controlling for purposes of interpretation.

Section 5.3. APPLICABLE UNITED STATES LAWS AND REGULATIONS. It is expressly understood that notwithstanding anything in this Grant Agreement to the contrary, A.I.D. shall expend funds and carry on operations pursuant to this Grant Agreement only in accordance with the applicable laws and regulations of the United States Government.

Section 5.4. SUCCESSOR AND ASSIGNMENTS. This Grant Agreement shall be binding upon and inure to the benefit of any successor of A.I.D. This Agreement may not be assigned nor may any obligations hereunder be delegated by the Grantee without the written consent of A.I.D.

Section 5.5. ENTRY INTO FORCE. This Grant Agreement has been prepared in multiple identical copies which have been distributed by A.I.D. to the Grantee. This Grant Agreement shall be in full force and effect upon the signing of a single or separate identical copies of all of the parties hereto. Should any party so request, each of the parties hereto agrees to reexecute this Agreement so as to provide each party with a fully executed form of agreement.

Section 5.6. COMPLETION REPORT. Upon completion of the project, a completion report shall be drawn up, signed by appropriate representatives of A.I.D. and the Grantee. The completion report shall provide a record of the activities carried out, the objectives achieved and related basic data. A.I.D. and the Grantee shall furnish the other with such information as may be needed to determine the nature and scope of operations under this Grant Agreement to evaluate the effectiveness of such operations. The Grantee agrees to transmit written appraisals of any contractor's performance to A.I.D. on completion of such performance.

Section 5.7. ASSIGNMENT OF CAUSE OF ACTION. The Grantee agrees to execute an assignment to A.I.D., upon request, of any cause of action which may accrue to it in connection with or arising out of a contractor's performance or breach of performance of any contract financed in whole or in part out of funds provided by A.I.D. under this Grant Agreement.

Section 5.8. IMPLEMENTATION LETTERS. A.I.D. may from time to time issue Implementation Letters that will prescribe the procedures applicable in connection with the implementation of this Agreement.

Section 5.9. REPRESENTATIVES. For all purposes relevant to this Agreement, A.I.D. will be represented by the individual holding or acting in the office of Director, Regional Economic Development Services Office, West Africa, and the Grantee will be represented by the individual holding or acting in the office of President.

Section 5.10. COMMUNICATIONS. Any notice, request, document, or other communication given, made, or sent by the Grantee or A.I.D. pursuant to this Agreement shall be in writing or by telegram, cable, or radiogram and shall be deemed to have been duly given, made, or sent to the party to which it is addressed when it shall be delivered to such party by hand or by mail, telegram, cable, or radiogram at the following addresses:

To Grantee:

Mail Address:

Director of Operations
African Development Bank
B.P. 1387
Abidjan, Ivory Coast

Cable Address:

AFDEV ABIDJAN

To A.I.D.:

Mail Address:

Director, Regional Economic Development Service
B.P. 1712
Abidjan, Ivory Coast

Cable Address:

AMEMBASSY ABIDJAN

IN WITNESS WHEREOF, the Grantee and the United States of America, each acting through its respective duly authorized representatives have caused this Grant Agreement to be signed in their names and delivered as of the day and year first written above.

United States of America:

By: [Signed]
Name: ROBERT S. SMITH
Title: U.S. Ambassador
to the Ivory Coast

Date:

African Development Bank:

By: [Signed]
Name: A. LABIDI
Title: President

Date:

ANNEX I

PROJECT DESCRIPTION

As part of a larger international program of coordinated activities in the countries affected by Onchocerciasis, the project financed under this Grant will consist of an information gathering and data collation activity to be carried out in Benin, Ghana and Upper Volta for the purpose of

augmenting and making readily available basic information on land use, land suitability, climate, surface and ground water in those countries.

The AFDB shall contract for the services of a United States firm specialized in remote sensing technology to carry out the activity which is further described below.

SCOPE OF STUDY

Although considerable information is available on land use, land suitability, ground water/surface water and climatology in the region, that information is scattered and not in readily usable form. The LANDSAT-related study will pull together existing information, complement it with information from LANDSAT satellites, and produce a final product that will provide an extensive data base for project planning. The study will include a land use survey, a land suitability survey, surface and ground water studies and a climatology study. The products of the land use survey will be land use maps at 1 : 200,000, with overlays for each main land use, and statistical data for each land use category. The land suitability survey (also 1 : 200,000) will be a description of the soil resources of the areas, classified in accordance with their use and productive capacity, and ranked in order of the combined economic and social benefits that would accrue as a result of their exploitation. It is foreseen that the survey will assist in the determination of developmental priorities and indicate potential areas for specific investments. The surface and ground water studies will provide information on existing bodies of surface water (including streams and ponds) and their variation in the dry seasons, on the location of existing wells, and on potential ground water sources. One product will be water exploration guide maps indicating priority areas with a high probability of finding ground water resources essential for settlement.

The climatology study will combine data from weather satellites with ground truthing and soil data to estimate the potential production of areas with forest, food and fiber. The climatological report will describe climatological characteristics, the relationship between weather and yield potential in the past ten years, and a weather-yield forecast for the forthcoming three years.

A.I.D. will provide such short-term technical assistance as may be required by the Grantee in preparation of the terms of reference of the above-described study and in the evaluation of project proposals.

This Annex may be modified by written agreement between the parties.
