

No. 18594

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**UNITED STATES OF AMERICA**  
**and**  
**EGYPT**

**Project Grant Agreement for technology transfer and manpower development III. Signed at Cairo on 11 August 1977**

**First Amendment to the above-mentioned Agreement. Signed at Cairo on 31 August 1977**

**Second Amendment to the above-mentioned Agreement of 11 August 1977. Signed at Cairo on 18 May 1978**

**Third Amendment to the above-mentioned Agreement of 11 August 1977. Signed at Cairo on 15 August 1978**

*Authentic texts: English.*

*Registered by the United States of America on 18 April 1980.*

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**ÉTATS-UNIS D'AMÉRIQUE**  
**et**  
**ÉGYPTE**

**Accord de don pour un projet relatif au transfert de technologie et à la promotion de la main-d'œuvre (III). Signé au Caire le 11 août 1977**

**Première Modification à l'Accord susmentionné. Signée au Caire le 31 août 1977**

**Deuxième Modification à l'Accord susmentionné du 11 août 1977. Signée au Caire le 18 mai 1978**

**Troisième Modification à l'Accord susmentionné du 11 août 1977. Signée au Caire le 15 août 1978**

*Textes authentiques : anglais.*

*Enregistrés par les États-Unis d'Amérique le 18 avril 1980.*

# PROJECT GRANT AGREEMENT<sup>1</sup> BETWEEN THE ARAB REPUBLIC OF EGYPT AND THE UNITED STATES OF AMERICA FOR TECHNOLOGY TRANSFER AND MANPOWER DEVELOPMENT III

Dated: August 11, 1977

A.I.D. Project No. 263-0026

PROJECT GRANT AGREEMENT dated August 11, 1977, between the ARAB REPUBLIC OF EGYPT, acting through the MINISTRY OF ECONOMY AND ECONOMIC COOPERATION ("Grantee") and the UNITED STATES OF AMERICA, acting through the AGENCY FOR INTERNATIONAL DEVELOPMENT ("A.I.D.").

## *Article 1. THE AGREEMENT*

The purpose of this Agreement is to set out the understandings of the parties named above ("Parties") with respect to the undertaking by the Grantee of the Project described below, and with respect to the financing of the Project by the Parties.

## *Article 2. THE PROJECT*

*Section 2.1. DEFINITION OF PROJECT.* The Project will consist of assisting the Grantee, and such private sector organizations as the Grantee may indicate, in the planning and implementation of development programs and projects and in the effective utilization of foreign assistance. Specifically, the Project will provide assistance to solve immediate technical and planning/managerial problems and to create an appreciation of the need for change and the means for accomplishing it. Such assistance can take the form of:

- (a) Advisory services, normally not to exceed six months in duration;
- (b) Demonstration and didactic materials required to make full use of technical assistance being received under this Grant, through the Joint Working Groups or through other channels;
- (c) Other supplies and equipment needed to relieve critical constraints to the solution of technical and planning/managerial problems, to speed up implementation or make more effective use of foreign assistance programs, to support U.S.-assisted adaptive research and to support or implement the Grantee's high-impact development activities;
- (d) Academic or job-related training in the U.S.;
- (e) Short-term visits for observation, to attend conferences or establish contacts in the public and private sectors;
- (f) Inputs required to strengthen the operations of Grantee organizations concerned with implementation of foreign assistance programs; and
- (g) Such other cost items as may be needed.

<sup>1</sup> Came into force on 11 August 1977 by signature.

These items are expected to lead to the solution of technical and planning/managerial problems, an exposure to U.S. concepts and methods, the establishment of long-term institutional and personal relationships, the implementation of Joint Working Group initiatives and accelerated implementation of the A.I.D. development assistance program for Egypt. In general, these signify a broad dissemination of advanced technology.

*Section 2.2. INCREMENTAL NATURE OF PROJECT.* (a) A.I.D.'s contribution to the Project will be provided in increments, the initial one being made available in accordance with section 3.1 of this Agreement. Subsequent increments will be subject to availability of funds to A.I.D. for this purpose, and to the mutual agreements of the Parties, at the time of a subsequent increment, to proceed.

(b) Within the overall Project Assistance Completion Date stated in this Agreement, A.I.D., based upon consultation with the Grantee, may specify in Project Implementation Letters appropriate time periods for the utilization of funds granted by A.I.D. under an individual increment of assistance.

### Article 3. FINANCING

*Section 3.1. THE GRANT.* To assist the Grantee to meet the costs of carrying out the Project, A.I.D., pursuant to the Foreign Assistance Act of 1961, as amended, agrees to grant the Grantee under the terms of this Agreement not to exceed one million United States ("U.S.") dollars (\$1,000,000) ("Grant").

The Grant may be used only to finance foreign exchange costs, as defined in section 6.1, of goods and services required for the Project.

*Section 3.2. GRANTEE RESOURCES FOR THE PROJECT.* The Grantee agrees to provide or cause to be provided for the Project all funds, in addition to the Grant, and all other resources required to carry out the Project effectively and in a timely manner. Without affecting the generality of the foregoing, the Grantee covenants that it will provide on a timely basis all necessary local logistic support as may be required to ensure effective utilization of services and goods financed under the Grant, not otherwise financed by A.I.D. under its Local Cost Project Support Grant.

*Section 3.3. PROJECT ASSISTANCE COMPLETION DATE.* (a) The "Project Assistance Completion Date" (PACD), which is May 31, 1980, or such other date as the Parties may agree to in writing, is the date by which the Parties estimate that all services financed under the Grant will have been performed and all goods financed under the Grant will have been furnished for the Project as contemplated in this Agreement.

(b) Except as A.I.D. may otherwise agree in writing, A.I.D. will not issue or approve documentation which would authorize disbursement of the grant for services performed subsequent to the PACD or for goods furnished for the project, as contemplated in this Agreement, subsequent to the PACD.

(c) Requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, are to be received by A.I.D. or any bank described in section 7.1 no later than nine (9) months following the PACD, or such other period as A.I.D. agrees to in writing. After such period, A.I.D., giving notice in writing to the Grantee, may at any time or times reduce the amount of the Grant by all or any part thereof for which

requests for disbursement, accompanied by necessary supporting documentation prescribed in Project Implementation Letters, were not received before the expiration of said period.

#### *Article 4. CONDITIONS PRECEDENT TO DISBURSEMENT*

*Section 4.1. FIRST DISBURSEMENT.* Prior to the first disbursement under the Grant, or to the issuance by A.I.D. of documentation pursuant to which disbursement will be made, the Grantee will, except as the Parties may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

- (a) A statement of the names of the persons holding or acting in the offices of the Grantee specified in section 8.2, and of any additional representatives, together with a specimen signature of each person specified in such statement; and
- (b) Such other documents or information as A.I.D. may reasonably request.

*Section 4.2. ADDITIONAL DISBURSEMENT.* Prior to any disbursement, or the issuance of any commitment documents under the Project to finance a particular activity proposed under the Grant, Grantee shall, except as A.I.D. may otherwise agree in writing, furnish in form and substance satisfactory to A.I.D., an identification of the activity, its purposes, the organization in charge of its implementation, and its estimated cost, including both the amounts proposed for A.I.D. financing and for financing from other sources.

*Section 4.3. NOTIFICATION.* When A.I.D. has determined that the conditions precedent specified in section 4.1 have been met, it will promptly notify the Grantee. Written agreement by A.I.D. to fund any particular activity under the Project shall constitute notification that the condition precedent specified in section 4.2 has been met with respect to disbursement for such activity.

*Section 4.4. TERMINAL DATE FOR CONDITIONS PRECEDENT.* If all of the conditions specified in section 4.1 have not been met within 90 days from the date of this Agreement, or such later date as A.I.D. may agree to in writing, A.I.D., at its option, may terminate this Agreement by written notice to Grantee.

#### *Article 5. SPECIAL COVENANTS*

*Section 5.1. PROJECT EVALUATION.* The Parties agree to establish an evaluation program as part of the Project. Except as the Parties [may] otherwise agree in writing, the program will include, during the implementation of the Project and at one or more points thereafter:

- (a) Evaluation of progress toward attainment of the objectives of the Project;
- (b) Identification and evaluation of problem areas [or] constraints which may inhibit such attainment;
- (c) Assessment of how such information may be used to help overcome such problems; and
- (d) Evaluation, to the degree feasible, of the overall development impact of the Project.

*Section 5.2. PARTICIPANT GUIDELINES.* The Parties agree to establish guidelines for the programming of participant trainees. Except as the Parties may otherwise agree in writing, no new trainees shall be funded under the Grant after

November 30, 1977, unless the guidelines have been established and the trainees and their proposed programs are in conformance with the guidelines.

#### Article 6. PROCUREMENT SOURCE

*Section 6.1. FOREIGN EXCHANGE COSTS.* Disbursements pursuant to section 7.1 will be used exclusively to finance the costs of goods and services required for the Project having their source and origin in the United States (code 000 of the A.I.D. Geographic Code Book as in effect at the time orders are placed or contracts entered into for such goods or services) ("Foreign Exchange Costs"), except as A.I.D. may otherwise agree in writing, and except as provided in the Project Grant Standard Provisions Annex,<sup>1</sup> Section C.1 (b), with respect to marine insurance.

#### Article 7. DISBURSEMENT

*Section 7.1. DISBURSEMENT FOR FOREIGN EXCHANGE COSTS.* (a) After satisfaction of conditions precedent, the Grantee may obtain disbursements of funds under the Grant for the Foreign Exchange Costs of goods or services required for the Project in accordance with the terms of this Agreement, by such of the following methods as may be mutually agreed upon:

- (1) By submitting to A.I.D., with necessary supporting documentation as prescribed in Project Implementation Letters, (A) requests for reimbursement for such goods or services, or (B) requests for A.I.D. to procure commodities or services in Grantee's behalf for the Project; or
- (2) By requesting A.I.D. to issue Letters of Commitment for specified amounts (A) to one or more U.S. banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to contractors or suppliers, under Letters of Credit or otherwise for such goods or services, or (B) directly to one or more contractors or suppliers, committing A.I.D. to pay such contractors or suppliers for such goods or services.

(b) Banking charges incurred by Grantee in connection with Letters of Commitment and Letters of Credit will be financed under the Grant unless Grantee instructs A.I.D. to the contrary. Such other charges as the Parties may agree to may also be financed under the Grant.

(c) After satisfaction of conditions precedent, in the case of an emergency requirement for services or commodities in which there is not sufficient time for completion of the procedures described in section 7.1 (a), A.I.D. from time to time may disburse funds available from this Grant to pay directly the costs of furnishing such services and commodities in connection with the program. Upon taking any action pursuant to this section 7.1 (c), A.I.D. shall promptly notify the Government of such action, the circumstances requiring such action and the amount of funds involved.

*Section 7.2. OTHER FORMS OF DISBURSEMENT.* Disbursements of the Grant may also be made through such other means as the Parties may agree to in writing.

<sup>1</sup> Not published herein; for the text, see "Project Grant Agreement between the United States of America and Egypt for applied science and technology research, signed at Cairo on 29 March 1977", in United Nations, *Treaty Series*, vol. 1116, p. 97.

*Article 8. MISCELLANEOUS*

*Section 8.1. COMMUNICATIONS.* Any notice, request, document, or other communication submitted by either Party to the other under this Agreement will be in writing or by telegram or cable, and will be deemed duly given or sent when delivered to such party at the following addresses:

To the Grantee:

Mail Address:

Ministry of Economy and Economic Cooperation  
8 Adly Street  
Cairo, Arab Republic of Egypt

Alternate address for cables:

8 Adly Street  
Cairo

To A.I.D.:

Mail Address:

USAID/Egypt  
c/o Embassy of the United States of America  
5 Latin America Street  
Cairo, Arab Republic of Egypt

Alternate address for cables:

A.I.D.  
U.S. Embassy  
Cairo

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

*Section 8.2. REPRESENTATIVES.* For all purposes relevant to this Agreement, the Grantee will be represented by the individuals holding or acting in the offices of the Minister of Economy and Economic Cooperation and the First Undersecretary of State for Economic Cooperation, and A.I.D. will be represented by the individual holding or acting in the office of the Director, USAID/Egypt, Cairo, Egypt, each of whom, by written notice, may designate additional representatives. The names of the representatives of the Grantee, with specimen signatures, will be provided to A.I.D., which may accept as duly authorized any instrument signed by such representatives in implementation of this Agreement, until receipt of written notice of revocation of their authority.

*Section 8.3. STANDARD PROVISIONS ANNEX.* A "Project Grant Standard Provisions Annex" (Annex 1)<sup>1</sup> is attached to and forms part of this Agreement.

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<sup>1</sup> See footnote 1, p. 15 of this volume.

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

The Arab Republic of Egypt:

*By:*

*Name:* ALY ELNAZER

*Title:* Deputy Chairman

Investment Authority

First Undersecretary of State  
for Economic Cooperation

United States of America:

*By:* [Signed]

*Name:* DONALD S. BROWN

*Title:* Director, USAID/Cairo

FIRST AMENDMENT<sup>1</sup> TO PROJECT GRANT AGREEMENT  
BETWEEN THE ARAB REPUBLIC OF EGYPT AND THE  
UNITED STATES OF AMERICA FOR TECHNOLOGY TRANS-  
FER AND MANPOWER DEVELOPMENT III<sup>2</sup>

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Dated: August 31, 1977

A.I.D. Project Number 263-0026

PROJECT GRANT AGREEMENT AMENDMENT dated August 31, 1977, between the ARAB REPUBLIC OF EGYPT, acting through the MINISTRY OF ECONOMY AND ECONOMIC COOPERATION ("Government") and the GOVERNMENT OF THE UNITED STATES OF AMERICA, acting through the AGENCY FOR INTERNATIONAL DEVELOPMENT ("A.I.D.").

*Section 1.* Section 3.1 of the Project Grant Agreement dated August 11, 1977, between the Government and A.I.D. for Technology Transfer and Manpower Development III<sup>2</sup> is hereby amended by deleting "one million United States ("U.S.") dollars (\$1,000,000)" and substituting "four million, five hundred thousand United States ("U.S.") dollars (\$4,500,000)".

*Section 2.* This Project Grant Agreement Amendment shall enter into force when signed by both parties hereto.

*Section 3.* Except as specifically amended hereby, the Project Grant Agreement dated August 11, 1977, between the Government and A.I.D. shall remain in full force and effect.

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

Arab Republic of Egypt:

United States of America:

By: [Signed]

By: [Signed]

Name: A. G. EL-NAZR

Name: DONALD S. BROWN

Title: First Undersecretary of State  
for Economic Cooperation

Title: Director, U.S.A.I.D.

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<sup>1</sup> Came into force on 31 August 1977 by signature, in accordance with section 2.

<sup>2</sup> See p. 12 of this volume.



SECOND AMENDMENT<sup>1</sup> TO PROJECT GRANT AGREEMENT  
BETWEEN THE ARAB REPUBLIC OF EGYPT AND THE  
UNITED STATES OF AMERICA FOR TECHNOLOGY TRANS-  
FER AND MANPOWER DEVELOPMENT III<sup>2</sup>

Dated: May 18, 1978

A.I.D. Project Number 263-0026

PROJECT GRANT AGREEMENT AMENDMENT dated May 18, 1978, between the ARAB REPUBLIC OF EGYPT, acting through the MINISTRY OF ECONOMY AND ECONOMIC COOPERATION ("Government") and the GOVERNMENT OF THE UNITED STATES OF AMERICA, acting through the AGENCY FOR INTERNATIONAL DEVELOPMENT ("A.I.D.").

*Section 1.* Section 3.1 of the Project Grant Agreement dated August 11, 1977, between the Government and A.I.D. for Technology Transfer and Manpower Development III,<sup>2</sup> as amended by section 1 of the First Amendment dated August 31, 1977,<sup>3</sup> is hereby amended by deleting "four million five hundred thousand United States ("U.S.") dollars (\$4,500,000)" and substituting "seven million five hundred thousand United States ("U.S.") dollars (\$7,500,000)".

*Section 2.* Section 8.2 of the above-cited Project Grant Agreement is hereby amended by deleting "First Undersecretary of State for Economic Cooperation" and substituting "Deputy Chairman of the Investment Authority in Charge of American Aid to Egypt".

*Section 3.* This Project Grant Agreement Amendment shall enter into force when signed by both parties hereto.

*Section 4.* Except as specifically amended hereby, the Project Grant Agreement dated August 11, 1977, between the Government and A.I.D. shall remain in full force and effect.

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

Arab Republic of Egypt:

By: [Signed]  
Name: HAMED A. EL-SAYEH  
Title: Minister of Economy

United States of America:

By: [Signed]  
Name: DONALD S. BROWN  
Title: Director, USAID/Egypt

<sup>1</sup> Came into force on 18 May 1978 by signature, in accordance with section 3.

<sup>2</sup> See p. 12 of this volume.

<sup>3</sup> See p. 18 of this volume.

THIRD AMENDMENT<sup>1</sup> TO GRANT AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND THE ARAB REPUBLIC OF EGYPT FOR TECHNOLOGY TRANSFER AND MANPOWER DEVELOPMENT III<sup>2</sup>

Dated: August 15, 1978

A.I.D. Project Number 263-0026

THIRD AMENDMENT, dated August 15, 1978, to the Grant Agreement, dated August 11, 1977,<sup>2</sup> as amended on August 31, 1977,<sup>3</sup> and May 18, 1978,<sup>4</sup> between the ARAB REPUBLIC OF EGYPT ("Grantee") and the UNITED STATES OF AMERICA, acting through the AGENCY FOR INTERNATIONAL DEVELOPMENT ("A.I.D."), for Technology Transfer and Manpower Development ("Grant Agreement").

*Section 1.* The Grant Agreement is amended as follows:

Section 3.1 is amended by deleting "seven million five hundred thousand United States ("U.S.") dollars (\$7,500,000)" and substituting "eight million five hundred thousand United States ("U.S.") dollars (\$8,500,000)".

*Section 2.* This Third Amendment shall enter into force when signed by both parties hereto.

*Section 3.* Except as specifically amended or modified herein, the Grant Agreement shall remain in full force and effect in accordance with all of its terms.

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

Arab Republic of Egypt:

By: [Signed]  
Name: HAMED A. EL-SAYEH  
Title: Minister of Economy

United States of America:

By: [Signed]  
Name: DONALD S. BROWN  
Title: Director, USAID/Cairo

<sup>1</sup> Came into force on 15 August 1978 by signature, in accordance with section 2.

<sup>2</sup> See p. 12 of this volume.

<sup>3</sup> See p. 18 of this volume.

<sup>4</sup> See p. 19 of this volume.