

Proj No. 5270150-④  
PP

MAR 11 1977

6p

527-0150  
PD-AAB-408-A1

AGING

ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR (LA)

FROM: LA/DR, Charles B. Weinberg

Problem: To authorize the Peru Use of Treated Sewage for Irrigation grant.

Discussion: The original PP for the \$200,000 Peru Use of Treated Sewage for Irrigation grant was reviewed by the DAEC on June 29, 1976. Approval was withheld at that time, and the Mission was asked to revise and resubmit the PP. With the submission of a PP addendum in August and additional technical data in early September, the major concerns raised by the DAEC were satisfactorily answered, and the project was approved for TQ funding without another full DAEC review (see TAB F).

Although the project was initially proposed for the TQ, it did not appear in the FY 1976 Congressional. Thus an Advice of Program Change was required and was sent to the Congress on September 14, 1976. On September 28 (following the required fifteen-day notification waiting period), the acting AA/LA signed a cable to Lima authorizing signature of a Project Agreement obligating funds in the TQ. However, the Mission was unable to sign the Agreement in the remaining two days of the TQ.

The Mission has since negotiated a Project Agreement which is now ready for signature, but a new authorization is required. The project appears on page 266 of the FY 1977 Congressional Presentation at an initial funding level of \$125,000 in the TQ. However, the entire life of project cost of \$200,000 will now be obligated in FY 1977. These changes required another Advice of Program Change, and such a document was sent to the Congress on February 9, 1977. The required fifteen-day notification waiting period expired February 23, and funds may now be obligated through Mission signature of a Project Agreement.

The purpose of the project is to demonstrate the economic and technical feasibility of producing significant quantities of food by irrigating desert lands in western Peru with treated sewage effluent. The project proposes to establish a pilot demonstration site outside the city of Tacna on Peru's southern coast, utilizing effluent from a recently completed sewerage treatment facility.

(This facility consists of four aeration-oxidation lagoons connected in a series so that sewage is permitted to flow across the four lagoons. Treatment is accomplished through the precipitation of suspended solids and the oxidation of the effluent. No chemicals are added.) Approximately 120 hectares will be irrigated and cultivated under the program by 1978. The GOP Directorate General of Waters (DGA) will implement the project.

The PP is attached for your information (see TAB C). The Facesheet has been modified to reflect the change to life of project funding. No other changes have been made to the project since its approval in September, 1976.

Recommendation: That you sign the attached Project Authorization and Request for Allotment of Funds (PAF) form (see TAB A) thereby authorizing the Mission to sign a Project Agreement for the Use of Treated Sewage for Irrigation grant.

Attachments: TAB A - PAF Form  
TAB B - Action Memorandum for the Acting AA/LA, dtd 9/28/76  
TAB C - Project Paper

LA/DR:YKely:2/23/77

<b>AGENCY FOR INTERNATIONAL DEVELOPMENT PROJECT AUTHORIZATION AND REQUEST FOR ALLOTMENT OF FUNDS PART I</b>	<b>1. TRANSACTION CODE</b> <input type="checkbox"/> A ADD <input type="checkbox"/> C CHANGE <input type="checkbox"/> D DELETE	<b>PAF</b> <b>2. DOCUMENT CODE</b> 5
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<b>3. COUNTRY/ENTITY</b> Peru	<b>4. DOCUMENT REVISION NUMBER</b> <input type="checkbox"/>
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<b>5. PROJECT NUMBER (7 digits)</b> <input type="text" value="527-0150"/>	<b>6. BUREAU/OFFICE</b> A. SYMBOL: LA B. CODE: <input type="text" value="03"/>	<b>7. PROJECT TITLE (Maximum 40 characters)</b> <input type="text" value="Use of Treated Sewage for Irrigation"/>
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<b>8. PROJECT APPROVAL DECISION</b> ACTION TAKEN: <input type="checkbox"/> A APPROVED <input type="checkbox"/> D DISAPPROVED <input type="checkbox"/> DE DEAUTHORIZED	<b>9. EST. PERIOD OF IMPLEMENTATION</b> YRS. <input type="text" value="0"/> <input type="text" value="2"/> QTRS. <input type="text" value="1"/>
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10. APPROVED BUDGET AID APPROPRIATED FUNDS (\$000)									
A. APPROPRIATION	B. PRIMARY PURPOSE CODE	PRIMARY TECH. CODE		E. 1ST FY <u>77</u>		H. 2ND FY		K. 3RD FY	
		C. GRANT	D. LOAN	F. GRANT	G. LOAN	I. GRANT	J. LOAN	L. GRANT	M. LOAN
(1) FN	142	064		200					
(2)									
(3)									
(4)									
TOTALS				200					

A. APPROPRIATION	N. 4TH FY		Q. 5TH FY		LIFE OF PROJECT		11. PROJECT FUNDING AUTHORIZED (ENTER APPROPRIATE CODE(S)) 1 - LIFE OF PROJECT 2 - INCREMENTAL LIFE OF PROJECT	A. GRANT	B. LOAN
	O. GRANT	P. LOAN	R. GRANT	S. LOAN	T. GRANT	U. LOAN			
(1) FN					200			1	
(2)									
(3)									
(4)									
TOTALS					200				C. FY <input type="text" value="7"/> <input type="text" value="7"/>

<b>12. INITIAL PROJECT FUNDING ALLOTMENT REQUESTED (\$000)</b> <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">A. APPROPRIATION</th> <th colspan="2">B. ALLOTMENT REQUEST NO.</th> </tr> <tr> <th>C. GRANT</th> <th>D. LOAN</th> </tr> </thead> <tbody> <tr> <td>(1) FN</td> <td>200</td> <td></td> </tr> <tr> <td>(2)</td> <td></td> <td></td> </tr> <tr> <td>(3)</td> <td></td> <td></td> </tr> <tr> <td>(4)</td> <td></td> <td></td> </tr> <tr> <td colspan="2" style="text-align: center;">TOTALS</td> <td>200</td> </tr> </tbody> </table>	A. APPROPRIATION	B. ALLOTMENT REQUEST NO.		C. GRANT	D. LOAN	(1) FN	200		(2)			(3)			(4)			TOTALS		200	<b>13. FUNDS RESERVED FOR ALLOTMENT</b> TYPED NAME (Chief, SER/FM/FSD) SIGNATURE DATE
A. APPROPRIATION		B. ALLOTMENT REQUEST NO.																			
	C. GRANT	D. LOAN																			
(1) FN	200																				
(2)																					
(3)																					
(4)																					
TOTALS		200																			

14. SOURCE/ORIGIN OF GOODS AND SERVICES:  000  941  LOCAL  OTHER \_\_\_\_\_

15. FOR AMENDMENTS, NATURE OF CHANGE PROPOSED

FOR PPC/PIAS USE ONLY	16. AUTHORIZING OFFICE SYMBOL	17. ACTION DATE MM DD YY	18. ACTION REFERENCE (Optional)	ACTION REFERENCE DATE MM DD YY
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PROJECT AUTHORIZATION AND REQUEST FOR ALLOTMENT OF FUNDS

PART II

Name of Country: Peru  
Name of Project: Use of Treated Sewage for Irrigation  
Project Number : 527-0150

Pursuant to Part 1, Chapter 1, Section 103 of the Foreign Assistance Act of 1961, as amended, I hereby authorize a Grant to Peru the "Cooperating Country" of not to exceed two hundred thousand United States Dollars (\$200,000) the "Authorized Amount" to help in financing certain local currency costs of goods and services required for the project as described in the following paragraph.

The purpose of the project (Project) is to demonstrate the economic and technical feasibility of producing significant quantities of food by irrigating desert lands with treated sewage effluent. The project proposes to establish a pilot demonstration site outside the city of Tacna on Peru's southern coast, utilizing effluent from a recently completed sewerage treatment facility. A.I.D. funds will finance the rental of construction equipment, engineering services, labor and some materials. The entire amount of the A.I.D. financing herein authorized will be obligated when the Project Agreement is executed.

I hereby authorize the initiation of negotiation and execution of the Project Agreement by the officer to whom such authority has been delegated in accordance with A.I.D. regulations and Delegations of Authority subject to the following essential terms and covenants and major conditions, together with such other terms and conditions as A.I.D. may deem appropriate:

A. All goods and services financed by A.I.D. will involve local currency expenditures under the Project and shall have their source and, except as A.I.D. may otherwise agree in writing, their origin in Peru.

B. Prior to any disbursement, or the issuance of any commitment document under the Project Agreement, the Grantee shall furnish A.I.D., in form and substance satisfactory to A.I.D., (i) A final engineering study from the Directorate General of Water (DGA) acceptable to A.I.D.; and (ii) A letter of understanding from the Agrarian Bank Office in Tacna that credit will be available to the Project farmers for the production costs of the first crop.

*Donor M. Lion*

Donor M. Lion, Acting  
Assistant Administrator  
Bureau for Latin America

3-14-77

Clearances:

LA/DR:CBWeinberg *N* Date 3/11/77  
LA/SA:RBallantyne *CB* Date         
LA/DP:LSnucker *LS* Date 2/23/77

GC/LA:JKessler *JK* Date 2/25/77

AGENCY FOR INTERNATIONAL DEVELOPMENT  
**PROJECT PAPER FACESHEET**  
 TO BE COMPLETED BY ORIGINATING OFFICE

1. TRANSACTION CODE ("X" appropriate box)  
 Original  Change  
 Add  Delete

PP  
 DOCUMENT CODE 3

2. COUNTRY/ENTITY  
 PERU

3. DOCUMENT REVISION NUMBER  
 One

4. PROJECT NUMBER  
 527-0150

5. BUREAU  
 a. Symbol 1A b. Code 03

6. ESTIMATED FY OF PROJECT COMPLETION  
 FY 80

7. PROJECT TITLE - SHORT (stay within brackets)  
 [USE OF TREATED SEWAGE FOR IRRIGATION]

8. ESTIMATED FY OF AUTHORIZATION/OBLIGATION  
 a. INITIAL <sup>mo. yr.</sup> 2 77 b. FINAL FY 77

9. ESTIMATED TOTAL COST (\$000 or equivalent, \$1 = )

a. FUNDING SOURCE	FIRST YEAR FY 77			ALL YEARS		
	b. FX	c. L/C	d. Total	e. FX	f. L/C	g. Total
AID APPROPRIATED TOTAL						
(Grant)	( )	( 200 )	( 200 )	( )	( 200 )	( 200 )
(Loan)	( )	( )	( )	( )	( )	( )
Other 1.						
U.S. 2.					217.4	217.4
HOST GOVERNMENT						
OTHER DONOR(S)						
TOTALS		200	200		417.4	417.4

10. ESTIMATED COSTS/AID APPROPRIATED FUNDS (\$000)

a. Approp-riation (Alpha Code)	b. Primary Purpose Code	c. Primary Tech. Code	FY 77		FY		FY		ALL YEARS	
			d. Grant	e. Loan	f. Grant	g. Loan	h. Grant	i. Loan	j. Grant	k. Loan
FN	142	064	200							200
TOTALS			200							200

11. ESTIMATED EXPENDITURES

12. PROJECT PURPOSE(S) (stay within brackets)  Check if different from PID/PRP

[To successfully demonstrate the economic and technical feasibility of producing significant quantities of needed foodstuffs by irrigating desert lands with treated sewage effluent.]

13. WERE CHANGES MADE IN BLOCKS 12, 13, 14, or 15 OF THE PID FACESHEET? IF YES, ATTACH CHANGED PID FACESHEET.  
 Yes  No

14. ORIGINATING OFFICE CLEARANCE

Signature: Donald Finberg *Donald Finberg*

Title: Director

Date Signed: mo. day yr. 6 14 76

15. Date Received in AID/W, or For AID/W Documents, Date of Distribution

mo. day yr. | | |