

MAY 22 1979

PD-AAB-419-A1

ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR (LAC)

FROM: LAC/DR, Henry Bassford

Problem: Authorization of an FY 79 \$1.6 million grant to Peru for Pre-School Education as a Catalyst for Community Development.

Discussion: The purpose of the project is to develop and implement low-cost, non-formal pre-school education programs for poor children in the highlands of Peru, and to encourage the active participation of parent and community members in the education process. The project will assist the Ministry of Education (MOE) to improve upon and expand an existing non-formal center-based program in the Department of Puno and extend the program to the Education Regions of Cuzco and Huaraz. The project is intended to provide 3 - 5 year old children from disadvantaged socioeconomic backgrounds with the social, intellectual and emotional training necessary to ease their transition into the formal education system.

Specifically, the project will establish 1,200 center-based programs in Puno, Cuzco and Huaraz which will enroll 36,000 pre-school aged children. Para-professional community volunteers will conduct the non-formal education programs and will in turn be supervised by professional pre-school teachers at the school district level. Under the project, training will be provided to central and regional staff of the MOE, professional teachers/supervisors at the school district level and para-professional community volunteers. The project will also provide technical assistance in curriculum development and evaluation of the cost-effectiveness of the non-formal pre-school programs and their impact on child growth and parental and community behavior.

The total cost of the project over the four year implementation period will be \$3,216,000. A.I.D. will contribute \$1.6 million in grant funds for technical assistance, in-country training, participant training, education center construction and maintenance costs, vehicles, supplies and evaluations, of which \$420,000 will be authorized in FY 1979 and the balance of \$1,180,000 funded incrementally in FY 80 through FY 82. A.I.D. will also provide \$440,000 in P.L. 480 Title II commodities for supplemental feeding programs at the education centers. The GOP will provide \$1,176,000 in local currency for vehicle repair and maintenance, training, materials and personnel costs. The GOP contribution amounts to about 34 percent of total project cost, thus satisfying the requirements of Section 110(a) of the FAA.

The DAEC reviewed and approved the project on April 12, 1979, subject to the following modifications to the Project Paper which have now been made: (1) that the PP include additional information on the relative merits and implications of center-based and home-based pre-school programs, in terms of child care and education, health levels, and

family structure, and describe in what settings the two approaches are most effective; (2) that the PP include additional information on the Portage program and explain why the MOE is more interested in center-based programs in the sierra; (3) that the possibility of periodic seminars be considered for the purpose of bringing together professionals involved in each of the two approaches and coordinating center-based and home-based efforts in Peru; and (4) that the evaluation plan be elaborated. A thorough evaluation of the impact of pre-school education should be provided for, either under the project or under follow-on evaluation activities. Particular emphasis should be given to the following: health and nutrition impacts; improved language ability; performance in primary school; and comparison with home-based programs. \$100,000 have been added to the project for this purpose.

The Bureau's Environmental Committee has reviewed the Initial Environmental Examination for the project and concurred in the Mission's recommendation for a Negative Determination.

The project is included in the FY 79 Congressional Presentation as an FY 78 project at a level of \$627,000. An Advice of Program Change was forwarded to Congress on May 8, 1979; the project may be authorized May 22, 1979.

Recommendation: That you sign the attached Project Authorization and Request for Allotment of Funds (PAF) thereby authorizing USAID/Peru to negotiate and sign a Project Agreement for the Pre-School Education as a Catalyst for Community Development Project.

Attachments: TAB A-- PAF
TAB B - Project Paper

DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D. C. 20523

**ASSISTANT
ADMINISTRATOR**

PROJECT AUTHORIZATION AND REQUEST FOR ALLOTMENT OF FUNDS

Name of Country: Peru
Name of Project: Pre-School Education
Number of Project: 527-0161

Pursuant to Part 1, Chapter 1, Section 105 of the Foreign Assistance Act of 1961, as amended, I hereby authorize a Grant to the Republic of Peru, the "Cooperating Country," of not to exceed four hundred and twenty thousand United States Dollars (\$420,000), the "Authorized Amount," to help in financing certain foreign exchange and local currency costs of goods and services required for the project described below. The project consists of the development and implementation of a non-formal pre-school education program for Peruvian children (hereinafter referred to as the "Project").

I approve the total level of A.I.D. appropriated funding planned for this project of not to exceed one million six hundred thousand United States Dollars (\$1,600,000), including the funding authorized above, during the period FY 1979 through FY 1982. I approve further increments of Grant funding during that period of up to \$1,180,000, subject to the availability of funds in accordance with A.I.D. allotment procedures.

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. Source and Origin of Goods and Services

Except for ocean shipping, goods and services financed by A.I.D. under the Project shall have their source and origin in the Cooperating Country or in the United States, except as A.I.D. may otherwise agree in writing. Ocean shipping shall be procured in the United States.

B. Conditions Precedent to Initial Disbursement

Prior to any disbursement, or the issuance of any commitment documents under the Project Agreement, the Cooperating Country shall furnish in form and substance satisfactory to A.I.D.:

(1) Evidence that the Cooperating Country counterpart funds will be provided in a timely manner.

(2) An operational plan for the first year funding period detailing implementation, financial and evaluation plans, and including a plan for the control and use of project vehicles.

C. Condition Precedent to Future Increments of A.I.D. Funding

Prior to any disbursement of or the issuance of any commitment documents under the Project Agreement with respect to each future increment of A.I.D. funding for the Project, the Cooperating Country shall furnish in form and substance satisfactory to A.I.D., an operational plan for the time period covered by such increment detailing implementation, financial and evaluation plans.

D. Covenant

Except as A.I.D. may otherwise agree in writing, the Cooperating Country shall covenant to provide as its counterpart to the Project the cash or in-kind equivalent of U.S. \$1,176,000 during the life of the Project.

Assistant Administrator
Bureau for Latin America and
the Caribbean

Date

Clearances:

LAC/DR:TJBrown	_____	Date _____
LAC/DR:MDBrown	_____	Date _____
LAC/SA:PKolar	_____	Date <u>5/11/79</u>
GC/LAC:JLKessler	_____	Date <u>5/14/79</u>

GC/LAC:RMCotten:ec:4/18/79:x29182
Revised:GC/LAC:RMCotten:ec:5/11/79