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10-0130



AGENCY FOR INTERNATIONAL DEVELOPMENT

UNITED STATES AID MISSION TO PERU

C/O AMERICAN EMBASSY

LIMA, 1 PERU

TELEPHONE: 286200

CABLE: USAID/LIMA

August 24, 1984

Rev. Father Enrique Leon Palomino
Secretary General
CARITAS del Peru
Calles Gamma y Omicron, 492
Callao

Subject: CARITAS OPG Expanded, Improved Feeding Program
Project No.527-0248

Dear Father Leon.

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "A.I.D." or "Grantor") hereby grants to the CARITAS del Peru (hereinafter referred to as "CARITAS" or "Grantee"), the sum of \$175,000 to provide support for a program of Title II feeding activities in rural areas and in urban pueblos jovenes, as more fully described in Attachment 1, the Schedule of this Grant and Attachment 2, entitled "Program Description." Subject to the availability of funds for this purpose, and to the mutual agreement of the parties to proceed, A.I.D. will provide additional support not to exceed in total \$175,000.

The 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 July 31, 1985.

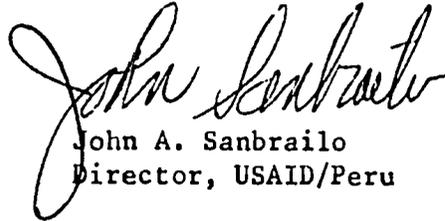
This grant is made to CARITAS on the condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachment 1, the Schedule, Attachment 2 entitled "Program Description," and Attachment 3, entitled "Standard Provisions," which have been agreed to by your organization.

Father Enrique Leon

2.

Please sign all six (6) copies of this letter to acknowledge your receipt of the grant, and return the original and five (5) copies to A.I.D.

Sincerely yours,



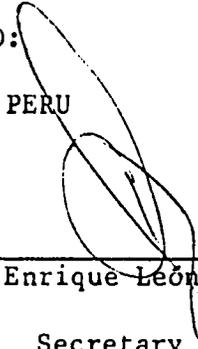
John A. Sanbrailo
Director, USAID/Peru

Attachments:

- A. CARITAS' Project Proposal and Budget
 - 1. Schedule
 - 2. Program Description
 - 3. Standard Provisions
 - 4. Cash Advance Status Report

ACKNOWLEDGED:

CARITAS del PERU

By : 
Enrique León Palomino

Title: Secretary General

Date : 08. 29. 84

FISCAL DATA :

Appropriation : 72-1141021
Budget Plan Code : LDAA-84-25527-AG13
Total Estimated Amount : \$350,000
Total Obligated Amount : \$175,000
Project No. : 527-0248
Funding Source : USAID/PERU

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SCHEDULE

A. Purpose of Grant

The purpose of this Grant is to provide support for CARITAS to continue and strengthen its Title II Feeding Program activities for the rural poor and the inhabitants of the urban pueblos jóvenes in Peru, as more specifically described in Attachment 2 to this Grant entitled "Program Description."

B. Period of Grant

1. The effective date of this Grant is the date of its signature. The expiration date of this Grant is October 31, 1986.

2. Funds obligated hereunder are available for program expenditures for the estimated period August 24, 1984 to August 25, 1985 as shown in the Financial Plan below.

C. Amount of Grant and Payment

1. The total estimated amount of this Grant for the period shown in B.1 above is \$350,000.

2. A.I.D. hereby obligates the amount of \$175,000 for program expenditures during the period set forth in B.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 3, Standard Provision 9A, entitled "Payment Periodic Advance." Cumulative shifts among A.I.D.-financed budget line items of more than 20% cannot be made without prior written authorization of A.I.D.

4. Additional funds up to the total amount of the Grant shown in C.1 above may be obligated by A.I.D. subject to the availability of funds, and to the requirements of Standard Provision 4 of the Grant, entitled "Revision of Financial Plans."

D. Financial Plan

The following is the Financial Plan for this Grant, including local cost financed items as authorized. Revisions to this Plan shall be made in accordance with Standard Provision 4 of this Grant, entitled "Revision of Financial Plans."

Financial Plan

A. Estimated USAID Contribution

<u>Cost Element</u>	<u>Obligated Amount from 8/24/84 to 8/25/85</u>		<u>Est. Additional funds which may be provided 8/24/85 to 8/25/86</u>		<u>Total Est. Cost from 8/24/84 to 8/25/86</u>	
	<u>S/. Costs</u>	<u>US\$ Costs</u>	<u>S/. Costs</u>	<u>US\$ Costs</u>	<u>S/. Costs</u>	<u>US\$ Costs</u>
1. Program Supervision:						
a) Salaries	5,000		5,000		10,000	
b) Travel	18,000		18,000		36,000	
c) Local Supervision	45,000		45,000		90,000	
2. Central Office	2,000		2,000		4,000	
3. Office Supplies	6,000		6,000		12,000	
4. Vehicles		10,000		10,000		20,000
5. Nutrition, Health, Ed. Promotion	52,000		52,000		104,000	
6. Construction Matls. for Infrastruct. Projects	<u>37,000</u>		<u>37,000</u>		<u>74,000</u>	
	<u>\$ 165,000</u>	<u>\$10,000</u>	<u>\$165,000</u>	<u>\$10,000</u>	<u>\$330,000</u>	<u>\$20,000</u>
SUB-TOTAL		<u>\$175,000</u>		<u>\$175,000</u>		
TOTAL (Part A)					<u>\$350,000</u>	

B. CARITAS Contribution (First Year)

1. Central Office Expenses	\$ 32,666
2. Additional Personnel for Warehouse and National Office	\$ 44,567
3. Inland Transport Costs (From warehouses to dioceses and local communities)	<u>\$1,101,717</u>
TOTAL (Part B)	\$1,178,950

C. Diocesan Contribution (First Year)

1. Local Warehousing	\$ 87,271
2. Local Office Personnel and Project Administration	<u>\$ 348,491</u>
TOTAL (Part C)	\$ 435,762

D. <u>GOP TITLE I COUNTERPART</u>	<u>\$1,200,000*</u>
GRAND TOTAL	\$1,789,712

* This is not additional, but used to offset PVO costs.

E. Reporting and Evaluation

1. The fiscal reporting requirements of this grant are set forth in Standard Provision 9A entitled "Payment Periodic Advance."

2. CARITAS shall monitor the performance under the Grant and ensure that time schedules are being met, projected work units by time periods are being accomplished and other performance goals as set forth in the Grantee's Program Proposal (Attachment A) are being achieved. This review shall be made for each sub-project, function, and activity under the Grant as set forth in the approved Program Proposal.

3. CARITAS will submit to USAID a detailed Project Status Report on a quarterly basis as part of its formal evaluation requirement. These reports will describe the status of project activities, problems encountered in implementation, and use of OPG funds expended, i.e., financial reports stating amounts of funds received, spent and liquidated in accordance with the main items in the budget. CARITAS will also provide the USAID/Food for Development Office with reports of CARITAS supervisors' field inspections, and quarterly status reports of commodities and number of recipients.

CARITAS hereby agrees to provide USAID/Food for Development Office with copies of the following reports:

1. On a quarterly basis, the reports of the CARITAS supervisors' field inspections which will include observations on project performance on all levels supervised, as well as recommendations for improvement and reprogramming of food commodities and funds for the next quarter. The supervisors will also prepare a year-end report to submit to CARITAS, CRS, and USAID containing major recommendations on project implementation, problems, and suggestions with respect to future CARITAS program supervisory needs.

2. On a quarterly basis, a report of project implementation progress for the Nutrition/Health/Sanitation educational and promotional campaigns, in accordance with Section D.

3. On a quarterly basis, a financial report indicating counterpart contribution of CARITAS/Diocesan and Community contributions.

4. Special evaluation reports on community development projects, as requested by USAID, to include, inter-alia, the number and type of projects completed, number of beneficiaries, etc.

5. In addition to these reports and evaluations, a team of CARITAS, CRS, and USAID/Food for Development personnel will perform an annual evaluation and analysis of the socio-economic and nutritional impact of the projects implemented under the program. The surveys will provide USAID, CARITAS, and

CRS with a socio-economic profile of project beneficiaries, assess the impact of food assistance in the support of community public works, as well as the adequacy of the nutrition education provided to recipients.

F. Special Provisions

1. The Standard Provisions in Attachment 3 for Non-U.S. Grantees/AID Form 1420-54 (2-82) are modified as follows: delete provisions 8A, 8B, 9B, 12B, 15B, and 15C.

2. To assist in the implementation of the project, AID, from time to time, will issue Project Implementation Letters furnishing additional information about matters or requirements stated in this agreement.

G. Overhead Rate

It is agreed between the Grantor and Grantee that no overhead costs associated with Catholic Relief Services support activities will be charged to this Grant.

H. Title to Property

Title to any property purchased under this Grant will be vested in the Grantee, in accordance with Standard Provision 15A of Attachment 3.

I. Authorized Geographic Code

The authorized geographic code for procurement of goods and services under this Grant is 000, the U.S. and Peru. Local cost financing up to \$330,000 is also authorized under this Grant.

PROGRAM DESCRIPTIONI. Purpose of the Grant

The purpose of this Grant is to assist CARITAS del Peru to continue and strengthen its Title II Feeding Program activities for the rural poor and the inhabitants of the urban pueblos jovenes.

II. Goals and Objectives

1. To respond to the most urgent nutritional, infrastructure, and income-generation needs of the poor in the coastal and sierra regions of Peru, both rural and urban areas.

2. To provide CARITAS with the resources required to carry out Title II Food for Work, Maternal/Child Health and Other Child Feeding activities.

3. To reduce rural-to-urban migration through investment in rural infrastructure and community development using food aid as an incentive for community organization and self-help.

4. To provide essential health, nutrition, and sanitary education to program participants and to assist in monitoring the growth and nutritional status of children of program participants.

5. To stimulate income-generation activities and job-skills/handicraft training.

III. Program Implementation

1. CARITAS will implement the project over a period of approximately two years, beginning August 24, 1984.

2. CARITAS will maintain separate records and appropriate documentation required by AID with respect to Title II commodities, commodity and recipient status reports, reports on inland losses, etc.;

3. CARITAS will secure adequate warehousing for Title II commodities used in connection with the Project;

4. CARITAS will perform necessary rebagging of foods on a timely basis to assure proper handling and reduced loss;

5. CARITAS agrees to provide adequate end-use checkers and project promoters/managers to supervise end-use distribution of Title II commodities and FFW and MCH project development/implementation; maintain a record of all end-use inspections and reports relating to project supervision and food

distribution; and inform AID whenever an irregularity is identified. Contracts for additional outside full-time project supervisory services will be, in form and substance, satisfactory to AID.

6. CARITAS will conduct nutrition, health, and sanitation promotion as well as necessary basic skills training for project participants.

7. CARITAS agrees to coordinate its activities with all relevant agencies of the Government of Peru, international donor organizations, or private Peruvian organizations engaged in similar developmental or educational activities in the project area or new program areas;

8. Prior to contracting any additional personnel, CARITAS will inform AID of the services required and the name, qualifications, and proposed salary, and obtain AID prior written approval of, that individual or individuals.

9. CARITAS will maintain resources donated by AID for activities under this Grant under separate accounting from those resources donated by AID for the CARITAS Emergency Feeding Program in accordance with Standard Provision 2 of Attachment 3 to the Agreement, or by any other source for any other purpose, and to acquire prior written approval from AID for any mixing or interchange of said resources;

10. CARITAS will insure that AID Grant funds provided for transportation, customs, warehousing, etc., will be used for such costs only as they relate to Title II foods under the feeding program activities contemplated by this Grant, and will not be used to substitute for funds provided the Grantee by the Government of Peru or other source for such expenses under the already approved, on-going Emergency Feeding Program. Exception to this provision is subject to prior written approval from AID.

11. Implementation of food distribution will be in accordance with CARITAS' Distribution Schedule to be submitted to AID through Catholic Relief Services (CRS). CRS, as the U.S. cooperating sponsor, is responsible to USAID for the appropriate handling, distribution, and ultimate use of Title II commodities in accordance with AID regulations. In addition to the infrastructure projects which will be implemented through FFW activities, CARITAS will provide health, sanitation and nutritional education for the food beneficiaries through the use of education promoters. These education projects will be implemented in approximately 25 diocesan areas. USAID will supply OPG funds to cover the promoters' travel and per diem expenses, as well as materials for education projects. CARITAS will submit for USAID approval separate, detailed program plans and budgets for each of the areas involved.

ACTION MEMORANDUM FOR THE OFFICE OF THE DIRECTOR

August 24, 1984

THROUGH: Robert Maushammer, Program Officer
FROM: Alan L. Davis, Food for Development Officer
SUBJECT: Project Authorization for Proposed CARITAS OPG 527-0248,
Expanded Improved Feeding Program

Summary

Attached for your review and approval is a proposal submitted by CARITAS del Peru requesting U.S. \$350,000 in Operational Program Grant funds to implement a two-year Title II feeding program (Maternal-Child Health, Food for Work, Pre-School Feeding, and Other Child Feeding) in 25 dioceses in the coastal and mountain (sierra) areas of the country. These Title II programs are a continuation of CARITAS' supplementary feeding program which has been operating successfully over the past six years. These projects will be implemented by CARITAS del Perú in coordination with Catholic Relief Services (CRS), the representative of the U.S. Catholic Conference which serves as cooperating sponsor for the CARITAS PL 480 Title II program in Perú.

The CARITAS Expanded Feeding Program is designed to respond to the short-term nutritional, infrastructure, and income-generation needs of the poor in both the urban and rural areas of the coastal and sierra regions of Peru, as well as the longer-term development goals (including reducing rural-to-urban migration through investment in rural infrastructure and community development) for which food aid can act as a catalyst for community organization and self-help. In addition to PL 480 Title II food supplements distributed through Mother-Child Health and Nutrition projects, Food for Work infrastructure and community development works, and institutional feeding programs, CARITAS offers basic nutrition and health education, assistance with community and Mother's Clubs income-generation activities, and job-skills training.

This project will continue the extensive food assistance program implemented by CARITAS during the past six years and supported with previous OPGs No.527-0180 and No. 527-0196 totalling \$ 585,000. While the design of the current OPG program is basically an extension of the project as designed under OPG 527-0196, the FFD office has started discussions with CRS-CARITAS regarding new design for the project. The new design would deal with such issues as the various changes which were recommended in 1983 by the Title II Evaluation Team: more emphasis on productive infrastructure, as well as improved health/nutritional education and promotion, and more integration of several projects in various communities -- e.g. linking a potable water or irrigation infrastructure project with MCH nutritional monitoring and health and nutrition education.

In addition, the internal evaluation and audit currently being conducted by CRS should result in specific program implementation recommendations concerning improving program effectiveness through better targetting, more concise entrance and exiting criteria and the use of devices to assure that community development projects at the community level are also a high priority for that community or offer the possibility of improving local productive infrastructure and/or income generation directly or indirectly. These CRS recommendations will be discussed with USAID and CARITAS staff and eventually be incorporated in the FY 1986 Operational Plan for the CRS/CARITAS feeding programs. In order to maintain the feeding program's ongoing operations, the Mission prefers to enter into the first year of the new OPG agreement with the expectation that a new program design will be worked out over the next 2-6 months. By the beginning of the second year of this new CARITAS OPG (August 1985), it is anticipated that there will be a transition to a new style Title II feeding project which takes into account the USAID Title II Evaluation, the CRS internal evaluation and audit and some greater FFD office work on what the Mission's Title II program strategy multi-year plan and program design will be in the future.

I. Background

Food supplies and the nutritional status of the Peruvian poor remain at a critical level. Food production has not kept pace with the population growth during the past several years and economic pressures have not permitted the Government of Perú to fill the gap with sufficient imported food stocks. Those affected most severely by the current economic crisis in Perú are the sierra rural poor and the inhabitants of the country's urban pueblos jóvenes. Inflation during the past few years has raised food prices at a faster rate than wages. Devastating natural disasters have also plagued Perú in 1983, resulting in losses of over \$ 1 billion and a 12% drop in GDP. As a result of these downward trends, the number of family units unable to purchase an adequate diet has grown steadily.

The extreme conditions of poverty affecting the rural sierra poor and the inhabitants of the urban pueblos jóvenes have been documented in several USAID reports, most recently in the Nutrition Assessment compiled by Sigma One Corporation. CARITAS has successfully provided greatly needed food assistance to a large portion of these groups and its impact is discussed in the Title II Evaluation of July 1983. During the period between May 1978 and May 1984, CARITAS supplied supplementary rations to an average of 450,000 beneficiaries annually, using approximately 17,000 MT per year of PL 480 Title II food commodities with an average value of approximately \$ 8 million U.S. dollars per annum. These beneficiaries were involved in Food for Work programs, Maternal Child Health activities and Pre-School and Other Child Feeding programs. These activities were also supported by OPG funds of \$585,000 and GOP Title I counterpart monies totalling \$2.5 million.

In response to the continuing economic crisis and its effects on the nutritional status of the Peruvian poor, CARITAS has requested Title II commodities through Catholic Relief Services for FY 1985 which will allow them to continue to assist approximately 408,000 beneficiaries. This is a 5% drop over their FY 1984 recipient level, in line with Mission desires to gradually phase-over the supplementary feeding programs in Peru either to GOP agencies or to self-sufficient and self-sustaining national PVOs.

II. Proposal

Overall program objectives include improving the health and nutritional status of project participants (particularly of the most at-risk group, mothers and young children); assisting with basic economic/community development, and income generation projects as well as increasing the level of coordination with GOP, Ministry of Health, and other Volag programming. Basic emphasis is on improving the nutritional status of the most nutritionally deprived sectors of society, particularly of children during their most vulnerable years, and on strengthening community-level activities designed to increase the communities' ability to provide basic human needs and an adequate nutritional level for its members through their own efforts. These programs will be carried out in areas where the GOP is not implementing programs or cannot provide adequate coverage.

A. Types of Programs

1. Maternal Child Health, Other Child, and Pre-School Child Feeding Programs

Mothers involved in CARITAS' MCH programs receive courses concerning such topics as child-care, home economics, hygiene, nutrition, community organization, literacy training, and craft skills. These courses generally take place in mothers clubs and community centers under the direction of social workers and community promoters, and wherever feasible, from more specialized personnel such as nutritionists and nurses in clinics or health posts.

In an attempt to offer a more preventive health care approach to MCH and Other Child Feeding (OCF) programs, several pilot programs of nutrition education have been carried out. These will continue and expand.

2. Food for Work

a) Community Economic Development Projects

Types of projects to be carried out will include construction of school rooms, ~irrigation and drainage ditches, wells, farm-to-market roads, land clearing and leveling, dikes and dams for flood control, family and community gardens, fish farms, and similar productive infrastructure projects. Non-productive community infrastructure such as sports fields and community centers--although seen by many communities as very desirable--will not be constructed or improved under this project.

The estimated number of man days required for completion of all categories of activities totals 2.8 million per year (calculated on a monthly average of 40-50 hours of work on community projects per FFW participant). The estimated number of persons to be involved in community development projects is at least 55,000, while the estimated total number of workers and dependents who will receive food in this category is 231,400.

b) Educational, Health and Sanitation Development Projects

These projects will function basically through mothers clubs and community centers and will include classes for literacy, manual arts/handicrafts, and small industries training, in addition to classes in homemaking, nutrition, health and sanitation. These have the aim of raising the cultural and economic level of program beneficiaries.

B. Project Implementation

CARITAS will implement the proposed project over an approximate two-year period. Implementation of food distribution will be in accordance with CARITAS' Distribution Schedule to be submitted to AID through Catholic Relief Services (CRS). CRS, as the U.S. cooperating sponsor, is responsible to USAID for the appropriate handling, distribution and ultimate use of Title II commodities in accordance with AID regulations and established practice.

a) Food Distribution

Traditionally, the MCH centers have distributed the food in dry form, with a few having a mixed distribution of both dry and prepared foods, the latter being for consumption at the center. Distribution is often scheduled to be carried out every 15 days, but generally occurs only once a month, particularly in isolated areas where food supply is difficult to maintain and where transport logistics are complicated by poor roads and weather conditions. Some FFW projects, however, are organized to include on-site feeding.

The above-noted distribution methods will continue to be used. However, there is a growing concern over the nutritional impact of the Title II rations and the role that the type of distribution method used plays in this process. What seems to happen in the majority of cases is that food distributed in dry form is taken home and divided among numerous family members, thus greatly reducing its nutritional impact--as the number of family members often exceeds the five persons used to calculate standard FFW rations--. It also appears that one of the factors related to the cohesiveness of the MCH centers is closely linked to the issue of the form in which the food is distributed. Reports from the diocesan levels show that MCH centers appear to be more responsive in long-range activities when the food is distributed in prepared form. The USAID Title II Evaluation Team cited the fact that on-site feeding in both MCH and FFW programs enhances the potential for nutritional impact. The Evaluation Team recommended more on-site feeding when feasible. This

issue of on-site vs. take-home feeding in MCH (as well as in FFW) programs will be monitored during fiscal year 1985 and recommendations will be made as to the form of distribution to be used in the future and under what circumstances.

b) Health and Nutrition Education

As noted earlier, in addition to the productive infrastructure projects which will be implemented through FFW activities and the community organization/skills training offered in the context of MCH programs, CARITAS will provide health, sanitation, and nutritional education for the Title II program participants through the use of Education/Social Promoters. These education activities will be implemented in approximately twenty-five diocesan areas. Major goals for this new OPG period are that CARITAS' Nutrition and Health Education program be expanded to more remote areas and that program supervisors be trained to integrate nutrition and developmental activities. USAID will supply OPG funds to cover the promoters' and project supervisors' travel and per diem expenses. CARITAS will provide training materials and the actual training. It is also anticipated that under the Nutrition Amendment to the Integrated Public Health and Family Planning Project (No. 527-0230), CARITAS will receive training materials for nutrition education and community health instruction purposes.

c) Supervision

Increased efforts will be made to strengthen and improve CARITAS' supervisory capabilities. Past experience has indicated a basic weakness in supervisors' training and reporting. USAID, CRS, and CARITAS recognize the importance of supervisory project visits and reporting to improving program targeting, implementation and selection of projects. The new OPG puts added emphasis on supervision, both on the national level and in each of the dioceses with CARITAS programs. The CRS internal evaluation and the Title II evaluation will be reviewed and suggestions will be made as to how best to train supervisors and what should be required of supervisors in terms of site visits and reporting.

C. Program Integration

Efforts will be made by CRS and CARITAS to assess the effectiveness of MCH and FFW program orientation, to more fully coordinate these programs with other community resources (such as existing health posts or community development programs) and to search for new, inexpensive local organizations and techniques which could achieve the same purposes. It is imperative that this assessment be as actively pursued as possible in order that the impact of the gradually decreasing supply of food available for the MCH program be maximized.

D. Project Beneficiaries

The CARITAS feeding programs in FY 1984 offer supplementary food rations and nutrition education to the following groups:

a) more than 98,400 pregnant and lactating women and their children under 5 years of age in MCH projects conducted among the poorest residents of urban pueblos juvenes and often-remote rural communities;

b) approximately 232,400 beneficiaries (46,280 workers and 186,120 of their dependents) in FFW project groups which are organized among urban slum dwellers and rural subsistence farmers to help with the construction of basic infrastructure, such as irrigation works, schoolrooms, tertiary roads, and community gardens, as well as to stimulate community organization and income-generation activities; and

c) approximately 77,100 children in Pre-School (30,300) and Other Child (46,800) feeding programs in orphanages, day care centers, and community kitchens.

These absolute levels will be adjusted according to the availability of Title II food resources in the future, and the relative allocations may also vary as a result. These changes will be reflected in future Annual Estimates of Requirements.

In total, CARITAS will provide supplementary food rations as an incentive to their labor in FFW projects and as a nutritional supplement in MCH and OCF projects at the following projected rates:

	<u>Number of Beneficiaries</u>	<u>No. MT per year</u>	<u>Value of Commodities*</u>
FY 84:	408,000	14,844 MT	\$ 7.2 million
FY 85:	386,000	<u>14,000 MT</u>	<u>\$ 6.8 million</u>
Total:	794,000	28,844 MT	\$ 14.0 million

*Including Ocean Freight

It should be emphasized that CARITAS selects its program beneficiaries from among the lowest-income group within the urban and rural poor, i.e. those who are unable to provide an adequate diet for themselves and their families, given their incomes, the high cost of foodstuffs in local markets, and the frequent shortages due to poor agricultural production, marketing or climatic conditions (droughts and floods). They are concerned with maximizing the program's nutritional impact and will collaborate with CRS and USAID in implementing any necessary changes in project targetting and follow-up on recipients health and nutrition status.

E. Financial Plan

The following is an illustrative first-year project budget by activity which indicates OPG funding requirements, and GOP, CARITAS and CRS contributions:

<u>A. OPG FUNDS FROM AID</u>	<u>U.S. Dollars</u>
1. Supervision Program:	
a) Salaries for 3 National-Level Supervisors	\$ 5,000.
b) Per Diem and Travel Expenses	\$ 21,000.
c) Local Cáritas Supervision Visits to Title II Projects	\$ 55,000.
2. Central Office Expenses	\$ 2,000.
3. Central Office Supplies	\$ 10,000.
4. Purchase of one Vehicle	\$ 10,000.
5. Nutrition, Health, Education, and Hygiene Promotion	\$ 72,000.
TOTAL (part A):	\$ 175,000.
<u>B. CARITAS CONTRIBUTION:</u>	
1. Central Office Expenses	\$ 32,666.
2. Additional Personnel for Warehouse and National Office	\$ 44,567.
3. Inland Transport Costs (From warehouses to dioceses and local communities)	\$1,101,717.
TOTAL (part B)	\$1,178,950.
<u>C. DIOCESAN CONTRIBUTION:</u>	
1. Local Warehousing	\$ 87,271.
2. Local Office Personnel and Project Administration	\$ 348,491.
TOTAL (part C):	\$ 435,762.
<u>D. GOP TITLE I COUNTERPART</u>	\$ 800,000.
GRAND TOTAL:	\$2,589,712.

This new OPG increases the amount for project supervisors since CARITAS will offer more professional training for its national-level supervisory staff and encourage them to assist in program implementation, supervision and evaluation. CARITAS will also increase the amount of funds provided to local

dioceses for project supervision. In addition, each of the regional CARITAS operations will be receiving increased budget amounts for improving and extending health and nutrition services.

F. Life of Project OPG Financial Budget and Total Project Inputs

1. OPG Funds from AID:	\$ 350,000.
2. CARITAS Contribution:	\$ 2,358,000.
3. Diocesan Contribution:	\$ 872,000.
4. GOP Title I Counterpart:	<u>\$ 1,500,000.</u>
TWO-YEAR TOTAL:	\$ 5,080,000.

G. Anticipated Life of Program Outputs

During the two-year life of the program, it is anticipated that CARITAS will offer supplementary food rations to approximately 794,000 recipients according to the following program divisions:

a) Maternal/Child Health:	192,000 beneficiaries
b) Food for Work:	450,000 beneficiaries
c) Other Child and Pre-School:	<u>150,000</u> beneficiaries
Total:	794,000 beneficiaries

Each adult participant in these Title II programs will receive basic health and nutrition education as well as assistance in community development and organization.

The following Food for Work projects will be undertaken:

Estimated number
of Projects:

1. Rural secondary/tertiary roads	400
2. Small-scale irrigation works	90
3. Agricultural terraces	90
4. Water wells	180
5. Reservoirs	80
6. Cattle Dips	100

15

7. Flood control/retaining walls	20
8. Fish farms	10
9. Community gardens	50
10. Community stores	20
11. Misc. Agriculture infrastructure	50
12. Schoolrooms	200
13. Child care centers	200
14. Health posts/sanitation works	100
15. Multiple use community buildings	150
16. Artisan Workshops	50

III. Recommendations

The CARITAS request for OPG assistance fully meets the requirements for OPG programs. The GOP is in agreement that CARITAS continue its present Title II activities and CARITAS has significant prior experience in implementing the proposed activities.

The period for Congressional Notification expired on June 14, 1984. Budget allowance has been received by the Mission for the initial increment of \$175,000 for FY 1984.

Therefore, it is recommended that:

1. You sign the attached Project Authorization and Project Paper Data Sheet signifying your approval of this request and authorizing up to a total of \$350,000 to support the CARITAS OPG for a Title II Food Assistance Program in Perú.
2. You sign the attached Letter of Agreement approving the obligation of \$175,000 in FY 1984 to fund the first increment of the Grant.

- Attachment I: Project Authorization
- Attachment II: Project Data Sheet
- Attachment III: CARITAS OPG Letter of Agreement
- Attachment IV: CARITAS OPG Project Proposal