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AGENCY FOR INTERNATIONAL DEVELOPMENT
UNITED STATES AID MISSION TO PERU
C/O AMERICAN EMBASSY
LIMA, 1 PERU

TELEPHONE: 286200

CABLE: USAID/LIMA

June 16, 1986

Eng. David Baumann Samanez
Director
Instituto Rural Valle Grande
Panamericana Sur, Km. 145
Apartado 70, Cañete

Mr. Hector M. Viera
Vice-President
PROSIP
Av. José Pardo 231, Of. 101
Miraflores

Subject: PROSIP/IRVG-Private Technical Assistance II
Grant No. 527-0000-G-0-6524

Dear Eng. Baumann and Mr. Viera:

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 PROSIP/Instituto Rural Valle Grande (hereby referred to as "PROSIP/IRVG" or "Grantee"), the sum of \$31,000 to provide support for specialized training as described in Attachment 1, the Schedule of this grant, and Attachment 2, entitled "Program Description".

This 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 May 31, 1987.

This grant is made to PROSIP/IRVG on condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachment 1, entitled the Schedule, Attachment 2, entitled "Program Description," Attachment 3 entitled "Mandatory Standard Provisions," and Attachment 4, Optional Standard Provisions" which have been agreed to by your organization.

Please sign the original and five (5) copies of this letter to acknowledge your receipt of the grant, and return the original and four (4) copies to the Program Office, USAID/Peru.

Sincerely yours,


John A. Sanbrailo
Director

Attachments:

1. Schedule
2. Program Description
3. Mandatory Standard Provisions
4. Optional Standard Provisions

Acknowledged and agreed to:

INSTITUTO RURAL VALLE GRANDE

PROSIP

By: 
Eng. David Baumann Samanez

By: 
Mr. Héctor Viera Petit-Jean

Title: Director

Vice-President

Date: Junio 16, 1986

Junio 16, 1986

FISCAL DATA:

Appropriation	:	72-1161021
Budget Plan Code	:	LDAA-86-25527-AG13
Project No.	:	527-0000 (0166)
Total Estimated Amount	:	\$31,000
Total Obligated Amount	:	\$31,000
Funding Source	:	USAID/Peru

SCHEDULE

A. Purpose of Grant

The purpose of this Grant is to provide support for the Grantee's program of specialized training for agricultural para-professionals and expand the grantee's technical assistance program to the Mala Valley. The purpose is more specifically described in Attachment 2 to this Grant entitled "Program Description".

B. Period of Grant

The effective date of this Grant is the date of its signature. The expiration date of this Grant is May 31, 1987.

C. Amount of Grant and Payment

1. A.I.D. hereby obligates the amount of \$31,000 for purposes of this Grant.

2. Payment shall be made to the Grantee in accordance with procedures set forth in Attachment 4 - Optional Standard Provision 2, entitled "Payment--Cost Reimbursement."

D. Financial Plan

The following is the Grant Budget, including local cost financed items, which is authorized up to \$29,400. Revisions to this Budget shall be made in accordance with Attachment 3, Mandatory Standard Provisions of this Grant, entitled "Revision of Grant Budget."

Grant Budget
(U.S. dollars)

	LC	FX
1. Technical Assistance Support Program		
a. Program Direction and short course instruction	9,630	
b. Equipment and Supplies	1,800	1,600
c. Operational costs	6,725	0
d. Administration	1,975	
e. Contingency	1,250	
Total Expenses		22,980
Income from Tuition		2,700
Support requested from AID		20,280
2. Mala Valley Technical Assistance		
a. Technical Assistance and course instruction	5,340	0
b. Supplies	880	0
c. Operational costs	2,916	0
d. Administration	914	0
e. Contingency	670	0
Total Support Requested from AID		10,720
Total Grant Budget		31,000
Counterpart contribution PROSIP-Valle Grande (transportation, office supplies and supervision)		
1. Activity A	5,460.00	
2. Activity B	3,200.00	
Total	8,660.00	

E. Reporting and Evaluation

1. At the end of each growing season PROSIP/IRVG shall submit to USAID, a report comparing actual accomplishments with project objectives. The report should also contain updated information on the extent to which private technical assistance is being contracted in the Cañete and Chincha Valleys.

2. Within one month after the end of the grant period, PROSIP:IRVG and USAID will jointly assess the status of private sector technical assistance in the Cañete and Chincha Valleys.

F. Special Provisions

1. The following Optional Standard Provisions, (Attachment 4), apply to this Grant 2, 5, 8, 17, and 20.

2. PROSIP and IRVG are jointly and severally liable and responsible to A.I.D. for the performance of every obligation of the Grantee and compliance with all the terms and conditions of this Agreement.

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PROGRAM DESCRIPTION

A. Background

In 1984, AID provided a grant to assist PROSIP/Instituto Rural Valle Grande with its specialized training program of agricultural technicians. The objective of this program is to sharpen the skills of agricultural technicians so that they can provide private technical assistance to farmers as a condition for Agrarian Bank approval of loans to these farmers.

The program is quite successful. At the end of 1985, Agrarian Bank records listed 1,550 technical assistance contracts involving 10 agricultural professionals and 42 agricultural technicians. Also it appears that a number of technical assistance contracts are being signed independent of Agrarian Bank loans.

This new grant will fund continuation of monthly technical meetings, four intensive courses, and follow up sessions on a variety of subjects covered in the intensive courses. As a condition of the grant, PROSIP/IRVG will collaborate with the National Farmer's Organization (ONA) in its efforts to develop a mechanism to sustain the training and technical assistance program.

Under the earlier grant, PROSIP/IRVG provided training to some agricultural technicians from the Mala Valley. During follow-up with these technicians PROSIP/IRVG discovered that the technical knowledge of many farmers in the Mala Valley was so weak that it was very difficult for them to take advantage of private technical assistance. Therefore, part of this grant is to extend PROSIP/IRVG's own technical assistance program to the Mala Valley.

B. Purpose of the Grant

The purpose of this grant is to provide additional support to the Grantee's unique program of private technical assistance to small farmers. This will be done by providing financing for: 1) specialized training of agricultural technical assistants working in the Cañete and Chincha Valleys and 2) extending the Grantee's own technical assistance program to farmer's of the Mala Valley.

C. Specific Objectives

Grant funds will be used by PROSIP/IRVG to:

1. Hold 12 monthly technical meetings for agricultural technicians in the Cañete and Chincha Valleys. Each meeting will consist of one afternoon of instruction on a specific technical problem.

2. Conduct four intensive courses for agricultural technicians of the Cañete and Chincha Valleys. Probable subjects are citrus fruit crops, beans, small farm business development and cotton. Each course will consist of 19 hours of instruction.

3. Conduct follow-up courses on individual points covered in the intensive courses. These courses will vary in length, but will consist of approximately 40 hours of instruction over the Grant period.

4. Conduct two zonal training cycles for farmers in the Mala Valley. A Zonal Training Cycle consists of:

- a. A pre-training meeting with all farmers in the area to explain the objectives of PROSIP/IRVG's Program.
- b. Visits to all of the farmers in order to determine predominant crops and livestock, limitations, habits, expectations, etc.
- c. The development of a zonal program based on information collected in (b) above. This program includes demonstration plots, technical meetings, intensive courses, and individual technical assistance.
- d. A meeting to discuss and approve the program.
- e. Implementation of the program over 12 months (two growing seasons).
- f. The preparation and distribution of a final report to the farmers. This report will provide a summary of activities and list results of the demonstration plots and other recommendations.
- g. Periodic follow-up visits by PROSIP/IRVG technical personnel.

D. Project Implementation and Responsibilities

This project will be implemented by PROSIP/Instituto Rural Valle Grande over a period of 12 months.

Specifically the grantee will:

1. Contract qualified specialists and prepare teaching materials for the various intensive, and follow up courses and the zonal training cycles.
2. Collect a U.S.\$15.00 equivalent fee from each student for each intensive course and a US\$3.00 equivalent fee from each student for each monthly technical meeting. These fees will be used to defray costs of the courses.

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3. Provide logistic support including furniture, audio-visual and other equipment, classrooms, telephones, transportation and word processing equipment.
4. Comply with reporting requirements as stated in Attachment 1, Section E.
5. Cooperate with the National Farmers Organization (ONA) in its efforts to find a mechanism to sustain private technical assistance. This cooperation could consist of the sharing of information collected, participation in meetings with ONA personnel and the review of draft ONA reports.

