

THIS IS A PRIMARY OBLIGATING DOCUMENT
THAT IS NOT PURSUANT TO A HANDBOOK 3
PROJECT AGREEMENT

302-100-112



AGENCIA PARA EL DESARROLLO INTERNACIONAL
DE LOS ESTADOS UNIDOS EN EL PERU (USAID - PERU)
OFICE EMBAJADA AMERICANA
LIMA - PERU

REF: 527-0248

August 31, 1987

Monsignor Ricardo Durand Flórez, S.J.
President
CARITAS del Perú
Omicrón 492, Alt. 38 Av. Colonial
CALLAO 3

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

Dear Monsignor Durand:

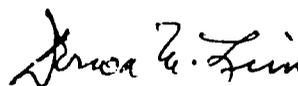
Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "AID" or "Grantor") hereby grants to the Caritas del Perú (hereinafter referred to as "CARITAS" or "Grantee") the additional amount of US\$100,000 in accordance with the Financial Plan, to continue to support expanded feeding, rural development, and Child Survival activities as described in the Letter of Agreement dated August 24, 1984 as amended, Attachments 1 and 2 thereto (Attachment A for the purposes of this amendment), the Revised Schedule, as amended (Attachment B for the purposes of this amendment), and the Program Description Amendment (Attachment C for the purposes of this amendment) which are made a part hereof. This additional and final increment of US\$100,000 supplements the US\$550,000 previously granted for a total cumulative amount granted to date of US\$650,000 (the "Grant").

This grant increment 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 March 31, 1988.

This Grant is made to CARITAS on condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachment 1, entitled "Schedule," Attachment 2, entitled "Program Description" of the Letter of Agreement dated August 24, 1984, as amended, (Attachment A); the Revised Schedule, as amended (Attachment B); the Program Description Amendment, as amended (Attachment C); Attachment D, "Mandatory Standard Provisions for Non-U.S. Nongovernmental Grantees"; and Attachment E, "Optional Standard Provisions for Non-U.S. Nongovernmental Grantees" which have been agreed to by your Organization.

Please sign all six (6) copies of this letter to acknowledge receipt of the Grant, and return five (5) copies to AID.

Sincerely yours,



Donor M. Lion
Director

ATTACHMENTS:

- A. Letter of Agreement dated August 24, 1984, its Attachments 1 and 2, and its amendments dated April 9, 1985 and June 23, 1986.
- B. Revised Schedule.
- C. Program Description Amendment.
- D. Mandatory Standard Provisions for Non-U.S. Non-Governmental Grantees, OMB Control No. 0412-0510.
- E. Optional Standard Provisions for Non-U.S. Non-Governmental Grantees.

ACKNOWLEDGED:

CARITAS DEL PERU

By : 
Monsignor Ricardo Durand Flórez, S.J.

Title: President, CARITAS del Perú

Date : August 31, 1987

FISCAL DATA:

Appropriation	: 72-1171021
Budget Plan Code	: LDNA-87-25527-KG13
Project Number	: 527-0248
Total Estimated Amount	: US\$650,000 (US\$525,000 ARDN, US\$125,000 HE)
Obligations to Date	: US\$550,000 (US\$425,000 ARDN, US\$125,000 HE)
Total This Obligation	: US\$100,000 (ARDN)

REVISED SCHEDULE

A. Purpose of Grant

The purpose of this Grant is to provide support for the CARITAS Expanded, Improved Feeding Program, as more specifically described in the "Revised Program Description."

B. Period of Grant

1. The effective date of this Grant is August 24, 1984. The expiration date of this Grant is March 31, 1988.

2. Funds obligated hereunder are available for program expenditures for the estimated period August 24, 1984 to March 31, 1988 as shown in the Grant Budget.

C. Amount of Grant and Payment

1. The total estimated amount of this Grant for the period shown in B.1 above is US\$650,000.

2. AID by Letters of Agreement dated August 24, 1984, and April 9, 1985 and June 23, 1986 obligated the amounts of US\$175,000, US\$100,000, and US\$275,000 respectively, and hereby obligates the additional amount of US\$100,000 for program expenditures during the estimated period set forth in B.2 above and as shown in the Grant Budget.

3. Payment shall be made to the Grantee in accordance with procedures set forth in Attachment E, Optional Standard Provision No. 1 entitled "Payment - Periodic Advance", or Optional Standard Provision No. 2 entitled "Payment - Cost Reimbursement", as agreed upon by AID and CARITAS del Perú for individual components financed under the Grant.

D. Financial Plan

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

GRANT BUDGET
(US\$)

A. Cost Element	<u>Obligations to Date</u>				<u>This Obligation</u>	<u>Total</u>	
	8/24/84 - 9/30/87				9/1/87 - 3/31/88	8/24/84 - 3/31/88	
	ARDN		CHILD SURVIVAL		ARDN	Foreign Exchange	Local Currency
	Foreign Exchange	Local Currency	Foreign Exchange	Local Currency	Local Currency		
1. Program Supervision							
a. Salaries		7,857		10,143	19,000		
b. Travel		30,000			7,000		
c. Local Supervision		70,714		19,286	7,000		
2. Technical Assistance		55,000			30,000		85,000
3. Central Office		5,000					5,000
4. Office Supplies		19,429		571			20,000
5. Vehicles	20,000						20,000
6. Nutrition, Health, Ed. Promotion and Training		92,000		95,000	30,000		217,000
7. Construction Material for Infrastructure Projects (Income Generation and Ag. Production Projects)		125,000			7,000		132,000
	<u>20,000</u>	<u>405,000</u>		<u>125,000</u>		<u>20,000</u>	<u>630,000</u>
	425,000						
			550,000		100,000		650,000
Total (Part A)	US\$650,000						

	<u>(US\$)</u>			
	<u>First Year</u>	<u>Second Year</u>	<u>Third Year</u>	<u>Fourth Year</u>
A. <u>Grant Budget</u>				
Total (Part A)	175,000	100,000	275,000	100,000
B. <u>CARITAS Contribution</u>				
1. Central Office Expenses	32,666	26,200	22,300	32,428
2. Additional Personnel for Warehouse and National Office	44,567	38,300	36,400	44,245
3. Inland Transport Costs (From warehouses to dioceses and local communities)	<u>1,101,717</u>	<u>1,200,000</u>	<u>1,996,428</u>	<u>1,094,059</u>
Total (Part B)	1,178,950	1,264,500	2,055,128	1,170,732
C. <u>Diocesan Contributions</u>				
1. Local Warehousing	87,271	85,000	65,000	86,647
2. Local Office Personnel and Project Adm.	<u>348,491</u>	<u>255,000</u>	<u>248,000</u>	<u>346,068</u>
Total (Part C)	435,762	340,000	313,000	432,715
GRAND TOTAL (Parts A, B, & C)	1,789,712	1,704,500	2,643,128	1,703,447
D. GOP Title I Counterpart*	1,200,000	1,092,000	1,000,000	1,150,000

(*) This is not additional, but used to offset PWD costs.

E. Reporting and Evaluation

As more fully described in the "Revised Program Description" in Sections on Conditions and Covenants (V), Reporting and Evaluations (VI), Project Budget and Release of Funds (IV), and Fiscal Provisions (VII), CARITAS agrees to provide to the AID Food for Development Office all required documentation relating to "Financial Reporting Requirements."

F. Special Provisions

1. Optional Standard Provisions for Non-U.S., Nongovernmental Grantees Attachment E shall apply as follows: Include provisions: 2, 4, 5, 6, 8, 18, and 21.

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

G. Overhead Rate

It is agreed between the Grantor and Grantee that no overhead costs 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 Optional Standard Provision 18 of Attachment E.

I. Authorized Geographic Code

All goods and services under this Grant must have their source and origin in the U.S. and Peru and consistent with Optional Standard Provisions 5, 6, and 8 of Attachment E. Local cost financing up to US\$630,000 is authorized under this Grant.

PROGRAM DESCRIPTION AMENDMENT

The "Program Description" attached to the Letter of Agreement dated August 24, 1984 as amended by Letter of Agreement dated June 23, 1986 is hereby amended as follows:

In section V, Covenants, add paragraph "5" to read as follows:

"It is agreed that the increment of US\$100,000 provided herein will not be disbursed until such time that AID considers substantial programmatic and administrative changes to improve the developmental impact of the program have been implemented."

In Section VI, Reporting and Evaluation - Presented to Catholic Relief Services (CRS) and AID, under Part 2, Evaluations, add paragraph "c" and "d" as follows:

- "c. On a yearly basis, CARITAS will provide an evaluation of the nutritional status of children in the program. The study will focus on the statistical data gathered in growth charts, immunization records, and interviews with mothers. The report will also contain conclusions and recommendations for program improvement.
- d. During the first quarter of CY88, CARITAS will conduct an in-depth evaluation to measure cost/effectiveness in 10% of all CARITAS agriculture and FFW projects."

In Section VIII Targets, delete and substitute in lieu thereof the following:

"VIII. Targets

The following targets are expected to be completed by March 31, 1988:

1. Community Services

Implement 250 community feeding centers ("comedores") for approximately 80,000 beneficiaries throughout Peru.

2. MCH, OCF, Pre-School, and Child Survival

- a. Reduce malnutrition by 10% and infant mortality by 20% among the approximately 120,000 families participating in the MCH, Pre-school, and OCF feeding programs.
- b. Implement 1,500 day-care centers and 800 MCH centers.

- c. Plan the implementation of Child Survival activities in at least five dioceses: Lima, Arequipa, Trujillo, Cajamarca, and Puno.
- d. Conduct baseline health status studies and quarterly evaluations of growth monitoring data for 4,680 children in the MCH, OCF, and Pre-school programs.

3. Food for Work

- a. Increase agricultural production by 10% for 25,000 rural families in 14 dioceses within the areas of Title II program activity.
- b. Support the following community infrastructure activities during the next year:
 - 300 irrigation canals
 - 50 water reservoirs
 - 133 water dams
 - 10 groups of agricultural terraces
 - 13 small irrigation systems
 - 22 activities related to soil conservation and reforestation
 - 2,756 community and family vegetable gardens
 - 828 small animals farms
 - 38 animal production infrastructures.
- c. Operate approximately 100 workshops, 30 small industries, and 2,500 short training courses on the making of handicrafts and the administration of small enterprises for approximately 23,000 families in both rural and urban areas.

4. Training

- a. Assist CARITAS diocesan personnel in the planning and management of Title II and related development programs. This includes training field personnel and conducting feasibility pilot studies on food production alternatives as outlined in the CARITAS/CRS Multiyear Plan.
- b. During August and September 1987, the CARITAS central office in coordination with CRS and AID, will organize seminars and workshops for all dioceses on topics such as project design, monitoring, reporting, and evaluation.

- c. Select and train 156 regional and community health promoters in growth surveillance by including them in IIN-organized regional Child Survival courses.

5. Geographic Program Focus

By the end of the Grant period, not more than 38% of all Title II program beneficiaries will be located in coastal areas and at least 62% of all Title II beneficiaries will be located in the Sierra."