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



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

TELEFONO 333200
TELEX 20335 PE USAIDPR
FAX 337034

September 28, 1990

Rev. Father
Jesús Herrero
Director General
Fe y Alegría
Cahuide 884
Jesús María

Subject: Fe y Alegría - Vocational Training Project
in the Pueblos Jóvenes of Peru
Cooperative Agreement No. 527-0061-A-00-0367-00

Dear Rev. Herrero:

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 Fe y Alegría (hereinafter referred to as "Fe y Alegría" or "Recipient") the sum of \$100,000 to assist Fe y Alegría to continue and expand community based vocational training programs for the inhabitants of low-income communities of Lima and other cities of Peru, as described in Attachment 1, the Schedule of this Cooperative Agreement, and Attachment 2, entitled "Program Description".

This Cooperative Agreement is made with Fe y Alegría 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 entitled "Optional Standard Provisions", which have been agreed to by your organization.

Please sign the original and each copy of this letter to acknowledge receipt of the Cooperative Agreement, and return the original and all but one copy to me.

Sincerely yours,

Craig G. Buck
Director

Attachments

1. Schedule
2. Program Description
3. Mandatory Standard Provisions for Non-US Non Governmental Grantees
4. Optional Standard Provisions for Non-US Non Governmental Grantees
5. Fe y Alegria Proposal

Acknowledged:

Fe y Alegría

By: Jesus Herrera
(Signature)
Name: Jesus Herrera
Title: Director General - Director Fe y Alegria
Date: 23-September-1990

Fiscal Data

PIO/T No.	:	527-0061-3-00102
Appropriation	:	72-1101021
Reservation Control No	:	R000337
Budget Plan Code	:	LDSA-90-95527-KG13
Total Estimated Amount	:	\$100,000
Total Obligated Amount	:	\$100,000

SCHEDULE

A. Purpose of Cooperative Agreement

The purpose of this Cooperative Agreement is to support Fe y Alegria's vocational training and community development activities in low-income communities throughout Peru, as more specifically described in Attachment 2 to this Cooperative Agreement entitled "Program Description".

B. Period of Cooperative Agreement

The effective date of this Cooperative Agreement is the date of the cover letter. The expiration date of this Agreement is March 31, 1992.

C. Amount of Agreement and Payment

1. AID hereby obligates the full amount of \$100,000 for purposes of this Agreement.
2. In every request for payment, Fe y Alegria will detail the type of activity to be implemented, the amount of funds required, a budgetary plan indicating the expenses to be incurred in with the funds requested and the self-help component/counterpart contribution to be provided.

D. Financial Plan

The following is the Agreement Budget including local cost financed items as authorized and other contributions to the project. Revisions of this budget shall be made in accordance with Attachment 3, Mandatory Standard Provision No. 4 of this Cooperative Agreement entitled "Revision of Grant Budget".

Agreement Budget
(US Dollars)

<u>Cost Element</u>	<u>US\$</u>
1. Approximately ten to fourteen small projects in the field of vocational training to be implemented in low-income communities at a national level (average cost per project: \$8,500)	\$100,000
TOTAL AID CONTRIBUTION	\$100,000

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Estimated Counterpart Contribution
(US Dollars)

<u>Items</u>	<u>US\$</u>
1. Workshops basic installations	\$ 30,000
2. Community labor	15,000
3. Instructive manuals	5,000
4. Administrative costs	<u>4,000</u>
TOTAL ESTIMATED COUNTERPART CONTRIBUTION	\$ 54,000

E. Reporting and Evaluation

Fe y Alegria agrees to submit to A.I.D., Office of Human Resources, Training and Social Development Division, documentation for financial reporting and supervision of project activities as required by Sections V, Reports and Evaluation; VII, Covenants, and VIII, Required Accounting Records of Attachment 2, Program Description.

F. Special Provisions

Optional Standard Provisions for Non-U.S., Non-Governmental Grantees, AID Form 1420-54 (1-85), shall apply as follows: Include Provision 3, "Air Travel and Transportation"; 4, "Ocean Shipment of Goods"; 5, "Procurement of Goods and Services"; 6, "AID Eligibility Rules for Goods and Services"; 8, "Local Cost Financing"; 18, "Title to and Use of Property (Grantee Title)"; and 21, "Cost Sharing (Matching)".

G. Title of Property

(See Attachment 4, Special Provision No. 18 entitled "Title to and Use of Property (Grantee Title)").

H. Authorized Geographic Code

The authorized geographic code for procurement of goods and services under this Cooperative Agreement is 000 (US) and Peru.

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I. Substantial Involvement by USAID/Peru

The parties agree that Fe y Alegria will submit each separate sub-activity to USAID/Peru for its review and approval. Each such request for approval will be accompanied by an implementation plan that includes a description of the activity, the name of the community organization, the official representative of the community for the activity, a list of what the community will contribute for the activity and the monetary value thereof, and a proposed time table for completion of the activity. Those communities offering the greatest contributions will be given priority.

Program Description

- I. The purpose of this Cooperative Agreement is to support Fe y Alegria's continued efforts to promote community - based initiatives in the areas of vocational training in both, urban marginal and rural areas of Peru.

Fe y Alegria, through its vocational/technical training programs, has developed a critically important non-formal education strategy for specific skills acquisition, and with optimum results not only in employment generation but also in providing youth and women from marginal areas the necessary technical background to compete for a steady employment.

II. Specific Objectives

1. Provision of tools, equipment, construction materials and complementary supplies to implement approximately fourteen small projects at a national level in accordance with implementation plans to be submitted by Fe y Alegria. All of these sub-projects will respond to community-based initiatives in the areas of vocational education and/or training for production activities, as a mean to respond to the employment aspirations of these low-income sectors of Peru.
2. The provision of an initial stock of consumable and didactic materials for the production of goods (by the students and members of the community) to be used to finance future activities of these workshops.

III. Project Implementation

Fe y Alegria will implement the project over a period of eighteen months, beginning from the date of the signing of the Cooperative Agreement. Implementation of the approximately fourteen small projects will start soon after the signature of the Cooperative Agreement. Those schools/communities offering significant contributions of their own will be given preference.

IV. Eligible Activities

- a. Funds of this Cooperative Agreement will be used to implement vocational training projects submitted by the Fe y Alegria schools and low-income communities at a national level. Project workshops will offer skills training to youth and adults of both sexes. All communities will be eligible for participation and not just those that have worked with Fe y Alegria in the past.
- b. Technical training programs to be offered at these workshops will include carpentry, electricity, ceramics, sewing and knitting among others. Content of the training programs will be flexible in accordance with specific work and the labor market information to be gathered in each school or community area.

V. Reports and Evaluations

Fe y Alegria will provide an end-of-activity report for each separate activity indicating the funds received, expended and liquidated according to the major sub-projects that are being implemented as well as other related information.

VI. Responsibilities of the Recipient

Fe y Alegria will assume overall responsibility for sub-projects' implementation and utilization of grant funds. In addition, Fe y Alegria hereby agrees to assume responsibilities for the following actions:

- a. Ensure an adequate procurement of equipment and materials for the implementation of the vocational training workshops.
- b. Provide support to other community based activities in the area of vocational training requested by low-income communities.
- c. Identify and install A.I.D. financed equipment at each of the schools participating in the project.
- d. Establish a maintenance and replacement mechanism for equipment.
- e. Provide technical assistance and obtain from the Ministry of Education the additional teachers required for the new workshops.

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VII. Covenants

Fe y Alegria hereby covenants that it will provide to A.I.D. a description of an accounting system that will provide detailed data for project costs, including A.I.D., Fe y Alegria and community contributions, for construction and equipment of the instructional workshops. Fe y Alegria will submit to A.I.D. quarterly reports of this accounting data.

It is agreed by the parties that all activities should be initiated during the six-month period upon the signature of the Agreement and should be completed within the period of one year.

VIII. Required Accounting Records

Fe y Alegria hereby agrees to keep separate accounting records for the funds under this grant, separate and apart from records kept by Fe y Alegria for any other funds held for similar projects or other purposes.

IX. Procurement of Commodities

All commodity requirements will be identified by Fe y Alegria. All commodity procurement in Peru shall be performed by Fe y Alegria in accordance with good management practices and with optional Standard Provisions, Attachment 4, item 5.

X. Publicity

Fe y Alegria and the US Agency for International Development agree to give full publicity to the objectives and progress of this Agreement and full identification through this publicity that the agreement is a joint effort of the people of Peru and of the United States of America.