



U.S. AGENCY FOR  
INTERNATIONAL  
DEVELOPMENT

December 8, 1992

Rev. Lorenzo R. Guivord  
Caritas del Peru  
Omicron 492  
Callao

Subject: Grant No. 527-0365-G-00-3020-00

Dear Rev. Guivord:

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 Caritas del Peru, (hereby referred to as "Caritas" or "Grantee"), the sum of \$200,000 to provide support for the children of the Ayacucho Juan Andres Vivanco orphanage, as described in the Schedule of this grant and the 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 November 30, 1993.

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 the Schedule, Attachment 2, entitled "Program Description," and Attachment 3, entitled "Standard Provisions," which have been agreed to by your organization.

Please sign the original and each copy of this letter to acknowledge your receipt of the grant, and return the original and all but one copy to the Office of Project Development and Program.

Sincerely yours,

A handwritten signature in black ink, appearing to read "George A. Wachtenheim".

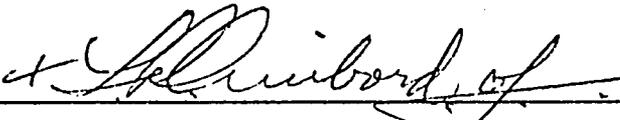
George A. Wachtenheim  
Director

Attachments:

1. Schedule
2. Program Description
3. Standard Provisions

ACKNOWLEDGED:

Caritas del Peru

BY: 

Title: Presidente del Directorio de CARITAS del Perú

Date: 16 de diciembre de 1992

FISCAL DATA

Allocation:  
Appropriation: 72-112/31021.6  
Budget Plan Code: LDS2-93-25527-IG13  
PIO/T No.: 527-0365-3-30006  
Project No.: 527-0365  
Total Estimated Amount: \$200,000  
Total Obligated Amount: \$200,000  
  
Funding Source: USAID/Peru

SCHEDULE

A. Purpose of the Grant

The purpose of this Grant is to assist Caritas in its efforts to improve sanitary and general living conditions for the children of the Ayacucho "Juan Andrés Vivanco Amorin" orphanage as more specifically described in Attachment 2 to this Grant entitled "Program Description."

B. Period of the Grant

1. The effective date of this Grant is the date of its signature. The expiration date of this Grant is November 30, 1993.

C. Amount of Grant and Payment

1. A.I.D. hereby obligates the amount of \$200,000 for purposes of this Grant.

2. Payment shall be made to the Grantee in accordance with procedures set forth in Attachment 3 - Standard Provision 1, entitled "Payment Periodic Advance."

D. Financial Plan

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

GRANT BUDGET

	<u>US\$</u>
Workshop Construction	95,000
Construction and Repair of Sanitary Facilities	35,000
Teaching equipment and materials	16,000
Workshop equipment and furniture	50,000
Operational costs	4,000
TOTAL	200,000

OTHER NON-AID CONTRIBUTIONS

Holland, Amazonian Lodge	
--Electric Generator, Carpentry Shop, Odontology Equip.	60,000
-Ministry of Education, Ministry of Health, Huari Region, Department of Social Welfare	40,000
--Teachers, Nurses, Administrative Staff Care Takers for Baby Nursery, Kitchen Utilities	
TOTAL	100,000

E. Reporting

1. Financial Reporting

Financial reporting requirements shall be in accordance with the Standard Provision of this Grant entitled "Payment Periodic Advance, (November 1985)" as shown in Attachment 3.

2. Program Performance

Caritas shall submit quarterly performance reports that briefly present information on the activities carried out under the Grant.

F. Special Provisions

1. As set forth in Attachment 3, all Mandatory Provisions for Non U.S. Non-governmental Grantees apply to this Grant. Applicable Optional Standard Provisions are indicated on the checklist in Attachment 3.

2. To assist in the implementation of the project, USAID from time to time will issue grant implementation letters furnishing additional information on requirements about matters stated in this Grant. Such letters will not modify the terms of the Grant.

3. Local Cost-Financing

a. Costs qualifying as local costs are eligible for financing under the grant in accordance with the terms of this special provision. Local costs are defined as (i) indigenous goods, (ii) imported shelf items, and (iii) services provided by suppliers meeting the requirements contained in subparagraph b.

Indigenous goods are those that have been mined, grown or produced in the cooperating country through manufacture, processing or assembly. In the case of produced goods containing imported components, to qualify as indigenous a commercially recognized new commodity must result that is substantially different in basic characteristics or in purpose or utility from its components. Imported items are eligible for financing under the following situations:

(1) All locally financed procurements must be covered by source/and nationality waivers as set forth in Chapter 5 of Handbook 1, Sup. B, with the following exceptions:

(a) Locally available commodities of U.S. origin, which are otherwise eligible for financing, if the value of the

transaction is estimated not to exceed the local currency equivalent of \$100,000 (exclusive of transportation costs.)

(b) Commodities of geographic code 935 origin if the value of the transaction does not exceed \$5,000 (see Chapter 5, paragraph 5B4c(2) of Supplement B, HB 1.)

(c) Professional services contracts estimated not to exceed \$250,000.

(d) Construction services contracts estimated not to exceed \$5,000,000.

(e) The following commodities and services which are available only locally:

i. Utilities including fuel for heating and cooking, waste disposal and trash collection;

ii. Communications -- telephone, telex, fax, postal and courier services;

iii. Rental costs for housing and office space;

iv. Petroleum, oils and lubricants for operating vehicles and equipment;

v. Newspapers, periodicals and books published in the cooperating country;

vi. Other commodities and services (and related expenses) that, by their nature or as a practical matter, can only be acquired, performed, or incurred in the cooperating country, e.g., vehicle maintenance, hotel accommodations, etc.

(2) When local procurement of U.S. origin commodities is planned under a project, such a decision should be supported by an analysis of the prices of goods expected to be procured, and a determination that the prices are reasonable, taking into account comparable delivery terms and prices from the United States, and the implementation schedule of the project.

b. To qualify as local costs, goods and services must also meet the following additional requirements:

(1) They must be paid for in local currency.

(2) The supplier must be located in the cooperating country and must be cooperating country nationality as defined in AID Handbook 1B, Chapter 5.

(3) Any component from a country not included in AID geographic code 935 renders a commodity ineligible for financing.

c. Ineligible Goods and Services: Under no circumstances shall the grantee procure any of the following under this grant:

- (1) Military equipment,
- (2) Surveillance equipment,
- (3) Commodities and services for support of police or other law enforcement activities,
- (4) Abortion equipment and services,
- (5) Luxury goods and gambling equipment, or
- (6) Weather modification equipment.

d. Ineligible Suppliers: Funds provided under this grant shall not be used to procure any goods or services furnished by any firm or individual whose name appears on A.I.D.'s Consolidated List of Debarred, Suspended, or Ineligible Awardees (A.I.D. Regulation 8, (22 CFR 208)). A.I.D. will provide the grantee with this list upon request.

e. Restricted Goods: The grantee shall not procure any of the following goods and services without the prior written authorization of the grant officer:

- (1) Agricultural commodities,
- (2) Motor vehicles,
- (3) Pharmaceuticals,
- (4) Pesticides,
- (5) Rubber compounding chemicals and plasticizers,
- (6) Used Equipment,
- (7) U.S. Government-owned excess property, or
- (8) Fertilizer

If A.I.D. determines that the grantee has procured any of the restricted or ineligible goods and services specified in subparagraphs (c) through (e) above, or has received reimbursement for such purpose without the prior written authorization of the grant officer, the grantee agrees to refund to A.I.D. the entire amount of the reimbursement.

G. Title to Property

Pursuant to the Standard Provision entitled "Title to and Use of Property (Grantee Title)," title to all property financed under this grant shall vest in the Grantee. Notwithstanding that Standard Provision, and subject to written approval by A.I.D., all property financed under this grant shall be transferred to the Ayacucho Juan Andres Vivanco Amorin orphanage upon the expiration of this grant. Prior to the expiration of this Grant, the Grantee shall prepare and present to A.I.D. a list of all such property to be transferred to the orphanage.

H. Authorized Geographic Code

The authorized geographic code for the procurements of goods and services under this grant is 000 (the United States) plus Peru to the extent authorized under local cost financing guidance set forth in the Special Provisions, above.

I. Audit

There are no funds specifically provided for the audit of this Grant. The Grantee agrees that Annual Institutional and Project Audit will be financed from PL 480 Title II Monetization proceeds; and, that all of their activities with A.I.D. will be collectively audited under the concepts of the Recipient Contracted audit provisions of Appendix 4 D, 2., Accounting, Audit and Records.

PROGRAM DESCRIPTION

I. Background

The "Juan Andres Vivanco Amarin" orphanage is located in an urban-marginal area, at approximately 3 Km. from the city of Ayacucho, Province of Huamanga. The orphanage has an area of 5,000 m<sup>2</sup>, distributed among the pavilions, the nursery, the refectory, the laundry, the school, etc.

II. Description

This project will improve current conditions under which children in this orphanage are living through the provision of local materials and labor for the construction of six workshops for vocational training in areas including carpentry, clothes making, weaving, baking and arts and crafts. Additionally these workshops will be equipped with the machines, furniture, materials and tools required for the implementation of the vocational training programs. Funding under the project will also be used to support the improvement of existing and the construction of additional urgently needed sanitary facilities to meet the demands of an increased number of children living in the orphanage. Currently, the orphanage shelters 162 orphans, of both sexes, from 1 month to 17 years old. At the present, the orphanage's school has 4 sections: kindergarten, first, second and third grades, with a total of 110 boys and girls, of whom 70 are from the orphanage and 40 come from surrounding communities. The rest of the children attend other different schools in the city because of the institution's lack of adequate infrastructure.

III. Goal, Objectives and Beneficiaries

A. Goal

The goal of this project is to assist displaced children (mainly war orphans) to become productive members of society. The project will train children who complete elementary school in a specific working option according to sex and age, such as needlework, handicraft, hand-knitting, baking, horticulture, etc.

After finishing above training, adolescents should continue to receive professional training in the various workshops: carpentry, clothes making, weaving, baking and arts and crafts. It is important that these workshops be fully equipped in order for the children to be able to achieve self-fulfillment as individuals and to help the institution be self-sustaining.

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B. Objectives

1. To prepare children and adolescents in a responsible way for life and growth.
2. To promote the participation of each of the children in working options, i.e., to train for work. "To learn by doing it."
3. To help them to produce high quality goods at low prices in the future.
4. To help the children achieve self-esteem, self-confidence and self-support.
5. To expand the services to the surrounding community.
6. To prepare children for their integration into the community.
7. To provide them with the facilities to develop their potential and abilities.
8. To form the child's personality in an integrated manner.

C. Beneficiaries

162 orphans from the orphanage and 118 children from surrounding areas will be the primary beneficiaries of improved facilities and vocational training programs. Society as a whole will benefit from the contribution of an educated and occupationally skilled citizenry.

MANDATORY AND REQUIRED AS APPLICABLE STANDARD PROVISIONS  
(Appendix 4D, AID Handbook 13)

The following Mandatory and Optional Standard Provisions for Non-U.S. Non-Governmental Grantees in effect as of the effective date of this Grant are incorporated herein by reference with full force and effect as though fully set forth herein:

A. Mandatory Standard Provisions

1. Allowable Costs (May 1986)
2. Accounting, Audit, and Records (May 1991)
3. Refunds (September 1990)
4. Revision of Grant Budget (May 1986)
5. Termination and Suspension (May 1986)
6. Disputes (November 1985)
7. Ineligible Countries (May 1986)
8. Debarment, Suspension, and Other Responsibility Matters (March 1989)
9. U.S. Officials not to Benefit (November 1985)
10. Nonliability (November 1985)
11. Amendment (November 1985)
12. Notices (November 1985)

B. Required as Applicable Standard Provisions

1. Payment - Periodic Advance (November 1985)
5. Procurement of Goods and Services (May 1986)
6. A.I.D. Eligibility Rules for Goods and Services (May 1986)
18. Title to and Use of Property (Grantee Title) (May 1986)