

1. Amendment No. 2	2. Effective Date 11/6/81	3. Grant No. AID-521-G-133	4. Effective Date 8/20/80
5. GRANTEE (Name and Address) CATHOLIC RELIEF SERVICES P.O. Box 947 Port-au-Prince, Haiti		6. Administered by - USAID/HAITI	
7. PIO/T No. N/A Appropriation No. N/A Allotment Symbol - N/A		8. Previous PIO/Ts - N/A	

9. The above numbered Grant is hereby modified as follows:

On page 10 of Attachment 1 delete the first sentence of the last paragraph and insert the following:

"Adjustments among the line items are unrestricted."

10. This amendment is entered into pursuant to the authority of the Foreign Assistance Act of 1961, as amended, and Executive Order No. 11223. Except as herein provided, all terms and conditions of the grant referenced in Block #3 remain unchanged and in full force and effect.

11. not
Grantee is required to sign this document.

<p>12. GRANTEE</p> <p>By: _____ (Name typed or printed)</p> <p>Title _____</p> <p>Date _____</p>	<p>UNITED STATES OF AMERICA AGENCY FOR INTERNATIONAL DEVELOPMENT</p> <p>By: <u>R.E. Gibson</u> R.E. GIBSON (Name typed or printed)</p> <p>Title Grant Officer</p> <p>Date 11/6/81</p>
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1. Amendment No. 1	2. Effective Date 2/20/81	3. Grant No. AID-521-G-133	4. Effective Date 8/20/80
5. GRANTEE (Name and Address) CATHOLIC RELIEF SERVICES P.O. BOX 947 PORT AU PRINCE, HAITI		6. Administered by - USAID/HAITI	
7. PIO/T No. N/A Appropriation No. 72-1111021.3 Allotment Symbol -143-50-521-00-69-11		8. Previous PIO/Ts - N/A	

9. The above numbered Grant is hereby modified as follows:

The amount obligated is increased by \$75,000 to a total obligated amount of \$225,000.

Funds available:
Date: 2/20/81

10. This amendment is entered into pursuant to the authority of the Foreign Assistance Act of 1961, as amended, and Executive Order No. 11223. Except as herein provided, all terms and conditions of the grant referenced in Block #3 remain unchanged and in full force and effect.

11.

Grantee not required to sign this document.

12. GRANTEE By: _____ (Name typed or printed) Title _____ Date _____	UNITED STATES OF AMERICA AGENCY FOR INTERNATIONAL DEVELOPMENT By: <u>R.E. Gibson</u> R.E. GIBSON (Name typed or printed) Title Grant Officer Date 2/20/81
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UNITED STATES OF AMERICA
AGENCY FOR INTERNATIONAL DEVELOPMENT
MISSION TO HAITI

For US. MAIL:
USAID / HAITI
Department of State
Washington D.C. 20520

AUG 20 1980

For INTERNATIONAL MAIL:
USAID / HAITI
P. O. Box W-34
Port-au-Prince, Haiti W.I.

Mr. Jean Serge Picard
Director
Catholic Relief Services
P.O. Box 947
Port-au-Prince, Haiti

Dear Mr. Picard:

Subject: Grant No. AID-521-G-133

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 Catholic Relief Services (hereinafter referred to as "CRS" or "Grantee") the sum of \$150,000 to help finance the second phase of the Gros Morne Rural Development Project (the "Project"). The Project, which will enable peasants in the Gros Morne area of northern Haiti to build on the organizational and attitudinal changes brought about by the first phase of the project in order to improve their standard of living, is more fully described in Attachment 1 entitled "Program Description". Additional amounts of up to \$230,000, for a total of \$380,000, will be granted in future increments to CRS to support the Project, subject to the availability of funds to AID for this purpose and to the mutual agreement of CRS and AID to proceed at the time of a subsequent increment.

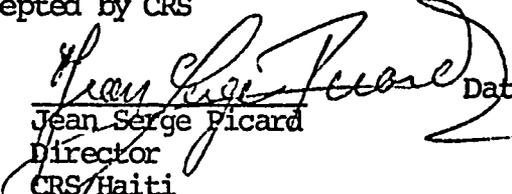
This Grant is effective and obligation is made as of August 1980, and shall apply to commitments made by the Grantee from this date through September 30, 1983.

This Grant is made to CRS on condition that the funds will be administered in accordance with the terms and conditions set forth in Attachment 1, entitled "Program Description" and Attachment 2, entitled "Standard Provisions - Specific Support Grant, September 1977 (OFEI)," as amended .

Please sign the Statement of Assurance of Compliance, attached hereto as Attachment 3, and the original and seven (7) copies of this letter to acknowledge your acceptance of the conditions under which these funds have been granted.


Allan R. Furman
Director

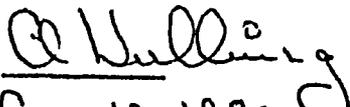
Accepted by CRS

By:  Date: 8/20/80
Jean Serge Picard
Director
CRS/Haiti

- Attachments:
1. Program Description
 2. Standard Provisions - Specific Support Grant, September 1977 (OTEI), as amended in August 1978
 3. Assurance of Compliance

Fiscal Data

Projet Number: 521-0142
Appropriation: 72-1101021.3
Allotment: 043-50-521-00-69-01
Total Grant Amount: \$380,000
Amount Obligated: 150,000
Funds Available:

By : 
Date : Aug. 19, 1980

Attachment 1

Program Description

A. Background and Objectives

This project represents the second phase of a rural development program in the area around Gros Morne in northern Haiti. The first phase, supported by AID grant 521-0081, concentrated on improving the attitudinal and organizational environment for development in the Gros Morne area. The objective of Phase I was to work with the peasants in this area to build confidence in their own abilities, to build trust in their neighbors, and to encourage them to work profitably in small groups. Small, independent groups of 10-15 people were organized with the assistance of Project staff to undertake common, income-producing activities. The returns from these activities remain undivided, continuously increasing the assets of the group, and through reinvestment, the group's capacity to generate capital. The activities of these groups, called groupements, not only provide training and experience in the management of resources and in group organization, but engender a new conception of development which emphasizes the peasant and his own efforts.

This project will build on the experience gained in Phase I and will help the peasants of the Gros Morne area to overcome some of the external constraints to their own development. This will be done by pursuing the following objectives:

(1) Formation of the following number of cooperative - type organizations which build on the groupements:

8 by August 1981

15 by August 1982

20 by August 1983

(2) Improvement of the administrative and managerial skills of the following number of cooperative administrators (calculated at 5 per cooperative):

40 by August 1981

75 by August 1982

100 by August 1983

(3) Introduction of improved agricultural technologies for use by project beneficiaries

(4) Formation of local service councils to provide social services such as preventive health care, education, road maintenance and irrigation.

(5) Formation of an extension or "vulgarization" service to disseminate improved technical information. The number of cultivations reached by at least one technical campaign will be as follows:

<u>Date</u>	<u>No. of groupements</u>	<u>Groupement cult.</u>	<u>Individual cult.</u>	<u>Total</u>
August 1981	160	80	240	320
August 1982	280	140	560	700
August 1983	400	200	1,000	1,200

(6) Provision of an expanded credit service, which, by August 1983 will have reached.

120 groupement projects with \$8,400 in credit (from CRS Phase I credit fund)

600 individual projects with \$30,000 in credit

100 groupement projects for charcoal production with \$5,000 in credit

20 projects of cooperatives and associations of groupements with \$20,000 in credit.

(7) Provision of a school, service for children in the Gros Morne area which will reach the following number of children:

1,000 children by August 1981

2,000 children by August 1982

7,000 children by August 1983

(8) Provision of technical assistance to support local efforts in sanitation and preventive medicine.

B. Implementation

Since Catholic Relief Services is not an operational agency in Haiti, Project activities will be implemented through its counterpart for this Project, CARITAS/Gonaives.

In order to achieve the above-mentioned objectives, CRS/Haiti, through its counterpart, CARITAS/Gonaives will be responsible for seeing that the staff carry out the following activities:

(1) To support the formation of cooperative type organizations:

(a) Since cooperatives need literate members, one immediate activity of the Project team will be the formation of literacy monitors who will be responsible for the literacy training of groupement members.

(b) Before the groupements are ready to form cooperatives, the Project team will serve as catalysts for an intermediate step in which two or more groupements will join together for a one-time, larger, more remunerative project.

(c) The Project staff will hold conferences of (the more advanced) groupements which will concentrate on specific problems which the formation of cooperatives could solve. Only when the staff has

succeeded in making the groupements aware of these problems will the staff offer cooperatives as an answer.

The Project staff will be very careful not to instigate the formation of cooperatives

(d) The formation of cooperatives will also be encouraged by giving courses on credit to the more advanced groupements. The courses will take place through direct contact between the field agents and the groupements and by distribution of information papers on credit.

(e) In order to relieve the Project staff of the responsibility of having to continue to form and verify new groupements (so that the Project staff can eventually be phased out and a true community-based movement can replace it), the Project staff will prepare some of the more advanced groupements to undertake the formation and verification of new groupements. This preparation will be done through the holding of conferences and seminars at the Grepin Center (the Project's home base).

(2) Improve Administrative/Managerial Skills

In order to improve the administrative and managerial skills of the groupements, the Project staff will:

(a) hold courses on management

(b) hold courses on simple bookkeeping techniques

(c) train qualified local people in administration by:

(1) studying the projects presenting administrative problems.

(2) selecting those projects which have been correctly

carried out at the administrative level.

(3) conducting a survey with them of spontaneously - used efficient methods, and identifying and clarifying the observed principles.

(4) assisting the persons responsible for administration in those groupements presenting administrative problems.

(5) facilitating exchanges between the administrators of groupements having administrative problems and those who are successful administratively.

(3) Introduction of Improved Technology

Another agronomist, specializing in improved and appropriate technology, will be added to the Project team. His job will be threefold:

(a) study the peasants' current farming practices

(b) train the six agents to disseminate new technology to the groupements.

(c) organize seminars for the groupements in simple farming methods within the peasants' financial means.

New techniques will include the following:

- protection of the crops before and after harvest. This is felt by the peasants to be a major problem: they lose at least 30% after each harvest. The credit program will also encourage the building of silos by offering credit to groupements for this purpose.

- soil conservation and techniques of erosion control, including improved vegetal cover, anti-erosion works, terraces, and improved techniques of charcoal production.

- cultural techniques, such as improvements in the quality of the soil, fertilization, manufacture and use of organic fertilizer, choice and utilization of seeds, maintenance of the crops, and control of parasites and weeds.

- harvesting techniques, such as determination of the best period for harvest, optimum conditions for conservation, repair or construction of granaries, etc., in order to more effectively store the harvest, and transformation techniques for certain products.

- livestock raising techniques, including enclosing of animals; feeding; utilization of agricultural sub-products such as head of sugar cane and millet chaff, research for new currently-unutilized local products in the feeding of livestock, utilization of lands unsuitable for crop cultivation for the production of grass, plants and trees for livestock grazing or feed; and preventive care such as good hygienic conditions and timely vaccinations.

(4) Formation of local service councils to provide social services

In order to provide for the continuity of the activities undertaken by the Project, the Project team must ensure that local service councils are established and operating to take over the functions that the Project now has. This will be done by organizing seminars in different communities to discuss what these communities see as their problems. It is hoped that the result will be the groupements' decision to form service councils along the health club model, i.e., several groupements each sending a few particularly interested members to form one health club.

(5) A "vulgarization" service emphasizing important issues

The project staff will also disseminate technical information by holding short technical campaigns which will affect 200 groupement cultivations and 1000 individual cultivations by August 1983.

(6) Expanded credit service

The project will increase the amount of money available for credit.

There will be four types of credit available:

- (a) Short-term groupement loans - \$8,400 (from CRS Phase I credit fund)
- (b) Medium-term financing of groupements for reforestation and charcoal production \$5,000
- (c) Individual loans to groupement members \$30,000
- (d) Loans to cooperative-type organizations \$20,000

The criteria for credit eligibility developed by the Project staff are:

- (a) a favorable report from the agent
- (b) at least 6 months of success with projects
- (c) assets of at least twice the requested amount
- (d) a review by the Project staff

The review of the loan request is considered as part of the process of education of the groupement. Consequently, the review is made with the participation of the groupement and a resumé of the review is included in the groupement's dossier. The review has two parts; review of the request itself, and study of the proposed project in the framework of a long-term plan to be devised or already elaborated by the groupement.

The Project staff will assess the degree of participation by all members of the groupement in the choice of the project, since evidence of internal pressure by a minority of groupement members constitutes grounds for rejection of the loan request.

The Project staff will also assess whether or not the project has been copied or has sprung from the experience of the groupement members themselves.

If the loan application is approved, a contract is signed with the Grepin Center. Interest charged on loans is 12% per annum and the maximum loan period is one year.

The project is aiming at granting over \$63,000 credit to over 800 projects by August 1983, of which \$55,000 will be financed by the Grant.

(7) Encourage a school service for children

The Project staff will hold, in the more advanced groupement communities, local seminars aimed at encouraging groupements to establish a school service for their children. These schools will be in Creole and will be mainly or entirely for groupement children.

The Project staff is aiming to reach 7,000 children by August 1983.

(8) Provide technical assistance to support local efforts in sanitation and preventive medicine

The Project health staff will be expanded to include two additional agents and will provide technical assistance to support local efforts in sanitation and preventive medicine by:

- (a) aiding the formation and supervision of health clubs
- (b) giving seminars on health topics
- (c) preparing basic literacy health/nutrition materials for dissemination to the groupements
- (d) conducting a nutritional surveillance of selected communities
- (e) providing nutritional education combined with a home-site gardening campaign, to be conducted by groupement agents.
- (f) sending an engineering consultant to communities to give technical assistance on capping springs.

C. Reports and Evaluation

Bi-monthly activity summaries will be prepared by Project staff and submitted to CRS/Haiti for forwarding to USAID/Haiti for its project status reviews. Evaluative progress reports will be prepared by Project staff on a semi-annual basis and ~~submitted~~ submitted to CRS/Haiti for forwarding to USAID/Haiti. These reports will elaborate Project activities and problems for the preceding six months and will include proposed recommendations on actions required.

In addition to these reports, two full-scale evaluations will be carried out by outside evaluators. The first evaluation, scheduled for the first half of 1981, will be an attitudinal evaluation to determine whether the Project staff's hypothesis about a change in psychology and attitudes among groupement members is indeed valid. The second evaluation will analyze the impact and accomplishments of the Project, and will be conducted in early 1983.

D. Source and Origin

The source and origin of all goods and services under this Grant will be in countries included in A.I.D. Geographic Code 935, in accordance with the order of preference set forth in Standard Provision:10 of Attachment 2, as amended by Standard Provision 28.

E. Special Provisions

In Attachment 2, delete Standard Provisions 7B, 7C, 12B and 12C.

F. Financial Summary

Tables, 1, 2, and 3 provide a summary of the financial arrangements for the project. Table 1 provides a summary of the principal budget line items by year. This summary is based on the projections contained in the OPG proposal submitted by CRS to USAID/Haiti on July 31, 1980, for

this project. Table 2 presents a breakdown of those items to be financed by this Grant and those to be funded by CRS from other sources. Table 3 shows the amount of funding provided by both A.I.D. and CRS for the project under the terms of this Grant Agreement, together with expected future obligations needed to complete the project.

Payment on account of indirect costs will be made based on a provisional overhead rate of 7.3 per cent applied to total direct costs less commodities, ocean freight, equipment, construction, alterations and renovation, in accordance with Standard Provision 5 of Attachment 2.

Adjustments in the Summary Budget of up to 15% of any budget line item are allowable without further approval by the Grant Officer. The Grantee may not exceed the total amount of the Budget, or if partially or incrementally funded, the funds obligated against the Budget.

Table 1

SUMMARY BUDGET

	<u>YEAR ONE</u>	<u>YEAR TWO</u>	<u>YEAR THREE</u>	<u>TOTAL</u>
1. Personnel	46,580	53,305	60,835	160,720
2. Installation	3,200	3,900	2,200	9,300
3. Vehicles and Maintenance	56,600	23,500	16,000	96,100
4. Operational Funds	11,300	41,300	31,300	83,900
5. Material	12,250	8,870	14,390	35,510
6. Miscellaneous	<u>19,300</u>	<u>15,300</u>	<u>19,300</u>	<u>53,900</u>
	149,230	146,175	144,025	439,430
Contingency on all above items except Personnel where salary increases have been calculated yearly.	<u>12,076</u>	<u>10,902</u>	<u>9,788</u>	<u>32,766</u>
Total Project Cost	161,306	157,077	153,813	472,196
Funds to be provided by CRS (25%)	<u>40,327</u>	<u>39,269</u>	<u>38,453</u>	<u>118,049</u>
Funds requested from USAID (75%)	120,979	117,808	115,360	354,147
7.3% Overhead	<u>8,832</u>	<u>8,600</u>	<u>8,421</u>	<u>25,853</u>
Total Requested from USAID	<u>129,811</u>	<u>126,408</u>	<u>123,781</u>	<u>380,000</u>
GRAND TOTALS	<u>170,138</u>	<u>165,677</u>	<u>162,234</u>	<u>498,049</u>

Table 2

Project Budget by Funding Source

	<u>USAID</u>	<u>CRS</u>
1. Personnel	100,495	60,225
2. Installations	9,300	
3. Vehicles	39,500	56,600
4. Operational Funds	83,900	
5. Material	35,510	
6. Miscellaneous	53,900	
7. Contingency	31,542	1,224
8. Overhead	25,853	
	<hr/>	<hr/>
TOTALS:	\$380,000	\$118,049

Table 3

FUNDING OBLIGATIONS

<u>Source</u>	<u>Funds Obligated by this Agreement</u>	<u>Funds to be Obligated in future Increments</u>	<u>Totals</u>
USAID	\$150,000	\$230,000	\$380,000
CRS	\$ 40,327	\$ 77,722	\$118,049
		<hr/>	<hr/>
		Grand Total	\$498,049

ASSURANCE OF COMPLIANCE WITH THE AGENCY FOR
INTERNATIONAL DEVELOPMENT REGULATION UNDER TITLE VI
OF THE CIVIL RIGHTS ACT OF 1964

CATHOLIC RELIEF SERVICES
(Name of Grantee)

(hereinafter called the "Grantee")

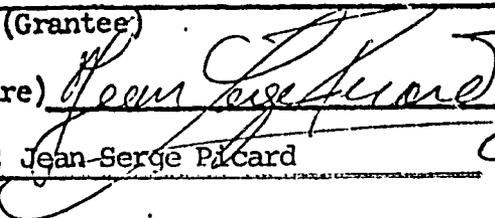
HEREBY AGREES THAT it will comply with title VI of the Civil Rights Act of 1964 (P.L. 88-352) and all requirements imposed by or pursuant to the Regulation of the Agency for International Development (22 CFR Part 209, 30 FR 317) issued pursuant to that title, to the end that, in accordance with title VI of that Act and the Regulation, no person in the United States shall, on the ground of race, color, religion, sex or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under and program or activity for which the Grantee receives Federal financial assistance from the Agency; and HEREBY GIVES ASSURANCE THAT it will immediately take any measures necessary to effectuate this agreement.

If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to the Grantee by the Agency, this assurance shall obligate the Grantee, or in the case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits. If any personal property is so provided, this assurance shall obligate the Grantee for the period during which it retains ownership or possession of the property. In all other cases, this assurance shall obligate the Grantee for the period during which the Federal financial assistance is extended to it by the Agency.

THIS ASSURANCE is given in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property, discounts or other Federal financial assistance extended after the date hereof to the Grantee by the Agency, including installment payments after such date on account of applications for Federal financial assistance which were approved before such date. The Grantee recognizes and agrees that such Federal financial assistance will be extended in reliance on the representations and agreements made in this assurance, and that the United States shall have the right to seek judicial enforcement of this assurance. This assurance is binding on the Grantee, its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Grantee.

CATHOLIC RELIEF SERVICES
(Grantee)

BY (Signature)



TITLE Director of CRS

TYPED NAME Jean-Serge Picard

DATE AUG 20 1980

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