



AGENCY FOR INTERNATIONAL DEVELOPMENT

UNITED STATES AID MISSION TO PERU

C/O AMERICAN EMBASSY

LIMA, 1 PERU

TELEPHONE: 286200

CABLE: USAID/LIMA

February 26, 1985

Mr. Luis Vega Castro  
Operations Manager  
Technoserve, Inc.  
Sinchi Roca 2633  
Lince

Subject: Technoserve OPG: Cooperative  
Management (527-0293)

Dear Mr. Vega:

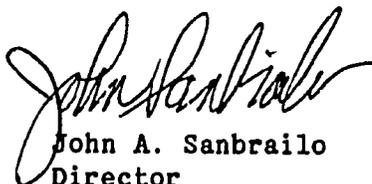
Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "A.I.D." or "Grantor") hereby grants to Technoserve, Inc. (hereby referred to as "Technoserve" or "Grantee"), the sum of \$750,000, of which \$300,000 is obligated herein, to support a program of cooperative management as described in the Schedule of this grant, Attachment 1 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 October 1, 1984, and ending September 30, 1987.

This grant is made to Technoserve 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 all six (6) copies of the grant acknowledging your receipt of the grant and return five (5) copies to the USAID Program Office.

Sincerely yours,

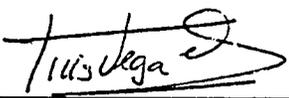
  
John A. Sanbrailo  
Director

ATTACHMENTS:

1. Schedule
2. Program Description
3. Standard Provisions AID 1420-52 (2-82)
4. Attachment E to OMB Circular A-110, as amended, entitled "Cost Sharing and Matching"

ACKNOWLEDGED:

TECHNOSERVE, INC.

By:   
Luis Vega Castro

Title: Operations Manager

Date: 26/FEB/85

FISCAL DATA:

Appropriation : 72-1151021  
Budget Plan Code : LDAA-85-25527-AG 13  
Project Number : 527-0293  
Total Estimated Amount: \$750,000  
Total This Obligation : \$300,000

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SCHEDULE

A. Purpose of the Grant:

To carry out a replicable program of technical assistance to selected agrarian reform cooperative organizations, principally production and user cooperatives (e.g., CAT's and CAU's) that results in increased productivity and incomes of assisted cooperative organizations and their members sufficient to permit profitable use of credit, adequate family consumption and continuous capital formation for re-investment in the enterprise.

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 September 30, 1987.

2. Funds obligated hereunder are available for program expenditures as shown in the Financial Plan below beginning with the 12 month period October 1, 1984 through the end of the project.

C. Amount of Grant and Payment:

1. The total estimated amount of this Grant for the period shown in B.1 above is \$750,000.

2. A.I.D. hereby obligates the amount of \$300,000 for program expenditures during the period set forth in B.2 above and as shown in the Financial Plan below.

3. Payment shall be made to the Grantee in accordance with procedures set forth in Attachment 3 Standard Provision 7A, entitled "Payment Federal Reserve Letter of Credit (FRLC) Advance."

4. Additional funds up to the total amount of the grant shown in C.1 above may be obligated by A.I.D. subject to the availability of funds, and to the requirements of the Standard Provision 6 of the Grant, entitled "Revision of Financial Plans."

D. Financial Plan:

The following is the Financial Plan for this Grant, including local cost financed items. Local cost financing not to exceed \$375,000 during the life of the Grant is hereby authorized. Revisions to this Plan shall be made in accordance with Standard Provision 6 of this Grant, entitled "Revision of Financial Plans."

FINANCIAL PLAN

	<u>Obligated Amount</u> 10/1/84 - 9/30/85 <u>US\$000</u>	<u>Estimated Additional</u> 10/1/85 - 9/30/87 <u>US\$000</u>	<u>Total Estimated</u> 10/1/84-9/30/87 <u>US\$000</u>
<u>AID</u>			
Tech. Assistance	182	295	477
S/T Contract Services	6	11	17
Operating Costs	16	25	41
Travel Costs	19	33	52
Other Costs	9	15	24
Technoserve US Overhead	43	71	114
SUB TOTAL	275	450	725
Vehicle Costs	25	-	25
TOTAL AID	300	450	750
Estimated Amount US\$	162.5	225	387.5
Estimated Amount "Local Currency"	137.5	225	362.5

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E. Reporting and Evaluation:

Financial reporting shall be made as set forth in the Standard Provisions to the Grant.

In addition, Technoserve hereby agrees to provide A.I.D. with copies of the following reports and any other reports as A.I.D. may reasonably deem necessary during program implementation.

1. Semi-annual reports on the implementation of project advisory services and training programs with each participating cooperative organization.

2. On an annual basis, a summary report on implementation progress towards planned objectives, including both narrative and financial summary for each cooperative organization.

3. Copy of each diagnostic, each study and each operational plan as completed. Operational plans will include quantifiable goals and an information system to permit measurement of progress toward achievement of those goals. In addition, grantee will provide an executive summary of not more than 10 pages of each diagnostic and each study.

4. A final report within 90 days following the end of the program that permits determination of the degree of achievement of end of program status specified in Section II C of Program Description (Attachment 2). This report will summarize the economic and operational condition of the cooperative organizations assisted, providing relevant measures of progress during the life of the program in real terms of gross value of production, net worth, net returns to factors and annual capitalization. In addition, the final report will include a cooperative development technical assistance manual that provides a guide to application of the methodology used and examples of its application during the testing period.

Approximately 24 months after beginning of program, Technoserve will collaborate with A.I.D. in carrying out a mid-term evaluation to measure progress. A final evaluation will take place at least 60 days prior to the end of the program unless otherwise agreed by A.I.D.

F. Special Provision:

1. Standard Provisions for U.S. Grantees and U.S. Subgrantees - Non-Profit Organization - Other than Educational Institutions - Form A.I.D. 1420-52 (2-82) are modified as follows: delete provisions 5A, 7B, 7C, 10B, 13B and 13C.

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2. To assist in the implementation of the program, A.I.D., from time to time, will issue Implementation Letters furnishing additional information about matters or requirements stated in this Letter of Agreement.

G. Overhead Rates

The current provisional indirect cost rate negotiated with the Grantee is 18.7 percent of total cost input.

F. Title to Property:

Title to any property purchased under this Grant will be vested in the Grantee, in accordance with Standard Provisions 13A of Attachment 3, Standard Provisions.

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PROGRAM DESCRIPTION

I. Purpose of the Grant

To carry out a replicable program of technical assistance to selected agrarian reform cooperative organizations, principally production and user cooperatives (e.g., CAT's and CAU's) that results in increased productivity and incomes of assisted cooperative organizations and their members sufficient to permit profitable use of credit, adequate family consumption and continuous capital formation for re-investment in the enterprise.

II. Goal, Objectives and End of Program Status

A. Goal:

To improve returns to factors of production of coastal agrarian reform beneficiaries.

B. Objectives:

1. To assist selected agricultural cooperative organizations to become economically viable, self-sustaining organizations, directly benefiting some 8,700 members and employees. This will result from achievement of the following sub-objectives:

a. establish and put into operation in assisted cooperative organizations planning and production control programs, as well as rolling departmental budgets and cash flow systems, as adapted to the particular circumstances of each organization.

b. increase crop production and labor productivity of assisted cooperative organizations at a rate greater than the average for the area determined by official government sources,

c. prepare cooperative development plans, addressing immediate short-term needs as well as long-term development, for each cooperative organization assisted,

d. provide short-term action training in various fields for selected managers, employees, directors and other members of the cooperative organizations assisted.

2. To prepare, as a part of the final report, a manual of cooperative development technical assistance which can be made available to interested institutions and cooperative organizations for replication and that provides a guide to application of the methodology tested and examples of its application during the testing period.

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C. End of Program Status:

At the end of this three-year program, the assisted cooperative organizations will have evolved from a situation of management-induced less than optimum productivity and economic use of factors of production to one of improving productivity and efficiency of use of factors of production, with clear perspectives for net incomes adequate to generate significant recapitalization and to achieve continued long-term economic viability and growth.

1. Cooperative organizations assisted in the program will show positive improvements in real terms of gross value of production, net worth, net returns to factors, annual capitalization, productivity and long-term viability and growth at a significantly improved rate as compared to the pre-project period analyzed in the various diagnostic studies.

2. A new concept and system of production and financial planning and utilization of supervised credit from the Agrarian Bank (BAP) to the assisted cooperative organizations will be in place and functioning. This system includes utilization by the cooperative organizations of administrative and economic targets and goals as management tools associated with credit flows, and lending by the BAP for appropriate technical assistance as a necessary and profit-enhancing input.

3. Assisted cooperative organizations' directors and managers will possess and be applying modern business management skills based on practical experience. They will be efficiently applying production decision-making techniques, as well as tested production and financial planning and analysis systems.

4. Cooperative organization members and employees will have thorough knowledge and comprehension of the socioeconomic role of cooperative organizations and be effectively and efficiently carrying out their respective responsibilities within the cooperative organizations assisted.

5. Private and public institutions responsible for cooperative development, especially the Agrarian Bank, as well as other agricultural cooperative organizations, will be interested in expanding application of the methodology applied by Technoserve to development of the assisted cooperative organizations, to the extent that they have become aware of the methodology.

III. Program Implementation and Responsibilities of the Grantee and Participating Entities

Technoserve will implement the program over a period of approximately three years beginning October 1, 1984. During this period, Technoserve will assume responsibility for overall program implementation, utilization of Grant funds and coordination of all technical aspects of program implementation.

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A. Technoserve will:

1. Provide the required advisory services for each cooperative organization program, either from its own staff or through third party contracts as necessary.

2. Coordinate with (a) the Agrarian Bank of Peru to assure appropriate supervision of credit provided by the Bank, and (b) the appropriate public agricultural sector institution to provide access to appropriate technologies and technical backstopping available from appropriate publically-funded research and extension activities.

3. Provide from non-A.I.D. sources at least 25 percent of project costs. Such contribution shall meet all requirements of Attachment 4 entitled "Cost Sharing and Matching" of OMB Circular A-110 as amended (Attachment E).

4. Present to A.I.D. copies of feasibility studies and implementation plans as produced under agreements with cooperative organizations.

IV. Program Budget and Release of Funds

The proposed program budget calls for Grant financing over a period of three years not to exceed \$750,000 with an initial obligation of \$300,000. Grant funds will be used to pay for salaries of advisory services and short term contract consultants, operational and travel costs, and for the purchase of vehicles. See Section D of the Schedule, Attachment I, for an illustrative budget and an estimate of the U.S. dollar costs.

Release of Grant funds under this Agreement shall be in accordance with Article 7A of Attachment III, Standard Provisions. Shifts of more than 20% among USAID financed budget line items cannot be made without the prior written authorization of USAID.

V. Conditions and Covenants

A. Source and Origin of Commodities, Nationality of Services:

Commodities financed by A.I.D. under the Grant shall have their source and origin in Peru or the United States (except for vehicles, which must be of U.S. source and origin), except as A.I.D. may otherwise agree in writing. Except for ocean shipping, the suppliers of commodities or services shall have Peru or the United States as their place of nationality, except as A.I.D. may otherwise agree in writing. Ocean shipping financed by A.I.D. under the program shall, except as A.I.D. may otherwise agree in writing, be financed only on flag vessels of the United States.

B. Condition Precedent to First Disbursement:

The FRLC financing instrument specified in Standard Provisions Section 7A will not be opened until the Grantee has furnished to A.I.D. a schedule of expenses for the funding period.

C. Covenants:

1. Technoserve covenants that it will seek the Agrarian Bank of Peru's agreement with project precepts and commitment to participate in project activities as outlined in the grant proposal as well as evidence that Technoserve is acceptable to the Agrarian Bank as a technical assistance entity eligible to receive payments from cooperative organizations participating in the Agrarian Bank's credit program.

2. Technoserve covenants that it will seek agreement by the appropriate level of the Government of Peru agriculture sector (e.g., Instituto de Investigación y Promoción Agropecuaria) with project purpose and approach, and commitment to providing ancillary public services consistent with the program limits of the public agricultural sector as required to assure project success.

3. Technoserve covenants that it will seek to hire the agricultural economist to work on the projects supported by this grant within six months of the first disbursement.

4. Technoserve covenants that it will seek to charge the highest possible percentage contribution of the cooperative organizations towards the cost of the technical assistance to be provided by Technoserve, with the expectation that this percentage will increase with each successive stage of assistance.

5. Technoserve covenants that, in its agreements with assisted cooperative organizations and the Agrarian Bank of Peru (BAP), it will seek to assure that credit provided by the BAP for financing any programs resulting from assistance provided under this Grant will include funds to pay costs of Technoserve technical assistance in accord with approved BAP regulations.

6. Technoserve covenants that, except as A.I.D. may otherwise agree in writing, it will provide, on a timely basis, the reports called for under Section E of "Schedule" (Attachment 1) hereto.



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

TELEPHONE: 286200

CABLE: USAID/LIMA

June 26, 1986

Mr. Luis Vega Castro  
Operations Manager  
Technoserve, Inc.  
Sinchi Roca 2633  
Lince

Subject: Technoserve OPG: Cooperative  
Management (527-0293) Amendment One

Dear Mr. Vega:

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 provides to Technoserve, Inc. (hereby referred to as "Technoserve" or "Grantee"), the second grant increment of \$250,000 obligated herein, to continue to support a program of cooperative management as described in the Letter of Agreement dated February 26, 1985, Attachment 1 and 2 thereto (Attachment A for purposes of this amendment), and the Revised Schedule which are attached and made a part hereof. Subject to the availability of funds for this purpose and to the mutual agreement of the parties to proceed, AID plans to provide an additional amount of \$200,000 to finance continuation of project activities.

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 October 1, 1984, and ending September 30, 1987.

This Grant is made to Technoserve 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," of the Letter of Agreement dated February 26, 1985; the Revised Schedule, and the Revised Standard Provisions; Attachment 3, "Mandatory Standard Provisions for U.S. Nongovernmental Grantees;" and Attachment 4, "Optional Standard Provisions for U.S. Nongovernmental Grantees," which have been agreed to by your organization.

Mr. Luis Vega Castro

2.

Please sign all six (6) copies of the grant amendment acknowledging your receipt of the grant and return five (5) copies to the USAID Program Office.

Sincerely yours,

John A. Sanbrailo  
Director

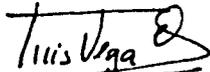
ATTACHMENTS:

- A. Letter of Agreement dated February 26, 1985 and attachments thereto
- 3. Mandatory Standard Provisions, OMB Control No. 0412-0510
- 4. Optional Standard Provisions, OMB Approval No. 0412-0510

ACKNOWLEDGED:

TECHNOSERVE, INC.

By:



Luis Vega Castro

Title:

Operations Manager

Date:

26/Junio/'86

FISCAL DATA:

Appropriation : 72-1161021  
Budget Plan Code : LDAA-86-25527-AG13  
Project Number : 527-0293  
Total Estimated Amount: \$750,000  
Total This Obligation : \$250,000

REVISED SCHEDULE

A. Purpose of the Grant:

To carry out a replicable program of technical assistance to selected agrarian reform cooperative organizations, principally production and user cooperatives (e.g., CAT's and CAU's) that results in increased productivity and incomes of assisted cooperative organizations and their members sufficient to permit profitable use of credit, adequate family consumption and continuous capital formation for re-investment in the enterprise.

B. Period of the Grant:

1. Funds obligated hereunder are available for program expenditures for the estimated period beginning October 1, 1984 through September 30, 1987, as shown in the Grant Budget.

2. The effective date of this Grant is February 26, 1985. The expiration date of this Grant is September 30, 1987.

C. Amount of Grant and Payment:

1. The total estimated amount of this Grant for the period shown in B.1 above is \$750,000.

2. AID by Letter of Agreement dated February 26, 1985 obligated \$300,000 and hereby obligates the additional amount of \$250,000 for program expenditures during the period set forth in B.2 above and as shown in the Financial Plan below.

3. Payment shall be made to the Grantee in accordance with procedures set forth in Attachment 4, Optional Standard Provision 1, entitled "Payment Letter of Credit."

4. Additional funds up to the total amount of the grant shown in C.1 above may be obligated by AID subject to the availability of funds, and to the requirements of the Mandatory Standard Provision 4 of the Grant, entitled "Revision of Grant Budget."

D. Financial Plan:

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

GRANT BUDGET

(US\$000)

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Total Estimated</u> <u>10/1/84-9/30/87</u>
<u>AID</u>				
Tech. Assistance	182	165	130	477
S/T Contract Services	6	5	6	17
Operating Costs	16	12	13	41
Travel Costs	19	18	15	52
Other Costs	9	5	10	24
Technoserve US Overhead	43	45	26	114
SUB TOTAL	275	250	200	725
Vehicle Costs	25	-	-	25
TOTAL AID	300	250	200	750
Estimated Amount US\$	162.5	82.6	142.4	387.5
Estimated Amount "Local Currency"	137.5	168	57	362.5

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E. Reporting and Evaluation:

Financial reporting shall be made as set forth in the Standard Provisions to the Grant.

In addition, Technoserve hereby agrees to provide AID with copies of the following reports and any other reports as AID may reasonably deem necessary during project implementation.

1. Semi-annual reports on the implementation of project advisory services and training programs with each participating cooperative organization.
2. On an annual basis, a summary report on implementation progress towards planned objectives, including both narrative and financial summary for each cooperative organization.
3. Copy of each diagnostic, each study and each operational plan as completed. Operational plans will include quantifiable goals and an information system to permit measurement of progress toward achievement of those goals. In addition, grantee will provide an executive summary of not more than 10 pages of each diagnostic and each study.
4. A final report within 90 days following the end of the program that permits determination of the degree of achievement of end of program status specified in Section II C of Program Description (Attachment 2). This report will summarize the economic and operational condition of the cooperative organizations assisted, providing relevant measures of progress during the life of the program in real terms of gross value of production, net worth, net returns to factors and annual capitalization. In addition, the final report will include a cooperative development technical assistance manual that provides a guide to application of the methodology used and examples of its application during the testing period.

Approximately 24 months after beginning of program, Technoserve will collaborate with AID in carrying out a mid-term evaluation to measure progress. A final evaluation will take place at least 60 days prior to the end of the program unless otherwise agreed by AID

F. Special Provision:

1. Optional Standard Provisions for U.S. Non-Governmental Grantees (Form AID OMB No. 0412-0510) apply as follows: Provisions 1, 4, 5, 6, 7, 9, 13, 20, and 23.
2. To assist in the implementation of the program, AID, from time to time, will issue Implementation Letters furnishing additional information about matters or requirements stated in this Letter of Agreement.

G. Overhead Rates:

The current provisional indirect cost rate negotiated with the Grantee is 18.7 percent of total cost input.

H. Title to Property:

Title to any property purchased under this Grant will be vested in the Grantee, in accordance with Optional Standard Provision 20 of Attachment 4.

I. Authorized Geographic Code:

The authorized geographic code for the procurement of goods and services under this Grant is the United States (Code 000) and Peru.

16.

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/D EMBAJADA AMERICANA  
LIMA - PERU

TELEFONO 288200

June 16, 1987

Mr. Luis Vega Castro  
Operations Manager  
Technoserve, Inc.  
Sinchí Roca 2633  
Lince

Subject: Technoserve OPG: Cooperative Management  
Grant No. 527-0293-G-00-6768-00  
Amendment No. Two

Dear Mr. Vega:

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 provides to Technoserve, Inc. (hereby referred to as "Technoserve" or "Grantee"), the additional amount of \$200,000 obligated herein, to continue to support a program of cooperative management as described in the Letter of Agreement dated February 26, 1985, as amended, Attachment 1 and 2 thereto (Attachment A for purposes of this amendment), and the Revised Schedule, as amended (Attachment B for purposes of this Amendment), which are attached and made a part hereof. This additional and final increment of \$200,000 supplements the \$550,000 previously granted for a total cumulative amount granted to date of \$750,000 (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 October 1, 1984, and ending September 30, 1987.

This Grant is made to Technoserve 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," of the Letter of Agreement dated February 26, 1985, as amended (Attachment A); the Revised Schedule (Attachment B); Attachment 3, "Mandatory Standard Provisions for U.S. Nongovernmental Grantees;" and Attachment 4, "Optional Standard Provisions for U.S. Nongovernmental Grantees," which have been agreed to by your organization.

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Mr. Luis Vega Castro

2.

Please sign all six (6) copies of the grant amendment acknowledging your receipt of the grant and return five (5) copies to the USAID Program Office.

Sincerely yours,



Donor M. Lion  
Director

ATTACHMENTS:

- A. Letter of Agreement dated February 26, 1985, as amended, and attachments thereto
- B. Revised Schedule
3. Mandatory Standard Provisions, OMB Control No. 0412-0510
4. Optional Standard Provisions, OMB Approval No. 0412-0510

ACKNOWLEDGED:

TECHNOSERVE, INC.

By: \_\_\_\_\_



Luis Vega Castro

Title: Operations Manager

Date: 06/16/87

FISCAL DATA:

Appropriation	:	72-1171021
Budget Plan Code	:	LDNA-87-25527-KG13
Project Number	:	527-0293
Total Estimated Amount	:	\$750,000
Total Obligations to Date:	:	\$550,000
Total This Obligation	:	\$200,000

REVISED SCHEDULE

A. Purpose of the Grant:

To carry out a replicable program of technical assistance to selected agrarian reform cooperative organizations, principally production and user cooperatives (e.g., CAT's and CAU's) that results in increased productivity and incomes of assisted cooperative organizations and their members sufficient to permit profitable use of credit, adequate family consumption and continuous capital formation for re-investment in the enterprise.

B. Period of the Grant:

1. Funds obligated hereunder are available for program expenditures for the estimated period beginning October 1, 1984 through September 30, 1987, as shown in the Grant Budget.

2. The effective date of this Grant is February 26, 1985. The expiration date of this Grant is September 30, 1987.

C. Amount of Grant and Payment:

1. The total estimated amount of this Grant for the period shown in B.1 above is \$750,000.

2. AID by Letters of Agreement dated February 26, 1985 and June 26, 1986, obligated \$300,000 and \$250,000, respectively, and hereby obligates the additional amount of \$200,000 for program expenditures during the period set forth in B.2 above and as shown in the Financial Plan below.

3. Payment shall be made to the Grantee in accordance with procedures set forth in Attachment 4, Optional Standard Provision 1, entitled "Payment Letter of Credit."

D. Financial Plan:

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

GRANT BUDGET

(US\$000)

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>TOTAL</u> <u>10/1/84-9/30/87</u>
<u>AID</u>				
Tech. Assistance	182	165	130	477
S/T Contract Services	6	5	6	17
Operating Costs	16	12	13	41
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Technoserve US Overhead	43	45	26	114
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TOTAL AID	300	250	200	750
Estimated Amount US\$	162.5	82.6	142.4	387.5
Estimated Amount "Local Currency"	137.5	168	57	362.5

E. Reporting and Evaluation:

Financial reporting shall be made as set forth in the Standard Provisions to the Grant.

In addition, Technoserve hereby agrees to provide AID with copies of the following reports and any other reports as AID may reasonably deem necessary during project implementation.

1. Semi-annual reports on the implementation of project advisory services and training programs with each participating cooperative organization.

2. On an annual basis, a summary report on implementation progress towards planned objectives, including both narrative and financial summary for each cooperative organization.

3. Copy of each diagnostic, each study and each operational plan as completed. Operational plans will include quantifiable goals and an information system to permit measurement of progress toward achievement of those goals. In addition, grantee will provide an executive summary of not more than 10 pages of each diagnostic and each study.

4. A final report within 90 days following the end of the program that permits determination of the degree of achievement of end of program status specified in Section II C of Program Description (Attachment 2). This report will summarize the economic and operational condition of the cooperative organizations assisted, providing relevant measures of progress during the life of the program in real terms of gross value of production, net worth, net returns to factors and annual capitalization. In addition, the final report will include a cooperative development technical assistance manual that provides a guide to application of the methodology used and examples of its application during the testing period.

Approximately 24 months after beginning of program, Technoserve will collaborate with AID in carrying out a mid-term evaluation to measure progress. A final evaluation will take place at least 60 days prior to the end of the program unless otherwise agreed by AID.

F. Special Provision:

1. Optional Standard Provisions for U.S. Non-Governmental Grantees (Form AID OMB No. 0412-0510) apply as follows: Provisions 1, 4, 5, 6, 7, 9, 13, 20, and 23.

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

- 25-

G. Overhead Rates:

The current provisional indirect cost rate negotiated with the Grantee is 20.1 percent of total cost input.

H. Title to Property:

Title to any property purchased under this Grant will be vested in the Grantee, in accordance with Optional Standard Provision 20 of Attachment 4.

I. Authorized Geographic Code:

The authorized geographic code for the procurement of goods and services under this Grant is the United States (Code 000) and Peru.

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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 288200

September 23, 1987

Mr. Luis Vega Castro  
Operations Manager  
Technoserve, Inc.  
Sinchi Roca 2633  
Lince

Subject: Technoserve OPG: Cooperative Management  
Grant No. 527-0293-G-00-6768-00  
Amendment No. Three

Dear Mr. Vega:

I hereby acknowledge receipt of your letter No. TNSL-229/87, dated August 31, 1987, whereby you request the continuation of the above referenced OPG Agreement for an extended period of six additional months with no additional funds through March 31, 1988. The purpose of this extension is to complete the Technoserve management assistance provided to the cooperatives under the OPG, particularly the Villa Hermosa and Herbay Cooperatives.

In accordance with your request A.I.D. hereby approves the extension of the grant expiration date from September 30, 1987 to March 31, 1988. Consequently, the "Letter of Agreement" dated February 26, 1985, is amended as follows:

In the second paragraph of the letter of Agreement, delete the date "September 30, 1987" and substitute in lieu thereof the date "March 31, 1988".

In Attachment 1, "Schedule" Section B.1 "Period of the Grant" delete the date September 30, 1987" and substitute in lieu thereof the date "March 31, 1988".

All other provisions set forth in the referenced Letter of Agreement, as amended, remain unchanged.

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Please sign all five copies of this letter to acknowledge your concurrence with the above modification and return four copies to A.I.D.

Sincerely yours,



Donor M. Lion  
Director

TECHNOSERVE INC.

By:   
Luis Vega Castro

Title: Operations Manager

Date: 24/SEPT. / 87