DEPARTMENT OF LABOR
Bureau of International Labor Affairs

Project to Combat Rural Exploitative Child Labor in Peru

October 13, 2011

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Key Dates: Deadline for Submission of Applications is November 15, 2011 (34 days after publication). Deadline for Submission of All Technical Questions is October 26, 2011 (14 days after publication date). All awards will be made by December 31, 2011.

Executive Summary: In 2011, the U.S. Department of Labor, Bureau of International Labor Affairs will award up to $13 million for a technical assistance project(s) to support efforts to eliminate exploitative child labor in the Huancavelica and Huánuco regions of Peru, with a focus on reducing social exclusion and promoting economic opportunities for Peruvian households most vulnerable to the worst forms of child labor. This solicitation targets the worst forms of rural child labor in agriculture, mining, and other hazardous work in the targeted regions. Projects funded under this solicitation will address the needs of indigenous and other vulnerable groups who experience high rates of child labor, low rates of primary and secondary school completion, and economic and social exclusion. Projects will seek to combat child labor through innovative, effective, and integrated approaches that involve increasing children's access to quality education, promoting sustainable livelihoods for their households and increasing beneficiaries' access to national social protection programs that help households overcome dependence on children working to meet basic needs. This project will support Peru's efforts to reduce exploitative child labor as part of an integrated and comprehensive approach to combat poverty and promote decent work. Eligible Applicants must respond to the entire scope of work outlined in this solicitation.

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List of Acronyms

APEC	Asia Pacific Economic Cooperation
CCR	Central Contractor Registration
CFR	Code of Federal Regulations
CLMS	Child Labor Monitoring System
CMEP	Comprehensive Monitoring and Evaluation Plan
CPETI	Comité Directivo Nacional para la Prevención y Erradicación del Trabajo Infantil (National Committee to Prevent and Eradicate Child Labor)
DBMS	Direct Beneficiary Monitoring System
DINEIBR	Dirección Nacional de Educación Intercultural Bilingüe y Rural (National Office of Intercultural, Bilingual, and Rural Education)
DUNS	Dun and Bradstreet Number
FOIA	Freedom of Information Act
GoP	Government of Peru
GOTR	Grant Officer's Technical Representative
GPRA	Government Performance and Results Act
HHS-PMS	Department of Health and Human Services-Payment Management System
IE	Impact Evaluation
IFAD	International Fund for Agricultural Development
ILAB	Bureau of International Labor Affairs
ILO	International Labor Organization
ILO-IPEC	ILO's International Program on the Elimination of Child Labor
INABIF	Programa Integral Nacional para el Bienestar Familiar (Comprehensive National Program for Family Welfare)
INDEPA	Instituto Nacional de Desarrollo de Pueblos Andinos, Amazónicos y Afroperuanos (National Institution of the Development of Andean, Amazonian and Afro-Peruvian Indigenous People)
INEI	Instituto Nacional de Estadística e Informática (National Statistics and Information Institute)
IREWOC	Foundation for International Research on Working Children
MPG	Management Procedures and Guidelines
NGOs	Nongovernmental Organizations
NICRA	Negotiated Indirect Cost Rate Agreement
OCFT	Office of Child Labor, Forced Labor, and Human Trafficking
OMB	Office of Management and Budget
PDG	President's Policy Directive on Global Development
PDRS	Programa de Desarrollo Rural Sostenible (Sustainable Rural Development Program)
SF	Standard Form
TPIN	Trader Partnership Identification Number
UN	United Nations
UNICEF	United Nations Children's Fund
UNFPA	United Nations Population Fund
USAID	United States Agency for International Development
USDOL	U.S. Department of Labor
VAT	Value Added Tax
SGA	Solicitation for Grant Applications

I. FUNDING OPPORTUNITY DESCRIPTION

The U.S. Department of Labor (USDOL), Bureau of International Labor Affairs (ILAB) announces its intent to award up to $13 million for one or more cooperative agreements to qualifying organizations to support efforts to eliminate exploitative child labor in agriculture, mining, and other hazardous work in the Huancavelica and Huánuco regions of Peru, two regions with some of the highest rates of poverty, economically active children, and some of the lowest rates of primary and secondary school completion. In addressing exploitative child labor in these regions, this solicitation includes a focus on reducing social exclusion and promoting economic opportunities for Peruvian households most vulnerable to the worst forms of child labor. For the purposes of this solicitation, reference to children engaged in exploitative child labor is intended to include those children (minors under age 18) working in the worst forms of child labor as outlined in ILO Convention 182 and children engaged in work that is exploitative and/or interferes with their ability to participate and complete required years of schooling (See Section II. and Appendix A). This project will support Peru's efforts to reduce exploitative child labor, and implement strategic socio-economic reforms proposed by administration of President Ollanta Humala. This solicitation targets the worst forms of rural child labor in agriculture, mining, and other hazardous work in these regions. Projects funded under this solicitation will address the needs of indigenous and other vulnerable groups who experience high rates of exploitative child labor, low rates of primary and secondary school completion, and economic and social exclusion.

Projects funded under this solicitation will seek to combat exploitative child labor by increasing children's access to quality education, promoting sustainable livelihoods for their households and increasing beneficiaries' access to national social protection programs that help households overcome dependence on children working to meet basic needs. Organizations applying for this award must demonstrate a proven ability to manage complex projects in developing countries through actions that support these aims.

USDOL/ILAB is authorized to award and administer cooperative agreements for this purpose by the Department of Defense and Full-Year Continuing Appropriations Act, 2011, P.L. 112-10 (2011) cooperative agreements awarded under this solicitation will be managed by USDOL/ILAB's Office of Child Labor, Forced Labor, and Human Trafficking (OCFT). The duration of the projects funded by this solicitation is 4 years. The start date of program activities will be negotiated upon award of an individual cooperative agreement(s), but will be no later than December 31, 2011. Applicants may apply for funding amounts up to $13 million.

II. BACKGROUND AND USDOL CHILD LABOR OBJECTIVES

Extent of the Problem: Contributing Factors and Root Causes

According to the International Labor Organization (ILO), an estimated 215 million children were engaged in exploitative child labor, of which 115 million were estimated to be involved in hazardous work in 2008. The majority of the world's working children are found in Asia, followed by sub-Saharan Africa, Latin America and the Caribbean and other regions. In Latin America, more than 14 million children are involved in exploitative work.[1]

Children become involved in exploitative child labor, including the worst forms of child labor, due to a variety of complex factors, such as: poverty; education system barriers; limited access to social and physical infrastructure (e.g., healthcare, roads, water, sanitation); legal and policy barriers; resource gaps; institutional barriers; informational gaps; demographic characteristics of children and/or their families; cultural and traditional practices; tenuous labor markets; weak child labor law enforcement; a lack of parent(s) or caregiver(s); and a lack of

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[1] International Labor Organization, Accelerating Action against Child Labor Global Report under the Follow-up to the ILO Declaration on Fundamental Principles and Rights at Work 2011, available from http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_126752.pdf. A definition of the term "child labor," can be found at http://www.ilo.org/ipec/facts/lang--en/index.htm.

awareness of the importance of education and/or the hazards associated with exploitative child labor, including the worst forms of child labor.

For older children of legal working age, child labor often involves work under unsafe conditions in the informal sector. Globally, some 152 million young people work and live in households that earn less than the equivalent of $1.25 per day. Many work in temporary and involuntary part-time or casual work with few benefits and limited prospects for advancement. A large number of youth work in the informal economy. According to the ILO, in 2009, more than 82 percent of teenagers aged 15-19 years worked in the informal sector.

1. Peru: Background and Problem Statement

In June 2011, Peru elected President Ollanta Humala, who has identified the eradication of poverty and social exclusion as one of his political priorities.[2] President Humala has announced his intention to promote open markets while ensuring that the benefits of economic growth reach the poorest and most excluded.[3] Among the strategies that the new administration has outlined are expanding social programs, promoting decentralization, and increasing the quality of education particularly among the most vulnerable populations of Peru.[4]

The Humala Administration's specific program goals include:

- **Education.** Administration priorities include the continuation of decentralization of education management, incorporation of more intercultural topics in schools' curricula and bolstering literacy rates and overall performance of students in rural areas.[5] The Administration also seeks to expand technical education in the provinces and to promote youth education centers that offer short courses in languages, computing, and other topics that will help youth prepare for better jobs as adults.[6]
- **Social Protection Programs.** The new Government has placed a heavy emphasis on improving rural social protection programs, and on the decentralization of program design and management.[7] It plans to improve the quality and increase the coverage of the anti-poverty programs and early childhood initiatives.[8]
- **Employment/Livelihoods.** The new Government proposes to improve rural productivity and create employment centers in provinces.[9]
- **Labor.** Regarding child labor, the Humala Government has stated its intention to reevaluate the exception to the minimum legal working age of 14 allowed under the *Codigo del Niño y Adolescente*. This exception allows a child as young as 12 to work with a permit, but the Government is concerned that, as applied, this may jeopardize the child's education.[10]
- **Indigenous Populations.** The new Government's stated priorities regarding indigenous populations are to fully comply with ILO Convention 169 concerning Indigenous and Tribal Peoples in Independent Countries by implementing consultation mechanisms, improving employment opportunities, and improving professional development in handicrafts (*artesania*) and rural industries. Other priorities are to

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[2] "Five Facts about Peru's New President Ollanta Humala." CNN.com [online] June 6, 2011 [cited September 15, 2011]; available from http://articles.cnn.com/2011-06-06/world/peru.humala.facts_1_ollanta-humala-president-alberto-fujimori-keiko-fujimori?_s=PM:WORLD.

[3] Juan Paullier, "¿Podrá Humala ser el Lula de los Andes?" BBC Mundo, [online] July 28, 2011 [cited September 15, 2011]; available from http://www.bbc.co.uk/mundo/noticias/2011/07/110727_peru_ollanta_humala_presidente_asuncion_jp.shtml.

[4] GANA Peru, *La Gran Transformación: Plan de Gobierno 2011-2016,* December, 2010, pages 166-167, 178-180, 183-184, 109.; available from http://www.partidonacionalistaperuano.net/propuestas/plan-de-gobierno-gana-peru-2011-2016.html.

[5] Ibid., pages 166-167.

[6] Ibid., page 183.

[7] Ibid., page 166.

[8] Ibid., pages 178-180. Targeted programs include *Juntos, Crecer*, and *Wawa-Wasi*. See also United Nations, *Reducción de la Pobreza*, [online] [cited September 12, 2011]; available from http://www.onu.org.pe/Publico/infocus/pobreza.aspx. See also Ministerio de la Mujer y Desarrollo Social, *Programa Nacional Wawa Wasi*, [online] [cited September 12, 2011]; available from http://www.mimdes.gob.pe/index.php?option=com_content&view=category&layout=blog&id=90&Itemid=150.

[9] Ibid. page 178.

[10] Ibid., page 109.

improve the capacity of bilingual educators, bolster the *Dirección General de Educación Intercultural, Bilingue y Rural*, and improve rural infrastructure.[11]

Peru is the fifth largest country in Latin America and its 30 million people contribute to a dynamic, multi-ethnic and multicultural society, the outcome of Peru's rich history. The coastal areas of Peru, where more than 50 percent of the population resides, are ethnically and culturally diverse as a result of high internal migration from other parts of the country in the last five decades. Indigenous groups are concentrated in the southern Andean highlands (the *Sierra*), where about 32 percent of the population resides, and in the Amazonian jungle areas where about 13 percent of the population is found. Peru's population also includes large minorities of persons of Asian and African descent.

Peru is a lower-middle-income economy and its primary economic and export sectors include mining, agriculture, fishing, and textiles. Since prices for these goods have been high in recent years, Peru's international trade has expanded, and the country has experienced sustained economic growth over the last decade.[12] Peru's economy has experienced high rates of growth in recent years, reaching 10 percent in 2008. Despite the drop in growth that occurred in 2009 due to the world economic contraction, Peru's GDP began expanding again in 2010, growing 8 percent in 2010.[13]

The economy of Huancavelica is heavily dependent on agriculture and mining, with 69.8 percent of workers employed in this sector. As a region, Huancavelica is Peru's second largest producer of green beans and the third largest producer of peas, barley, and beans. It also generates a significant portion of Peru's electric energy and produces lead and silver. Almost 59 percent of Huánuco's workers are employed in agriculture and livestock production. Huánuco is Peru's second largest producer of tea, olluco, potatoes, and pork. The region also produces beans and beef.[14]

In spite of Peru's rapid economic expansion, many of Peru's citizens are still socially and economically excluded from its benefits.[15] Poverty and poor access to quality education for children, and employment opportunities for adults leave many households vulnerable to exploitative child labor.[16] The reach of social and anti-poverty programs is also limited by weak decentralization and lack of coordination among Government of Peru (GoP) agencies.[17]

Among those most affected by economic and social exclusion in Peru are indigenous groups, afro-Peruvians, low income rural communities.[18] Economic and social exclusion is a multidimensional phenomenon characterized by the low access by certain populations to economic and labor opportunities, education and health services, and political and civic participation.[19] Social and economic exclusion is evidenced by concrete indicators. For example, the poverty rate among indigenous communities is 55 percent, almost double that of non-indigenous populations. Poverty is particularly acute among indigenous children, 78 percent of whom live in low-income

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[11] Ibid., page 184-185.

[12] Central Intelligence Agency, *The World Factbook: Peru*, August 23, 2011; available from https://www.cia.gov/library/publications/the-world-factbook/geos/pe.html.

[13] Ibid.

[14] Ibid.

[15] INDEPA, *Plan de Lucha Contra la Exclusión Étnica*, 17-18; available from http://www.indepa.gob.pe/PDF/exclusion_etnica_modificado.pdf

[16] For a conceptual and empirical discussion of inequality and exclusion see Ricardo Paes de Barros, et..al., *Measuring Inequality and Opportunties in Latin America and the Caribbean* (World Bank: Washington, DC, 2009); available at http://siteresources.worldbank.org/LACEXT/Resources/258553-1222276310889/Book_HOI.pdf, 147 and 167. See also ILO-IPEC, *Children in Hazardous Work: What We Know, What We Need to Know*, 70; available from http://www.ilo.org/ipecinfo/product/viewProduct.do?productId=17035.

[17] Controlaría General de la República, *Programas Sociales en el Perú,* 2008; available from http://www.gobernabilidad.org.pe/download.php?f=programas-sociales_1222469649.pdf.

[18] U.S. Department of State, "Peru" in *Country Reports on Human Rights Practices-2010,* Washington, DC, April 8, 2011; available from http://www.state.gov/g/drl/rls/hrrpt/2010/wha/154516.htm.

[19] United Nations Development Programme, *Social Inclusion*, [online] [cited September 12, 2011]; available from http://europeandcis.undp.org/poverty/socialinclusion/show/42524883-F203-1EE9-B1013DC9E989F963.

households.[20] Children of indigenous descent experience barriers to access clean water, and health and education services.[21] Children from indigenous and rural families are also more likely to be removed from school and sent to work because of economic hardship than their urban counterparts.[22] Afro-Peruvians are also among the lowest income groups in the country.[23] Recent migrants to urban centers who settle in shantytowns (*Pueblos Jóvenes)* also face barriers regarding access to employment, education, and social services. [24]

While Peru has achieved improved levels of education coverage and attendance, Peru lags behind most other Latin American countries in education quality indicators. Students from the highland regions generally perform more poorly than children located closer to the coast.[25] In rural areas, 30 percent of students are at least a year behind in school, while the same statistic is only 13 percent for children in urban areas. Fifty-three percent of school-attending adolescents in rural areas are at least one year behind in their learning, compared to 26 percent for urban areas. The regions with the worst adolescent academic performance are Loreto, Amazonas, Ayacucho, and Huancavelica.[26] Standardized test results in 2009 revealed that Peru has one of the highest disparities in urban versus rural academic achievement.[27] (See Appendix D for information on primary and secondary completion rates in Peru).

Child labor has a clear impact on academic achievement. Regions with the highest levels of working adolescents are also the regions that experience the highest levels of educational delays and drop-outs. The regions with the highest numbers of children who are a year or more behind in their scholastic achievement are Cajamarca (60 percent of adolescents work and are behind in their schooling), followed by Huancavelica (54 percent), Amazonas (52 percent), and Huánuco (51 percent).[28] Huancavelica and Huánuco have among the lowest primary education completion rate in the country, at 59.7 and 55.4 percent respectively.[29] Secondary completion rates in these regions are also low, at 40.7 percent in Huancavelica and 35.7 percent in Huánuco.

School achievement does not differ greatly between girls and boys, but it does vary according to native language, rural or urban residence, and poverty level.[30] Access to education varies among the indigenous linguistic groups, and speakers of some indigenous languages have little to no access to primary and secondary education.[31] Exclusion is particularly evident in the relation between education indicators and labor outcomes. A study by the World Bank found that inadequate learning environments early in life and deficient basic education were the most

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[20] INEI and UNICEF, *Estado de la Niñez Indígena en el Perú*, August 2010, page 34; available from www.unicef.org/peru/spanish/ENI_2010.pdf.

[21] Ibid., pages 44, 62.

[22] Ibid., page 20.

[23] U.S. Department of State, "Peru" in *Country Reports on Human Rights Practices-2009*, Washington, DC, March 11, 2010; available from http://www.state.gov/g/drl/rls/hrrpt/2009/wha/136123.htm.

[24] Ministry of Women and Social Development, *Plan Nacional contra la violencia hacia la mujer 2009-2015*, pages 4-6; available from http://www.mintra.gob.pe/archivos/file/publicaciones/plan_nacional_contra_violencia_mujer_2009_2015.pdf; See also UNIFEM, *Mujeres Indígenas y Derechos: Discriminación y racismo*, 2009, available from www.cadpi.org/cadpi/index.php/download_file/75/94/.

[25] Abt Associates Inc., *The Quality of Education in Latin American and the Caribbean: The Case of Peru*, 2008, page 102; available from http://www.iadb.org/res/laresnetwork/files/pr299finaldraft.pdf.

[26] INEI and UNICEF, *Estado de la Niñez en el Perú*, 2011, pages 106-107; available from http://www.inei.gob.pe/biblioineipub/bancopub/Est/Lib0930/Libro.pdf.

[27] Ibid., pages 84-86. The proportion of second-grade students that performed at or above their academic level was 29 percent in urban areas, versus 12 percent in rural areas. Four out of the six worst performing regions were located in the Amazon: Loreto, Ucayali, San Martin, and Madre de Dios. Urban/rural disparities in academic achievement are also marked among adolescents from ages 12 to 14. Fifty-three percent of school-attending adolescents in rural areas are at least one year behind in their learning, compared to 26 percent for urban areas. The regions with the worst adolescent academic performance are Loreto, Amazonas, Ayacucho, and Huancavelica, see pages 106-107.

[28] Ibid., page 120.

[29] INEI, *Encuesta Nacional de Hogares*, 2010, accessed September 10, 2011, available from http://escale.minedu.gob.pe/.

[30] INEI and UNICEF, *Estado de la Niñez en el Perú*, page 110.

[31] INEI and UNICEF, *Estado de la Niñez Indígena en el Perú*, pages 65-66.

important factors that hindered the ability of Peruvian workers, especially those from low-income backgrounds and rural areas, to find employment.[32]

Huancavelica and Huánuco have among the highest poverty rates in the country, at 77.2 percent and 64.5 percent respectively (see Appendix F for poverty rates in these two regions by province). Quechua is the native language of 65.5 percent of the population of Huancavelica, and 34.1 percent of the population of Huánuco.[33] According to 2007 census information, the number of school-age indigenous children in Huancavelica is 108,266, and 79,303 in Huánuco.[34]

There are over 40 indigenous languages spoken in Peru, and many children are native speakers of indigenous languages. In fact, in the following four regions, over 50 percent of children speak an indigenous language: Apurímac, Ayacucho, Cusco, and Huancavelica.[35] While the Peruvian school system offers bilingual education programs, only 37 percent of indigenous children receive bilingual instruction, in which many teachers have not been sufficiently trained. Bilingual education programs are often not present in urban areas, and have been criticized for their lack of relevance to the everyday realities of indigenous children.[36]

Many persons in Peru have never acquired state-recognized documents, such as birth certificates or national identification numbers, which are often necessary to access education and social services.[37] In Huánuco, 2.9 percent of children below 18 years of age lack a state-recognized identity, while the percentage in Huancavelica is 1.4. Among the regions, Huancavelica has one of the highest rates of households where all members lack state-recognized identities. Huánuco has one of the highest rates of households with at least one member is undocumented.[38]

2. The Labor Situation in Peru and the Prevalence of Child Labor

Over the last four decades there has been massive internal labor migration from the interior to coastal areas of Peru in search of better economic opportunities. Yet the country has been unable to generate enough formal sector jobs to absorb the migration or to improve conditions in rural areas to stop the flow. The statutory monthly minimum wage in Peru is 600 soles ($215)[39], which does not provide an adequate standard of living for many families. Minimum wage enforcement generally targets the formal sector, and many self-employed workers in rural areas and in the unregulated informal sector, which makes up 70 percent of the labor force, receive less.[40] Under these conditions, many families rely on child labor.

Though recent official figures indicate modest declines in the incidence of child labor in Peru, an estimated 2.3 million children aged 6 to 17 years work in exploitative labor, or 29.8 percent of the total age group.[41] On a national level, 22 percent of children ages 6 to 13 are economically active, while 40 percent of children 14 to 17

[32] World Bank Report No. 61699-PE, *Strengthening Skills and Employability in Peru,* 2011, page 8; available at http://siteresources.worldbank.org/INTPERUINSPANISH/Resources/PeruSkillsLaborReportMay242011.pdf.

[33] INEI, *Encuesta Nacional de Hogares*, 2009, accessed September 1, 2011 available from http://www.inei.gob.pe/

[34] CARE, *Por el Derecho de los Pueblos Indígenas a una Educación de Calidad,* page 8; available from http://www.care.org.pe/pdfs/cinfo/folleto/EDU_013_derindedu.pdf.

[35] INEI and UNFPA, *Estado de la Población Peruana: Indocumentación y Grupos Étnicos*, 2007, page 95; available from http://www.unfpa.org.pe/publicaciones/publicacionesperu/INEI-Estado-Poblacion-Peruana-2007.pdf. See also Wikipedia, Lengua del Perú, [online] [cited September 7, 2011]; available from http://es.wikipedia.org/wiki/Lenguas_del_Per%C3%BA.

[36] INEI and UNICEF, *Estado de la Niñez Indígena en el Perú*, page 68. See also Ludwig Huber and Patricia Ríos Anaya, "La Problemática del Trabajo Infantil en Los Pueblos Indígenas del Perú: Estudio Preliminar" (paper presented at the Sub-regional Workshop of Experts on Indigenous Child Labor, Lima, March 27-28, 2008), page 12; available from http://white.oit.org.pe/ipec/documentos/pe_estudio_preliminar_iep_tti.pdf. See also INEI and UNICEF, *Estado de la Niñez Indígena en el Perú*, page 70.

[37] INEI and UNFPA, *Estado de la Población Peruana: Indocumentación y Grupos Étnicos,* 14, 95.

[38] Ibid., pages 47, 79.

[39] U.S. Department of State, "Country Reports- 2010: Peru."

[40] Ibid.

[41] INEI, *Perú: Niños, niñas y adolescentes que trabajan, 1993-2008.*

work. According to a national survey, boys' level of economic activity is 30 percent, somewhat higher than girls' level of involvement which reaches 26 percent. The sectors in which the majority of children work include agriculture (39 percent), commerce (16 percent), domestic service (9 percent), manufacturing (9 percent), and hotels/restaurants (7 percent).[42] While Huancavelica and Huánuco have among the highest rates of exploitative child labor, at 63.7 and 58.5 percent respectively, the prevalence of child labor in specific economic sectors of Huancavelica and Huánuco is unknown.[43]

Children work in rural and urban areas, often laboring for long hours under dangerous conditions. Rural child workers assist in the production of agricultural goods, including coca, cotton, rice, coffee, and sugarcane.[44] Children also work in mines, where they are exposed to harmful chemicals such as lead or arsenic.[45] In urban areas, children work informally producing bricks and fireworks, as street vendors, street performers, beggars, bus assistants, shoe shiners, car washers, or garbage scavengers.[46] Girls frequently work in domestic service in both rural   and   urban   areas,   and   are   often   vulnerable   to   physical   and   sexual   abuse.[47]

Indigenous children are nearly twice as likely to live in poverty as other Peruvian children, and as a result, are also more likely to engage in child labor.[48] The proportion of working adolescents age 14 to 17 with Spanish as their first language is 50 percent. This same figure is 79 percent for those with an indigenous first language.[49] According to data from the 2006 and 2009 national household surveys, rates of adolescent work have remained steady in recent years. Indigenous adolescent males residing in rural areas are almost twice as likely to engage in exploitative labor as males residing in urban areas.[50]

Exploitative child labor is more prevalent in rural areas than in urban, with approximately 47 percent of rural children engaged in economic activities as compared to 14 percent of their urban counterparts.[51] Though the highest numbers of working children are found in the Puno and Lima regions, the highest rates of child and adolescent labor can be found in the poor, rural regions; in Huancavelica an estimated 63.7 percent of children aged 6 to 17 work, followed by Puno at 59.9 percent, Huánuco at 58.5 percent, and Amazonas at 57.4 percent (See Appendix E for more information about rates and aggregate numbers of child labor in Peru).[52]

3. Peru's Efforts to Address Child Labor

Various government, private sector and civil society organizations have developed programs to address exploitative child labor. The following section highlights those programs that either are active in Huánuco and Huancavelica or could be based on the specific program's mandate. Applicants should consider them as they design their proposed project strategy.

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[42] Ibid., page 35.

[43] INEI, *Perú: Niños, niñas y adolescentes que trabajan, 1993-2008*, December, 2009, page 9; available from http://www.pronino.pe/upload/LIB_PDF_Inei.pdf.

[44] UNICEF, *Niños en Zonas Cocaleras*, January, 2006; available from http://www.unicef.org/peru/spanish/peru_unicef_ninoszonascocaleras.pdf.

[45] IREWOC, *Child Labour in the Mining Sector of Peru: The IREWOC Research Project on the Worst Forms of Child Labour in Latin America*, 2008, pages 30, 32, 34; available from http://www.childlabour.net/documents/worstformsLAproject/MiningPeru_Ensing2008.pdf.

[46] ILO-IPEC, *Trabajo Infantil Estudio de Opinión Pública en el Perú,* 2007, page 9; available from http://white.oit.org.pe/ipec/documentos/estudio_cap_pe.pdf.

[47] ILO-IPEC, *Trabajo Infantil en el Perú: magnitud y perfiles vulnerables*, 2009, page 65; available from http://www.ilo.org/ipecinfo/product/viewProduct.do?productId=13173.

[48] Ibid., page 20.

[49] Ibid., page 113.

[50] Ibid., page 114.

[51] INEI, *Perú: Niños, niñas y adolescentes que trabajan, 1993-2008*, page 23.

[52] Ibid.

a) Government Efforts

Child Labor Policies and Programs
Although Peru continues to have one of the highest rates of exploitative child labor in the region, the GoP has taken measures through policies and programs to address the involvement of children in exploitative and hazardous work. The GoP has adopted the United Nations Development Assistance Framework, which among other goals, aims to build government capacity to combat exploitative child labor through effective policies and programs.[53] Peru's National Committee to Prevent and Eradicate Child Labor (CPETI) is charged with overseeing the implementation of the National Plan for the Prevention and Eradication of Child Labor.[54] The CPETI is in the process of decentralizing, and has established regional-level commissions in 23 of the 25 regions in Peru. However, not all of the regional commissions have plans of action against exploitative child labor in place and they are often not funded.[55]

The Ministry of Labor and Employment Promotion oversees the country's efforts to enforce child labor laws in coordination with all of the 25 regional governments of Peru.[56] Peru has labor inspectors who are assisted by auxiliary inspectors who have more limited labor inspection authority and inspect small businesses with ten or fewer employees.[57] Nationally, Peru has 70 auxiliary labor inspectors who specialize in fundamental labor rights including child and forced labor. Auxiliary labor inspectors are hired across the country but are paid by the national Ministry of Labor. Huancavelica has one labor inspector and two auxiliary inspectors, while Huánuco has four auxiliary inspectors.[58] The Ministry of Labor coordinates with municipal-level child protection offices, the Public Ministry, and the Ministry of Women and Social Development to document complaints of violations of child labor laws during the year, and referred cases to relevant social protection and legal services.[59] The Ministry of Women and Social Development implements the *Educadores de Calle* (Street Educators) program to assist children engaged in street work. *Educadores de la Calle* is implemented in Huánuco.[60] The program connects working children and their families to educational and social services with the goal of withdrawing them from exploitive work and improving family welfare.

Social Programs and Policies
Peru has other social initiatives that complement its actions to combat exploitative child labor. The GoP is currently drafting a new National Plan of Action for Children and Adolescents 2011-2021 which sets out broad goals of ensuring children's full enjoyment of their rights.[61] The GoP's *Juntos* (Together) Program provides cash transfers to the poorest and most vulnerable households in 14 of the country's 25 departments, including Huánuco and Huancavelica.[62] *Juntos* reaches a total of over 470,000 households and over 1 million children in rural areas of

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[53] United Nations Development Group, *Marco de Asistencia para el Desarrollo,* 2006, page 10; available from http://www.undg.org/archive_docs/6615-Peru_UNDAF__2006-2010_.pdf.

[54] Government of Peru, *Plan Nacional de Prevención y Erradicación del Trabajo Infantíl*, 2005, pages 15-16; available from http://www.mimdes.gob.pe/files/PROGRAMAS%20NACIONALES/PNCVFS/planes/Plan_Nacional_Trabajo_Infantil.pdf.

[55] U.S. Embassy- Lima, *reporting, February 22, 2011*.

[56] USAID, *Plan Estratégico para el Sistema de Inspecciones del Ministerio de Trabajo y Promoción del Empleo Lima-Perú,* pages 7-8; available from http://pdf.usaid.gov/pdf_docs/PNADG790.pdf.

[57] USAID official, E-mail communication to USDOL official, September 20, 2011.

[58] Ministerio de Trabajo y Promoción de Empleo official, E-mail communication to USDOL official, September 21, 2011. See also Government of Peru, *Response to USDOL Request for Information about Child and Forced Labor*, May 30, 2011, 9, 11.

[59] U.S. Embassy- Lima, *reporting, February 22, 2011*. See also Government of Peru, *Response to USDOL Request for Information about Child and Forced Labor*, May 30, 2011, pages 9, 11.

[60] INABIF, *Programa Educadores de la Calle*, [online] [cited August 28, 2011]; available from http://www.inabif.gob.pe/portalinabif/02_lineas/pec/pec.htm. See also INABIF, *Directorio de Unidades Prestadoras de Servicios*, [online] [cited August 28, 2011]; available from http://www.inabif.gob.pe/portalinabif/transparencia/06_adicional/2011/pec/pec.pdf.

[61] Government of Peru*, Formulación del Plan Nacional de Acción por la Infancia y Adolescencia 2011-2021*, page 7; available from http://www.mimdes.gob.pe/files/DIRECCIONES/DGFC/DINNA/defensorias/17nov_presentacion2.pdf.

[62] Government of Peru, *Cobertura Geográfica, Juntos,* [online] 2010 [cited March 23, 2011]; available from http://www.juntos.gob.pe/?page_id=3159. See also Government of Peru, *Planificación y Presupuesto, Juntos,* [online] 2010

Peru, and conditions transfers on beneficiaries' participation in health and education services.[63] An impact evaluation of the *Juntos* program conducted by the World Bank in 2009 found that it positively impacted the welfare of program participants, though its impact in reducing exploitative child labor remains unclear.[64]

In addition to the GoP child labor policy efforts, the GoP has taken measures to address forced labor and human trafficking, issues which can involve the worst forms of child labor. The Ministry of Labor leads the National Commission against Forced Labor, which aims to enhance capacity on the national, regional, and local levels to detect and report instances of forced labor.[65] Peru's Multi-Sectoral Committee against Trafficking in Persons seeks to strengthen the GoP's efforts in the prevention and prosecution of trafficking crimes.[66]

The GoP has also recently sought to empower excluded minority groups through greater institutionalization and strengthened legislation. In 2010, the Government established the Ministry of Culture, and the Ministry's *Vice Ministerio de Interculturalidad* and its *Instituto Nacional de Desarrollo de Pueblos Andinos, Amazónicos y Afroperuanos* (INDEPA) are charged with promoting the development and social inclusion of indigenous and afro-descendant populations.[67] According to its 2011 operating plan, INDEPA's goals include promoting social inclusion by strengthening economic opportunities and access to leadership and vocational training.[68] In August 2011, the GoP passed the *Ley de Consulta*, which requires consultation with indigenous communities before the GoP undertakes any efforts that could affect indigenous populations.[69]

Education Initiatives

Peru's current education policy, *Proyecto Educativo Nacional* (National Education Project), sets out a number of goals related to increasing the quality and relevance of education, particularly for marginalized populations, through improved teacher training, curricula, and strengthened decentralization of education.[70] However, the Ministry of Education has no programs specifically targeting child laborers and their specific needs.

The Ministry of Education implements two education programs that have relevance for socially excluded groups. The first are the *Centros de Educación Básica Alternativa* (CEBA), which provide instruction to children and adults who were not able to complete their education through the regular public education system.[71] The Ministry of Education also implements Intercultural Bilingual Education Programs through their *Dirección Nacional de Educación Intercultural Bilingüe y Rural (DINEIBR),* and regionally by the *Direcciones Regionales de la Educación* and other local education institutions, such as universities or indigenous community organizations.[72]

[cited March 23, 2011]; available from http://www.juntos.gob.pe/?page_id=4283. See also Government of Peru, *Misión y Visión, Juntos,* [online] 2010 [cited March 23, 2011]; available from http://www.juntos.gob.pe/?page_id=4.

[63] Government of Peru, *Cobertura Geográfica, Juntos*.

[64] World Bank, *Welfare impacts of the "Juntos" Program in Peru: Evidence from a non-experimental evaluation*, 2009; available from http://www.juntos.gob.pe/images/noticias/2011/01/El-Impacto-Potencial-de-JUNTOS-Banco-Mundial.pdf.

[65] Government of Peru, *Plan Nacional para la Lucha contra el Trabajo Forzoso,* pages 3, 19-20; available from http://www.mintra.gob.pe/trabajo_forzoso/PLAN_NACIONAL_LUCHA_CONTRA_TRABAJO_FORZOSO.pdf.

[66] Ministerio del Interior, *Lucha contra la Trata de Personas*, [online] [cited August 18, 2011]; available from http://www.mininter.gob.pe/cnddhh/luchatrata.html.

[67] Ministerio de Cultura, *Instituto Nacional de Desarrollo de Pueblos Andinos, Amazónicos y Afroperuano: Plan Operativo 2011*, January, 2011, page 5; available from http://www.indepa.gob.pe/PDF/POI_2011.pdf. See also Ministerio de Cultura, *Quienes Somos*, [online] [cited September 7, 2011]; available from http://www.mcultura.gob.pe/quienes_somos.shtml?x=4.

[68] Ministerio de Cultura, *Plan Operativo 2011,* 6.

[69] Government of Peru, *Ley de Derecho a la Consulta Previa a los Pueblos Indigenas u Originarios Reconocido en el Convenio 169 de la Organización International de Trabajo*; available from http://www.mcultura.gob.pe/documentos/consulta_previa.pdf.

[70] Ministerio de Educación, *Proyecto Educativo Nacional*, 10; available from www.minedu.gob.pe/DeInteres/xtras/download.php?link=PEN-**2021**.pdf.

[71] Ministerio de Educación, *Decreto Supremo 015-2004-ED*, (2004);available from http://www.minedu.gob.pe/normatividad/decretos/ds_015-2004-ed.pdf.

[72] UNICEF, *Educación Intercultural Bilingüe*, [online] [cited August 29, 2011] ; available at http://www.unicef.org/peru/spanish/education.html.

The GoP has also taken steps recently to improve accountability within the education system. The policy *Logros de Aprendizaje* (Learning Achievements) is a national education program for children residing in areas with the lowest indices of human development that aims to boost education achievement.[73] *Logros de Aprendizaje* sets out learning goals for children's learning progress in math and communication from pre-school to the first two years of primary school.[74]

Rural Livelihoods and Employment Initiatives
The GoP has in place a number of programs and policies to promote rural development. In 2004, the Government adopted the National Strategy for Rural Development, which identified three key pillars of action: the development of agriculture and non-agricultural employment opportunities; assistance in accessing markets and support in strengthening infrastructure; and the provision of technical assistance to rural producers.[75] The Ministry of Agriculture's *AgroRural* program provides support to rural agricultural communities to increase their productivity and income.[76]

The GoP also implements programs to enhance employment skills and opportunities, particularly among vulnerable and economically excluded groups. The Ministry of Labor's *Mi Empresa* (My Business) program trains households on entrepreneurship skills and increasing family income. The *Mi Empresa* program operates in 17 regions, including Huánuco, and provides technical assistance to small businesses in agriculture, artesian crafts, and tourism.[77] The *Revalora Perú* (Value Peru) program aims to address unemployment resulting from the economic crisis by providing skills training to unemployed Peruvians through accredited training centers. The Humala administration aims to be able to reach 75 percent of Peru's working population with the program, which the new administration will rename *Vamos Peru* (Let's Go, Peru).[78] In addition, the Ministry of Labor runs the *Jóven a la Obra* (Youth to Work, formerly named *Pro-Joven*) program that provides vocational instruction and on-the-job training to children and youth between the ages of 16 to 29 from low-income households, and operates in 21 of Peru's regions, including Huánuco.[79] The Ministry of Labor's *Trabaja Perú* (Peru Works, formerly known as *Construyendo Perú*) program provides temporary employment and increase job skills among the poorest segments of Peruvian society in all 25 of the country's regions, including both rural and urban areas. The program prioritizes adults with children under 18 years to participate in public works and small business training.[80]

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[73] Primaria Multigrado, *Logros de Aprendizaje*, [online] [cited August 29, 2011] http://primaria.perueduca.edu.pe/mod/resource/view.php?id=295.

[74] Ibid.

[75] Ministerio de Energía y Minas, *Estrategia Nacional de Desarrollo Rural*, 2004, 2; available from http://dger.minem.gob.pe/ArchivosNormasLegales/Estrategiapercent20Nacionalpercent20depercent20Desarrollopercent20Rural.pdf.

[76] Ministerio de Agricultura, *Misión y Visión*, [online] [cited August 29, 2011]; available from http://www.agrorural.gob.pe/mision-y-vision/organizacion-agro-rural/mision-y-vision.html.

[77] Ministerio de la Producción, *Nuestros Servicios*, [online] [cited September 13, 2011]; available from http://www.crecemype.pe/portal/index.php/te-asesoramos-para-crecer.

[78] Ministerio de Trabajo y Promoción de Empleo, *Programa Laboral Vamos Peru Beneficiará al 75 % de la Mano de Obra del País*, [online] [cited September 13, 2011]; available from http://www.revaloraperu.gob.pe/index.php?menu=ContenidoPrensa. See also Ministerio de Trabajo y Promoción de Empleo, *Resolución Ministerial No. 171-2011-TR* (2011), 9; available from http://www.revaloraperu.gob.pe/pdf/transparencia/Manual.pdf.

[79] Ministerio de Trabajo y Promoción de Empleo, *¿Quieres Estudiar?,* [online] [cited September 13, 2011]; available from http://www.projoven.gob.pe/participa.php?g=jovenes. See also Ministerio de Trabajo, *Ubicanos*, [online] [cited September 13, 2011]; available from http://www.projoven.gob.pe/ubicanos.php. See also Ministerio de Trabajo y Promoción de Empleo, *Promoverán a Emprendedores con Jóvenes a la Obra, Anuncia Ministro de Trabajo y Promocion del Empleo*, [online] [cited September 13, 2011]; available from http://www.projoven.gob.pe/noticia.php?id=198.

[80] Ministerio de Trabajo y Promoción de Empleo, *Logros por Departamento*, [online] [cited September 13, 2011]; available from http://www.construyendoperu.gob.pe/Mapas/App_Form/frmConsultaaspx.aspx. See also Ministerio de Trabajo y Promoción de Empleo, *Objetivo*, [online] [cited September 13, 2011]; available from http://www.construyendoperu.gob.pe/ObjetivosFunciones.html.

Notwithstanding these initiatives, GoP efforts have principally addressed the worst forms of child labor in urban areas, and have reached only a fraction of vulnerable children in these areas. There is a dearth of programs and services to assist children working in agriculture, mining, domestic work and commercial sexual exploitation.

b) Industry and Civil Society Initiatives

In Peru, industry associations and nongovernmental organizations (NGOs) are engaged in efforts to promote corporate social responsibility initiatives. Groups, such as the Spanish Chamber of Commerce, have committed to promoting the application of social responsibility principles, including child labor, into their companies' policies.[81] NGOs such as *Red Puentes* (Bridge Network), *Responde* (Respond), and *Peru 2021* assist companies in implementing corporate social responsibility efforts in Peru's growing private sector.[82] The NGO *Peru 2021* has established indicators to measure companies' efforts, including reducing exploitative child labor. The *Fundación Tigo*, through its *Proniño* initiative, supports education programs to rescue children from exploitative work.[83] In addition, the Ministry of Labor has undertaken initiatives with the private sector to address exploitative child labor, including the signing of an agreement with the *Supermercados Peruanos* (Peruvian Supermarkets) in June 2011 with a vision of creating a network of businesses united against exploitative child labor.[84]

A number of international organizations and civil society institutions in Peru are also working to address exploitative child labor. These include the ILO's International Program on the Elimination of Child Labor, as well as the United Nations Children's Fund (UNICEF) and a variety of NGOs, such as Global March against Child Labor, *TACIF*, *Centro de Estudios Sociales y Publicaciones* (Center for Social Studies and Publications) and *Warma Tarinakuy*.[85] These organizations build institutional capacity to combat exploitative child labor and implement projects to provide education support to children engaged in exploitative child labor in sectors including street vending and commercial sexual exploitation.[86]

Among the initiatives that Applicants should consider when designing their proposal are the following:

- The Pathways to Prosperity initiative is a policy forum that aims to promote inclusive growth and social justice through trade by increasing the capacity of small and medium businesses, enhancing education and training opportunities, and strengthening labor protections. The initiative has a particular focus on vulnerable populations, including indigenous and Afro-descendant communities.[87]
- The Asia Pacific Economic Cooperation (APEC) Small Medium Enterprise Working Group provides special attention and support to the creation and growth of small and medium-sized enterprises and microenterprises, women, minorities, and youth.

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[81] COCEP, *Responsabilidad Social*, [online] [cited August 28, 2011]; available from http://www.cocep.org.pe/responsabilidad.asp.

[82] Responde Peru, *Quienes Somos*, [online] [cited August 28, 2011]; available from http://www.respondeperu.com/quienes_somos.php. See also Red Puentes, *Qué es Red Puentes*, [online] [cited August 29, 2011]; available from http://redpuentes.org/index.php?option=com_content&task=view&id=14&Itemid=14. See also Peru 2021, *Quienes Somos*, [online] [cited August 29, 2011]; available from http://www.peru2021.org/peru-2021/quienes-somos.html.

[83] Ibid. See also Fundacion Telefonica, *Proniño*, [online] [cited August 18, 2011]; available from http://www.fundaciontelefonica.org.pe/pro_nignos/pro_nino_intro.asp.

[84] Manuela García Cochagne, Acciones contra el Trabajo Infantil en el Perú, El Peruano (Lima), July 15, 2011; available from http://www.elperuano.com.pe/edicion/noticia.aspx?key=sDwBA5fQYwk=.

[85] UNICEF, *Explotación Sexual Comercial Infantil*, [online] [cited August 29, 2011]; available from http://www.unicef.org/peru/spanish/protection_3230.htm. See also Fundación Telefónica, Proyectos y Programas, [online] [cited August 29, 2011]; available from http://www.pronino.pe/trabajo_proyectos.asp.

[86] Ibid.

[87] U.S. Department of State, *Pathways to Prosperity in the Americas*, [online] [cited August 20, 2011]; available from http://www.state.gov/p/wha/rls/fs/2011/158760.htm.

- The Global Women's Economic Empowerment (GWEE) Initiative works to develop and support female entrepreneurs in the APEC region through capacity building workshops, which have the goal to enable women to build and sustain new businesses and microenterprises.[88]
- Various United Nations agencies have implemented projects in the areas of health, education, labor, and economic development in Peru that have focused on indigenous populations.[89]

Among nationally and internationally funded projects that are relevant to this solicitation or with interventions in Huancavelica or Huánuco include:

- The World Bank through its Second Programmatic Loan for Social Reform supports GoP efforts to improve the quality of education and social programs including the Juntos conditional cash transfer program.[90] It has published reports detailing what can be done to improve educational quality and inequality, and what regional governments can do to improve education.[91] The World Bank also helps to finance the Ministry of Agriculture's AgroRural ALIADOS Program (Programa de Apoyo a las Alianzas Rurales Productivas de la Sierra) to reduce rural poverty and improve livelihoods for over 53,000 families including in Huancavelica and Huánuco.[92]
- The Italo-Peruvian Fund provides Italian international cooperation funds for projects to develop indigenous communities and improve livelihoods including in Huancavelica and Huánuco.
- ADERS (Asociación para el Desarrollo Sostenible del Perú) implements projects in both Huancavelica and Huánuco to increase sources of employment and household incomes.[93]

International Legal Framework for Child Labor: ILO Conventions 182 and 138

The international legal framework for child labor is primarily comprised of two ILO Conventions—*No. 182*, *Worst Forms of Child Labor Convention, 1999* (accompanied by ILO *Recommendation No. 190*) and *No. 138, Minimum Age Convention, 1973*. Article 1 of ILO Convention 182 calls for ratifying states to take "immediate and effective measures to secure the prohibition and elimination of the worst forms of child labor as a matter of urgency." Taken together, ILO Conventions 182 and 138 and ILO Recommendation No. 190, provide the definitional basis for the following terms: exploitative child labor, worst forms of child labor and hazardous work for children. A visual presentation of the categories of child labor is available at http://www.dol.gov/ilab/grants/bkgrd.htm.

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[88] APEC, *Small and Medium Enterprises*, [online] [cited September 7, 2011]; available from http://www.apec.org/Home/Groups/SOM-Steering-Committee-on-Economic-and-Technical-Cooperation/Working-Groups/Small-and-Medium-Enterprises. See also APEC, *Global Women's Economic Empowerment Initiative,* 2; available from http://aimp.apec.org/Documents/2010/SMEWG/SMEWG31/10_smewg31_019.pdf.

[89] United Nations, *Intervenciones en Vigencia de las Agencias de las Naciones Unidas con Pueblos Indígenas en el Perú,* 2008; available from http://www.onu.org.pe/upload/documentos/Intervenciones_pueblosindigenas.pdf.

[90] World Bank, *Segundo préstamo para políticas de desarrollo con opción de giro diferido: Resultados y rendición de cuentas (REACT)*, [online] [cited August 29, 2011]; available from http://web.worldbank.org/external/projects/main?pagePK=64283627&piPK=64624214&theSitePK=2748767&menuPK=2805091&Projectid=P101177

[91] World Bank, *Por una Educación de Calidad para el Perú*, [online] [cited September 7, 2011]; available from http://web.worldbank.org/WBSITE/EXTERNAL/BANCOMUNDIAL/EXTSPPAISES/LACINSPANISHEXT/PERUINSPANISHEXT/0,,contentMDK:21269356~pagePK:141137~piPK:141127~theSitePK:501764,00.html.   See also World Bank, *Foro: Gestión Descentralizada y Calidad Educativa en el Perú*, [online] [cited September 7, 2011]; available from http://web.worldbank.org/WBSITE/EXTERNAL/BANCOMUNDIAL/EXTSPPAISES/LACINSPANISHEXT/PERUINSPANISHEXT/0,,contentMDK:21948941~menuPK:51350156~pagePK:64027988~piPK:64027986~theSitePK:501764,00.html

[92] Ministerio de Agricultura, *Proyectos del Programa Aliados – Oficina Regional Huancalevica*; available from http://www.agrorural.gob.pe/dmdocuments/huancavelica/proyectos-en-ejecucion.pdf.   See also Ministerio de Agricultura, *Proyectos del Programa Aliados – Oficina Regional Huanuco;* available from http://www.agrorural.gob.pe/dmdocuments/huanuco/proyectos-en-ejecucion.pdf.

[93] Aders Perú, *Huancalevica*; available from http://www.aders-peru.org/huancavelica.html. See also Aders Perú, *Huánuco*; available from http://www.aders-peru.org/huanuco.html.

The Five Goals of USDOL-Funded Child Labor Projects

All USDOL technical assistance projects that ILAB implements are intended to support the Secretary of Labor's vision of "*Good Jobs for Everyone"* by fostering acceptable work conditions and respect for workers' rights in the global economy to ensure productivity and protect vulnerable people, including working children and their households.[94] The project ensures that labor provisions of U.S. free trade agreements are enforced, including the effective abolition of exploitative child labor, a prohibition of the worst forms of child labor and other labor protections for children and minors.

They also support the President's Policy Directive on Global Development (PDG) issued in September 2010, which recognizes development as vital to U.S. national security and a strategic, economic, and moral imperative for the United States. The PDG calls for the elevation of development as a core pillar of American power and charts a course for development, diplomacy and defense to mutually reinforce and complement one another in an integrated comprehensive approach to national security.

OCFT's technical assistance projects should employ effective strategies and use an integrated approach to address the root causes of exploitative child labor in a given country. All USDOL-funded projects must also promote the following five goals (details on these five goals in the context of Peru are provided in Section III):

1. Reducing exploitative child labor, especially the worst forms, by piloting strategies for addressing its root causes and promoting sustainable livelihoods, including in areas such as education, vocational training, the promotion of decent work opportunities for youth under the age of 18 who are of legal working age[95], and providing or linking to existing social protection programs for children and their households to mitigate vulnerability to exploitative child labor;
2. Strengthening the capacity of national institutions to combat exploitative child labor, including through improved policies, programs and service delivery in the areas of education, social protection and sustainable livelihoods;
3. Raising awareness of exploitative child labor and its root causes, and the importance of education for all children and mobilizing a wide array of actors to improve and expand education infrastructures;
4. Supporting research, evaluation, and the collection of reliable data on child labor, its root causes, and/or effective strategies to address it, including education and vocational training, microfinance and other income generating activities to improve household income, social protection services and youth employment; and
5. Ensuring the long-term sustainability of these efforts.

USDOL Support for the Global Elimination of Exploitative Child Labor

Since 1995, the U.S. Congress has appropriated over $840 million to USDOL for efforts to combat exploitative child labor internationally. This funding has supported technical cooperation projects to combat exploitative child labor, including the worst forms, in more than 80 countries around the world. Technical cooperation projects funded by USDOL include targeted action programs in specific sectors of work and more comprehensive programs that support national efforts to eliminate the worst forms of child labor as defined by ILO Convention 182, USDOL-funded projects have withdrawn or prevented nearly 1.5 million children from exploitative labor.

USDOL has funded a number of projects to support Peru's efforts to combat exploitative child labor and increase the knowledge base on the subject. Projects have targeted children for withdrawal and prevention from exploitative work in the following sectors: mining, urban informal work, child domestic labor, and commercial sexual exploitation. Three regional projects that included Peru were implemented by ILO-IPEC to address issues such as small-scale gold mining, exploitive domestic labor, and commercial sexual exploitation of children.[96] The

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[94] More information about Secretary of Labor's vision can be found at: http://www.dol.gov/_sec/media/reports/annual2009/

[95] Peru sets the minimum age for work at 14 and the minimum age for hazardous work at 18.

[96] USDOL, "Project Status – Americas," http://www.dol.gov/ilab/projects/americas/project-americas.htm.

most recent project, which ended in 2010, addressed exploitative child labor in urban informal work, withdrawing 5,633 children from exploitive work and prevented 6,224 children from entering such activities.[97] USDOL has funded projects in Bolivia and Ecuador that developed effective models for addressing exploitative child labor among indigenous communities and that may be relevant to Peru. USDOL is also funding a project in El Salvador to combat exploitative child labor through economic empowerment and social inclusion. Currently, a regional USDOL-funded project promoting South-South cooperation is operating in Bolivia, Ecuador, Paraguay, and Brazil. The project is exchanging good practices in social protection and economic empowerment initiatives. Where relevant, Applicants for this project should build upon these successful practices. For information on USDOL projects, see http://www.dol.gov/ilab/map/countries/map-cont.htm.

For project summaries and evaluations of activities in Peru, see http://www.dol.gov/ilab/map/countries/Peru.htm. See also U.S. Department of Labor's 2010 Findings on the Worst Forms of Child Labor Report, which provides more information about child labor in Peru, http://www.dol.gov/ilab/programs/ocft/PDF/2010TDA.pdf and U.S. Department of Labor's 2011 List of Goods Produced by Child Labor or Forced Labor.

III. INSTRUCTIONS TO APPLICANTS

Applicants must respond to the entire scope of work outlined in this solicitation in order to be considered responsive. Applicants will be assessed on the quality of the overall design and the strength of the strategy in the Scope of Work, its relationship to USDOL's Five Goals, as well as the recommendations to the GoP within the 2010 Trade and Development Act Report (TDA), for more information on the Peru TDA Report, seeU.S. Department of Labor's 2010 Findings on the Worst Forms of Child Labor Report In developing proposals, Applicants are encouraged to consult with the GoP to ensure that their proposed strategies are relevant to the country's needs and supportive of the Government's national plans to combat exploitative child labor.

Scope of Work and Technical Proposal Requirements

This project will support GoP efforts to reduce exploitative child labor as part of an integrated, comprehensive approach to reduce social exclusion and promote economic opportunities for Peruvian households most vulnerable to the worst forms of child labor. The targets for this solicitation are the worst forms of rural exploitative child labor in agriculture, mining, and other hazardous work, in the regions of Huancavelica and Huánuco. This project will provide services to reduce exploitative child labor, track work status and ensure that project services continue and are adjusted as necessary in response to seasonal employment trends in target sectors, with the goal that the child does not engage in any type of exploitative work. Projects funded under this solicitation will address the needs of indigenous and other vulnerable groups who experience high rates of exploitative child labor, low rates of primary and secondary school completion, and economic and social exclusion. In all cases, the project will seek to improve livelihoods of families vulnerable to exploitative child labor and provide educational services to children involved in or at risk of exploitative child labor. In developing a strategy that addresses the requirements of this solicitation, Applicants will promote general activities in support of all five USDOL goals, as well as sector-specific interventions.

All proposals in response to this solicitation must (1) demonstrate an understanding of the context for exploitative child labor in the two targeted regions in Peru; (2) specify the education services (formal, non-formal, vocational and skills training) to be included as a component of all proposed direct intervention(s) for child beneficiaries; (3) define the target populations for the project and livelihood strategies to support their households; (4) demonstrate specifically how the project would link to USDOL's five goals for eliminating exploitative child labor; and (5) confirm a commitment to collaborate with a USDOL external evaluator(s) on the development and implementation of an impact evaluation of the project (see Section III and USDOL Goal 4 below).

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[97] International Youth Foundation, Final Technical Progress Report, page 12.

In developing their overall project strategy, Applicants must identify gaps in child labor-relevant policies, data collection, and social programs. Applicants should propose strategies to secure linkages with government and social partners and draw on proven good practices to build a cost effective model(s) for significantly reducing exploitative child labor that can be scaled up and widely applied to similar vulnerable populations throughout the country. Applicants must demonstrate a thorough understanding of the cultural, economic, social, and legal contexts of Peru and the communities where project interventions would be carried out, as well as specific and contextual factors contributing to children's involvement in exploitative child labor and preventing them from accessing education.

Applicants must submit a detailed program strategy demonstrating a thorough understanding of the context and the implementing environment in the targeted geographical regions of intervention, with appropriate citations. Proposals must include a clear and logical link between the gaps and the realities that exist in these regions and rationale for selecting specific areas of intervention within Huancavelica and Huánuco. In their proposed project strategy Applicants must also demonstrate a solid understanding of child labor in Huancavelica and Huánuco, including:

- Peru's previous efforts to combat exploitative child labor in these two regions, upon which the project will build.
- The root causes of exploitative child labor in the target sectors in Huancavelica and Huánuco and how factors contributing to exploitative child labor may vary according to sector.
- ILO definitions of exploitative child labor and existing national definitions of exploitative and/or hazardous child labor, including those related to the target sectors.
- Gaps in policies and coordination between national and local levels for the reduction of exploitative child labor in Huancavelica and Huánuco, particularly in areas of greatest need or among the most vulnerable populations.
- Gaps in the allocation of resources at the local level in Huancavelica and Huánuco to support national strategies to combat exploitative child labor and to implement local child labor initiatives.
- Newly proposed and existing government-supported programs at the local levels, and services available to help vulnerable children and their households in targeted sectors of intervention.
- Understanding of existing gaps in services to help vulnerable children in targeted sectors in Huancavelica and Huánuco.
- The accessibility, quality and relevance of primary and secondary education and vocational/skills training for children in Huancavelica and Huánuco.
- Gaps in programs and services to promote sustainable livelihoods for proposed beneficiary households in targeted sectors in Huancavelica and Huánuco.

Target Population

Beneficiaries

Based on a needs assessment (see Section III. below), Applicants must present a clear indication of the defining characteristics and specific criteria they plan to use to identify: (1) children in the targeted sectors who are engaged in exploitative child labor; (2) Children at "high-risk" of entering exploitative child labor in targeted sectors/geographic areas, and (3) households to receive livelihood services to make them less reliant on exploitative child labor to meet basic needs. The target populations must be classified in two ways, children and households. Children must be under the age of 18 years, and either engaged in exploitative labor in the targeted sectors or at high-risk of becoming engaged in exploitative labor in those areas. An overall assessment of each child and their household will determine the most appropriate type of educational and/or livelihood service to be provided, and may include services for siblings of child laborers, including those below primary school age. Applicants must provide an initial set of criteria that will be used to categorize a child as "engaged in exploitative work" and "at high-risk of becoming engaged in exploitative labor." In addition, Applicants will be expected to provide a specific set of criteria to define work in agriculture, mining, and other hazardous work as "exploitative."

Applicants may provide services to former or current USDOL project beneficiaries. If an applicant is proposing to provide services to former USDOL project beneficiaries, they must provide USDOL with a justification for doing so and seek agreement from USDOL on how the project will report on such beneficiaries.

Household Profile

In their proposal, Applicants are expected to outline criteria that will be used to identify households that will be served in the project. The pre-award criteria for identifying households should include an analysis of household incomes and exposure to other risks, including, among others, food insecurity, inability to meet basic needs, poor health, natural disasters and other vulnerability criteria. Documents that may be useful to identify vulnerability/social exclusion include:

- Estado de la Niñez Indigena en el Peru:
  http://www.unicef.org/peru/spanish/ENI_2010.pdf
- Estado de la Niñez en el Peru
  http://www.unicef.org/peru/spanish/Estado_Ninez_en_Peru.pdf
- Evolución de la Pobreza en el Perú
  http://censos.inei.gob.pe/DocumentosPublicos/Pobreza/2009/Exposicion_Jefe.pdf

After award, the methodology for the final selection of households that will receive project services will be cooperatively determined by the GoP, the Applicant and the USDOL-funded external evaluators. (See Section III. and USDOL Goal 4 below).

Target Areas

Based on a needs assessment, Applicants should select potential geographical areas in Huancavelica and Huánuco that include children working in the worst forms of rural exploitative child labor in agriculture, mining, and other hazardous work. Selection of specific local target areas of intervention is subject to change following award based on further consultation with the Peruvian government and USDOL.

Relationship of Project Strategy to USDOL's Five Goals

Applicants must address <u>all</u> five goals of USDOL-funded projects in their strategy and project design, either through project specific activities or by explaining how the project will link to or support existing efforts in each area covered by these five goals. In addressing USDOL goal two (strengthening institutional capacity and policies), Applicants should give priority to working with and supporting existing or newly proposed government efforts to combat exploitative child labor, target vulnerable families through social protection programs, and enhance livelihood opportunities for households. Please <u>carefully</u> review and consider the policies, programs, and initiatives described in Section II in developing strategies to support USDOL's five goals.

USDOL Goal 1. Reducing Exploitative Child Labor and Providing Services to Promote Education and Sustainable Livelihoods

In developing the project's strategy, Applicants shall take into account the following factors:

a. Education

By promoting access to and quality of educational and training opportunities, USDOL seeks to:
1. Reduce exploitative child labor (as defined by ILO standards and related recommendations and other child labor-relevant laws in Peru);
2. Prevent children from entering exploitative child labor;
3. Promote children's continued enrollment, retention, and completion in educational or vocational training services; and

4. Transition children of legal working age from exploitative labor into acceptable work (including by addressing occupational safety and health issues or reducing hours of works or time of work to conform with international standards and national laws).

To promote education, Applicants' technical proposal requirements must include the following:

1. In the target regions and sectors, Applicants must assess and identify the most significant obstacles preventing children engaged in or at-risk of involvement in exploitative labor, including indigenous[98] and other vulnerable children, from accessing and completing primary and secondary school. Applicants must assess major gaps in the quality of available education that may be having a negative impact on retention of children in schooling and their completion of educational requirements in Peru. Applicants should propose strategies to address these obstacles and fill these gaps, including through business- education partnerships and after-school and remediation programs, and describe why the proposed strategies would be the most effective for direct beneficiaries and the most appropriate, given the implementing environment. Of particular interest are strategies to reduce dropout and improve primary and secondary school completion.

2. In describing proposed direct beneficiaries (children and members of their households), Applicants should identify geographic areas to be targeted within Huánuco and Huancavelica, ages and grade levels of target children, and qualifying levels of household income. Applicants should also assess the availability of social protection programs and services in target areas and direct beneficiaries' access to them. Applicants should note the potential benefit of such social protection programs for increasing direct beneficiary children's participation in education and training programs.

3. Applicants must propose an approach that seeks to enroll children in direct educational services with minimal delay; ideally, one that ensures children do not miss an academic year or program cycle. USDOL encourages Applicants to provide services, including direct educational services and training to as many beneficiaries as possible within the first year of the project. USDOL, however, recognizes that the timeframe for providing direct educational services will also depend on the date of project funding relative to the school calendar of Peru.

4. Applicants should identify a strategy by which they will track children's work activities throughout the year, including any seasonal work or other activities that preclude them from attending school.

5. Depending on the assessed needs of direct beneficiaries, Applicants should consider proposing direct educational services such as non-formal education, vocational or skills training, and/or referral to formal education. Applicants proposing vocational or skills training should describe how their strategy will take into account labor market needs. Applicants may also propose interventions aimed at improving the quality of education and training programs, including teacher training and incorporating child labor issues in school curricula. Where a need exists, Applicants should consider strategies for increasing the perceived relevance of education and vocational training to children, their households, and their communities. For examples of potential interventions, please see Appendix A.

6. Applicants should consider cost-effective strategies that complement or strengthen ongoing government efforts to promote education and vocational training for target beneficiaries in Peru as part of an overall strategy to significantly reduce the prevalence of exploitative child labor. This could include replicating, enhancing or expanding successful models (such as government youth centers, technical and vocational education and training and enterprise training partnerships) to serve a greater number of children and households or exploring the models of social entrepreneurs in education and those of education innovation networks.[99]

7. Applicants should demonstrate knowledge of gender-related issues and cultural traditions and norms pertaining to and impacting child labor and education in Peru and incorporate them into the design of proposed interventions. Applicants should explain the ways in which proposed activities will be made sensitive and

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[98] In rural areas, 30 percent of students are at least a year behind in school, while the same statistic is only 13 percent for children in urban areas. Approximately 35 percent of children from extremely poor families, and nearly half (45 percent) of indigenous schoolchildren in Amazonas are a year or more behind in their studies. INEI and UNICEF, *Estado de la Niñez en el Perú*, 2011, 79-80; available at http://www.inei.gob.pe/biblioineipub/bancopub/Est/Lib0930/Libro.pdf.

[99] See for example, Stanford Graduate School of Business, Center for Social Innovation, http://csi.gsb.stanford.edu/

responsive to these issues and especially how they relate to the education and training of girls, and dropout rates among boys and girls, particularly in rural areas.

8. Applicants should also develop a strategy to link project education efforts to the educational activities of Peruvian foundations including those supported by industry groups.

Note: Applicants are expected to support the provision of healthy learning environments for children. Applicants must seek to ensure that goods, services, schools, and other learning environments (including classrooms, training facilities, restroom facilities, latrines, and wells), provided or sponsored by the project (the Applicant, its subgrantees and/or subcontractors) or used by the project on the basis of referral of direct beneficiary children, are safe and pose no threat to the mental or physical well-being of children who are direct beneficiaries of the project. Applicants should assess learning environments in target areas and allocate the appropriate resources in their budgets to ensure the safety and health of the direct beneficiary children that will use them. Applicants are required to develop a plan to inspect schools and other learning environments that the Applicant proposes to use either for direct service delivery or for referral to meet the needs of children and their households. Improvements to school infrastructure may include construction of latrines and digging of wells in consultation with local communities. Funding for construction must not exceed 10 percent of the project budget without prior USDOL approval. Applicants unable to adhere to this threshold given the state of school conditions must either (1) consider proposing alternative sites for the delivery of project services, or (2) propose an alternate level of funding for construction, including a justification for the proposed amount in the Budget Narrative of the Cost Proposal. Applicants are encouraged to work with local partners and communities to share costs in order to maximize available resources and promote sustainability.

In their proposed strategy, Applicants should also demonstrate a thorough knowledge of the GoP's formal, non-formal, and vocational education systems, school calendar(s), and existing policies and programs addressing the root causes of exploitative child labor

When designing education strategies, Applicants are encouraged to take into account the following studies on Peru's education programs:

Toward High-Quality Education in Peru
http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/LACEXT/PERUEXTN/0,,menuPK:343629~pagePK:141159~piPK:141110~theSitePK:343623,00.html

¿Por qué no estamos impulsando la Educación Intercultural Bilingüe?
http://www.care.org.pe/pdfs/cinfo/libro/interculturalbilingue.pdf

¿La Educación Intercultural Bilingüe está logrando la educación que nuestros pueblos demandan?
http://www.care.org.pe/pdfs/cinfo/folleto/La%20educacion%20intercultural%20bilingue%20esta%20logrando%20lo%20que%20nuestros%20pueblos%20demandan.pdf

Recomendaciones para la Revolución Educativa
http://www.care.org.pe/pdfs/cinfo/libro/FOLLETO%20CONGRESO%20EIB_(FINAL).pdf

Por el Derecho de los Pueblos Indígenas a una Educación de Calidad
http://www.care.org.pe/pdfs/cinfo/folleto/EDU_013_derindedu.pdf

b. Livelihoods

To promote sustainable livelihoods, Applicants' technical proposal requirements must include the following:

1. Applicants must assess and describe the most significant obstacles that keep households of working children or children at-risk of exploitative child labor from achieving sustainable livelihoods without depending on exploitative child labor. Applicants must propose strategies to address these obstacles and reduce household reliance on exploitative child labor to meet basic needs. Proposed strategies must also include a focus on significantly reducing children's participation in exploitative labor in the targeted sectors. Applicants should propose strategies that take into account the need for households to be able to

support children's active and regular participation in schooling and their ability to complete and/or exceed the required number of years of schooling.[100] Applicants must identify the specific needs of target households and describe why a proposed strategy(ies) would be effective for promoting sustainable livelihoods for target households and appropriate, given the implementing environment.

2. Applicants should propose a strategy to link beneficiaries to existing livelihood services or programs in Peru and assist project beneficiaries in obtaining services for which they are eligible.

3. Applicants should describe their strategy for actively promoting and securing the commitment and ownership of government and other local stakeholders for proposed livelihood services in order to enhance the likelihood that effective services or models will continue beyond the life of the project.

4. Applicants must propose an approach that seeks to provide households with livelihood services or to link them to such services with minimal delay in order to help households offset income earned by children and make schooling more accessible. USDOL encourages Applicants to provide livelihood services to as many households as possible within the first year of the project, in line with the overall project strategy.

5. Applicants should consider proposing interventions aimed at improving the productivity and profitability of family farms. This could include strategies for improving the relevance of education, organizing agricultural cooperatives or extending quality extension services and affordable agricultural technology. It could also involve proposals for alternative and additional livelihood opportunities for rural families, promoting access to livelihood initiatives of social protection programs (see Section III.) and/or access to affordable credit.

6. Applicants may propose microfinance interventions (e.g., micro-savings, micro-loans) or linkage to existing microfinance program. Applicants proposing to implement micro-finance interventions must clearly describe the assessed need for such interventions among the target population. Applicants must also describe strategies proposed as part of the project for guarding against possible negative impacts of micro-finance on the livelihoods of target beneficiaries or other possible unintended consequences such as the potential of encouraging exploitative child labor as a means for households to access microfinance services.

c. Social Protection

Applicants must assess and describe existing social protection programs in Peru that could have a positive impact in reducing exploitative child labor, promoting children's participation in schooling, and securing sustainable livelihoods for target households.

1. Applicants should identify the most significant gaps in availability and/or access of direct beneficiaries (target children and their households) to such social protection.

2. Applicants must propose strategies to address those gaps and other obstacles to receipt of social protection services by direct beneficiaries.

3. Applicants must describe why a proposed strategy(ies) would be effective for increasing direct beneficiaries' access to social protection services.

In developing their project strategy vis-à-vis social protection, Applicants are encouraged to take into account the following study on Peru's social protection programs:

Contralaría General de la República, *Programas Sociales en el Perú,* 2008; available from http://www.gobernabilidad.org.pe/download.php?f=programas-sociales_1222469649.pdf

d. Youth Employment

In addition, while linking project beneficiaries' access to social protection services and other programs that seek to improve household income, Applicants are encouraged to propose strategies to promote youth employment. As part of a strategy to promote safe youth employment Applicants must:

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[100] In Peru, the compulsory education age is approximately 16. Government of Peru, *Ley General de Educación*, (2003), (July 28, 2003), Article 12; available from http://www.minedu.gob.pe/normatividad/leyes.php.

1. Assess the working conditions of older children of legal work age to determine whether they are working under exploitative or unsafe conditions. Applicants should demonstrate knowledge of laws meant to ensure the safety of children 14 to 17, including laws restricting children of this age from certain types of work, limiting the hours of their work, or prescribing workplace conditions.
2. Link older children to existing programs that protect working children (based on the legal working age in Peru up to the age of 18 years) from hazards in the workplace while also recognizing the value of safe work to children and their families.
3. Propose strategies for promoting opportunities for children/youth of legal working age to secure decent and productive employment that can contribute to sustainable livelihoods of their households (see http://www.ilo.org/employment/Areasofwork/lang--en/WCMS_143354/index.htm).

Applicants targeting older children or youth of legal working age, particularly children ages 14 to 17 years, should also consider providing other direct services, such as occupational safety and health interventions, as a means of addressing exploitative work conditions and transitioning them into safe, acceptable work. They should also have an understanding of the current policies and institutional efforts that seek to improve linkages between labor-market needs and the educational system. Applicants are encouraged to propose multi-faceted youth employment interventions that include life skills and hands-on job training, and promote public-private partnerships. Efforts should include workforce development to prepare youth for 21st century workforce, support existing youth employment laws protecting youth's safety and health, awareness raising on issues of decent work for youth, and focusing on employability, employment creation (and the linkages between the two) and workers' rights. Applicants should propose strategies that address the lack of sufficient or sustainable decent work and any assessed mismatches between skills in demand by the private sector and training programs offered by the GoP and other providers.

USDOL Goal 2. Strengthening Institutional Capacity and Policies on Child Labor, Education, Sustainable Livelihoods and Social Protection

USDOL seeks to strengthen country capacity and policies to combat exploitative child labor and promote education, which in conjunction with social protection, sustainable livelihoods and decent work for children/youth of legal working age, are critical for achieving long-term poverty alleviation and the economic development goals of Peru. In Huancavelica and Huánuco, Applicants must strengthen and improve the capacity of regional and local Peruvian institutions and policies to address exploitative child labor and its root causes. Efforts could include improving institutional ability to promote access to and improve the quality of primary and secondary education; supporting efforts to make the country's national education system more responsive to the needs of children formerly engaged in exploitative child labor; and increasing the capacity of government and civil society organizations to provide social protection, livelihood and youth employment services to households vulnerable to exploitative child labor. Applicants should also consider strategies to support Peru's capacity to improve the relevance of education, including the long term payoff of quality education in providing school graduates in Huancavelica and Huánuco with the skills and knowledge necessary to acquire good jobs upon completion of their studies.

The project(s) funded under this solicitation is/are intended to test models involving the participation of government at all levels, employers' and workers' groups, private sector and industry groups, and civil society, including indigenous and other economically and socially excluded groups. These models should demonstrate innovative and cost effective ways to reduce exploitative child labor and enhance sustainable livelihoods of targeted households in Huancavelica and Huánuco.

Applicants should consider proposing creative ideas that address the nexus between the reduction of exploitative child labor and the improvement of educational opportunities and the promotion of sustainable livelihoods for children and households. Improved country capacity in Peru may be demonstrated through project activities such as those that contribute to the (1) integration of child labor into specific policies or programs at the national, regional or sectoral level; (2) expansion of child labor concerns in relevant development, social and anti-poverty policies and programs; and (3) establishment or improvement of a child labor monitoring system (CLMS).

Specifically, Applicants should provide a strategy for capacity building on the national and regional/local levels in Huancavelica and Huánuco which includes the following approaches:

With Government Institutions:
1. Ensure substantive involvement of national and local government and civil society stakeholders, particularly representatives of excluded populations, in the project design, implementation, and evaluation.
2. Support the CPETI in developing a new national plan of action against exploitative child labor; assisting ministries on the national, regional, and local levels to develop policies within the framework of the national plan of action; and working with local officials in Huancavelica and Huánuco to integrate those policies into existing and future social protection programs.
3. Help the national government and the governments of Huancavelica and Huánuco integrate child labor considerations into related social programs, possibly including the Ministry of Labor's *ProJoven*, *Contruyendo Perú*, and *Revalora Peru* programs, as well as the *Juntos* conditional cash transfer program.
4. Facilitate exchanges of good practices in addressing exploitative child labor through social programs, education interventions, labor inspection, and community leadership development with other current USDOL projects and countries in the Latin America region through visits to relevant projects and countries.
5. Support the efforts of Huancavelica's and Huánuco's regional commissions against exploitative child labor to coordinate initiatives to identify, prevent and reduce exploitative child labor, as well as monitor regional governments' budget allocations to the commissions.
6. Assist the national government, and regional and local governments in Huancavelica and Huánuco by:
    a. strengthening policy and program coordination mechanisms on the national, regional, and local levels including through robust processes to identify and refer instances of exploitative child labor to appropriate education and social services;
    b. as applicable, support the training of regional labor inspectors to identify cases of exploitative child labor, refer children identified to appropriate social services, and sanction employers in accordance with regulations;
    c. supporting the creation of centralized and local government databases to collect and analyze information on child labor and any social or referral services provided;

With Non-Government Institutions:
1. Develop and strengthen the capacity of multi-sectoral, international, bilateral, and civil society coalitions and community organizations, including indigenous organizations, to monitor and reduce exploitative child labor and facilitate their efforts to incorporate the reduction of exploitative child labor as a key objective.

2. Increase the knowledge and leadership capacity of community and youth leaders of excluded populations through exchanges and visits to other countries in the region where good practices have been developed and are being successfully implemented.

USDOL Goal 3. Raising Awareness on Exploitative Child Labor, its Root Causes, the Importance of Education, Social Protection and Decent Work for Children/Youth of Legal Working Age

Projects funded under this solicitation must also raise public awareness of exploitative child labor in the targeted regions, its root causes, the importance of education to combat it and the existence of government policies and social protection programs to support households with children actively working or at high-risk of working (see Appendix A). As part of their overall strategy, Applicants should propose awareness-raising activities and social mobilization campaigns that promote an understanding of child labor and create a sustained impact on key stakeholders' knowledge, attitudes, and practices on these issues. The awareness-raising strategy must encourage the removal of children from all worst forms of child labor, and other forms of exploitative or hazardous child labor among the targeted beneficiaries and in the selected geographical areas of Huancavelica and Huánuco. Applicants should encourage community-led improvements in the quality of education, including activities promoting "safe schools," the adaptation of relevant curricula, and expanded teacher training and other improvements to existing educational infrastructure that can provide a stronger incentive for children to remain in

school and complete secondary school, rather than drop out to work. Applicants should propose strategies for increasing awareness of the importance and relevance of education to children's long-term welfare and future employability. Applicants should consider the use of new technologies in designing their awareness-raising strategies, including those that have a positive impact in promoting schooling or training of children and youth or that can be used to help reduce the use of exploitative child labor in a given sector or that help to address a given workplace hazard.

Specifically, in Huancavelica and Huánuco the Applicant should propose strategies to:

1. Implement integrated awareness-raising campaign, using studies on child labor and its risks and negative impact, targeted at policy- and decision-makers in government and civil society with the goal of increasing their understanding of child labor and promoting the adoption of needed policies and programs to address the issue.
2. Promote the participation of leaders of organizations representing excluded populations in developing and implementing awareness raising strategies.
3. Carry out awareness-raising campaigns among regional and local stakeholders through culturally and linguistically appropriate communication channels.
4. Tailor awareness-raising messages to key audiences whose support is important to reaching project goals.

USDOL Goal 4. Supporting research, evaluation and collection of reliable data on child labor
Applicants must engage in a number of data collection and research activities including pre-award needs assessment, baseline surveys, data collection for performance monitoring, evaluation, impact evaluation, and sector specific research.

a. Pre-award Needs Assessment

In designing the project, Applicants must carry out a pre-award needs assessment to identify key factors contributing to children's involvement in exploitative child labor, including barriers to education, and gaps in current education, social protection and livelihood service provision. In the pre-award needs assessment Applicants will preliminarily identify the types of work in which children engage in the two regions, including in the areas of agriculture, mining, and other hazardous work. This pre-award needs assessment will serve as a basis for a more detailed baseline assessment to be conducted post-award. The needs assessment should inform project design and the formulation of relevant and effective interventions. Applicants should assess information on the prevalence of exploitative child labor and the worst forms of child labor among proposed direct beneficiaries occurring in the targeted geographic area(s) in Huancavelica and Huánuco; sectors where children are economically active; hours and conditions of work; age and sex distribution of direct beneficiary children; educational performance of proposed beneficiaries relative to other children; an economic and social profile of targeted households; and any research or other data that might indicate correlations between child labor, sustainable livelihoods, and educational performance.

Applicants should also consider the following studies on child labor in Peru:

Perú: Niños, Niñas y Adolescentes que Trabajan, 1993-2008; available from
http://www.pronino.pe/upload/LIB_PDF_Inei.pdf.

El trabajo infantil en el Perú: Magnitud y perfiles vulnerables / Informe nacional 2007-2008; available from
http://www.ilo.org/ipecinfo/product/viewProduct.do?productId=13173.

In addition, Applicants must assess existing gaps in knowledge about exploitative child labor and its root causes among the targeted groups, and propose research that contributes to filling such knowledge gaps. Small-scale research studies should be conducted to increase the knowledge base on child labor and support the project's overall objectives (see Section III.). Applicants must propose strategies for using information to raise awareness, enhance the quality of services provided to beneficiaries, and formulate more targeted and coordinated responses

to combat exploitative child labor in Peru. Applicants should consider engaging local research organizations, especially universities to design and conduct the proposed research activities. The Applicant's dissemination strategy should ensure that the project's research outputs including data sets and reports, endure beyond the life of the project. USDOL expects Applicants to propose dissemination strategies that will ensure that research is widely distributed and available to the public, including through the use of creative means such as web-based platforms. Dissemination strategies should be practical and appropriate, given the implementing environment and cultural and social context in Peru.

b. Baseline Survey

All Applicants must budget and plan for the implementation of a post-award baseline survey that collects data on exploitative child labor in the target regions and sectors (mining, agriculture and other non-hazardous work), including working conditions; children's living conditions; and children's participation in education in the project's target areas. The baseline survey will also collect information on households to inform the selection of direct beneficiaries. Information from the project's baseline survey must be used to (a) develop reliable project targets and identify direct beneficiaries; (b) inform project design and activities, including the identification and development of relevant services to direct beneficiaries. Baseline data should be used to establish benchmarks on work status, contribute to the measurement of project impact, and inform management decisions through the period of project performance. Applicants may use information gathered by a baseline survey to adjust project goals, outcomes, and services as appropriate.

For pre-identified interventions, the Applicant must work closely with USDOL's external evaluators to design and collect baseline information for the interventions being studied as part of the project's impact evaluation (see Section III. below for further details on the impact evaluation).

c. Supporting Evaluation and Data Collection in Consultation with USDOL External Evaluators (Funded Separately from this Award)

USDOL Expectations for Monitoring and Evaluation
USDOL places a high level of importance on external monitoring and evaluation and uses a variety of methods to undertake these activities. One such tool is the Comprehensive Monitoring and Evaluation Plan (CMEP) that Applicants are required to develop in collaboration with USDOL and USDOL's external evaluators. The CMEP is a tool to design and manage the process of monitoring, evaluating and
reporting on progress towards achieving project results.

USDOL also requires projects to undergo external implementation evaluations, usually one at an interim point in the project and a second no later than three months before the project's end, to assess project implementation and progress in meeting goals and objectives.

To assist with the monitoring and evaluation activities described above, USDOL will award a contract(s) and/or grant(s), independent of this solicitation, to external evaluators. Applicants will be required to work with these USDOL funded external evaluators in the development and implementation of monitoring and evaluation-related activities.

During the first year of the project, Grantees will be required to collaborate with a USDOL evaluation team (consisting of USDOL staff and a USDOL-funded external evaluation expert/organization) to develop a CMEP. The CMEP will include a summary of how project activities will contribute to the project's overall objectives and will specifically identify: what indicators will be reported on; how the indicators will be monitored; how baseline data will be collected; and when and how evaluations will be developed and implemented. The CMEP will clearly outline the roles and responsibilities of the Grantee and the USDOL external evaluators in creating monitoring systems and the design and implementation of evaluations. Additionally, the CMEP will describe methods for data storage, processing, analysis and reporting. The development of the CMEP will include establishing targets from which to measure project success. The Grantee will be responsible for measuring and reporting on target goals.

d. Impact Evaluations

Applicants must note that *following award*, Grantee(s) will be required to work with USDOL-funded external evaluators in the development of a Comprehensive Monitoring and Evaluation Plan and the implementation of an impact evaluation of one or more selected project interventions. The impact evaluation will provide rigorous evidence of the impact of selected interventions on reducing exploitative child labor.

During the first year of the project, Grantees will be required to participate in a rigorous evaluation process, which will include collaborating closely with USDOL's external evaluators to design an Impact Evaluation (IE) and develop an IE Plan. The IE Plan will clearly outline the roles and responsibilities of the Grantee and the USDOL external evaluation team in the design and implementation of evaluations.

Not all aspects of the project design will be included in the impact evaluation, but rather a specific intervention or set of interventions will be identified and evaluated. Key components of the collaborative process between the Applicant and the experts will include determining which project interventions will be evaluated, determining the evaluation methodology, determining the timeline and sites for the IE baseline and follow up surveys, and generating support and collaboration from local stakeholders. USDOL's external evaluation team will pay for and implement the IE baseline and follow up surveys specifically for the interventions to be included in the IE study. (**Please note, USDOL's external evaluation team will *not* pay for or implement the collection of any non-IE baseline data for the project.**). See Section III., Cost Proposal Format for information on budget requirements for Monitoring and Evaluation and Data Collection.

Potential areas for impact evaluation may include youth employment, educational services, household livelihood interventions and the impact of anti-poverty programs on the worst forms of child labor.

e. Performance Monitoring

Technical assistance projects will support USDOL's FY 2011-2016 Strategic Plan (Performance Goals ILAB 1.6 – Improve worker rights and livelihoods for vulnerable populations) and ILAB's performance goal 3 to reduce the prevalence of the worst forms of child labor and forced labor.

All Applicants are required to budget for, collect and report data as part of their performance reporting requirement to USDOL. USDOL will use data to meet its reporting obligations under the Government Performance and Results Act (GPRA). All grantees will be required to collect and report data every six months on indicators tracking (1) number of direct beneficiary children provided education or vocational training services; (2) number of households receiving livelihood services; and (3) evidence of increased country capacity to address exploitative child labor and forced labor as a result of DOL interventions. Grantees are also required to report on the following sub-indicators under the education and livelihoods indicator:

- Number of children engaged in or at high-risk of entering exploitative child labor enrolled in formal education services.
- Number of children engaged in or at high-risk of entering exploitative child labor enrolled in non-formal education services.
- Number of children engaged in or at high-risk of entering exploitative child labor enrolled in vocational services.
- Number of children trafficked or in commercial sexual exploitation, or at high-risk of being trafficked or entering commercial sexual exploitation, provided education or vocational services. (Note: *only applies to projects targeting with children in these areas*).
- Number of individuals provided with employment services.
- Number of individuals provided with economic strengthening services.

Under the GPRA, Grantees will neither collect nor report on the work status of direct beneficiaries; however, they will be required to do so as part of their project-specific monitoring requirements as described below.

Other required data will be identified in the development of the CMEP as well as additional project-specific indicators. Project specific indicators will be developed with key stakeholder input during the post-award design of the CMEP. The combination of these indicators will allow the Grantee to assess whether goals, objectives, and outcomes have been achieved as intended and whether adjustments need to be made to the project. The Grantee will be required to report on progress achieved, barriers encountered and efforts to overcome these barriers as part of its 6-month reporting requirements. Monitoring data and information will be designed to complement and enhance the evaluation information. Grantees must use this information to manage the project and ensure continuous quality improvements.

The project design must include the Applicant's strategy and methodology for monitoring the project's direct beneficiaries and provide details on the components of the Applicant's proposed direct beneficiary monitoring system (DBMS). Applicants should note that, in order to meet monitoring requirements, post-award, Grantees, with technical support from USDOL's evaluation experts are responsible for developing a final DBMS to be included in the CMEP. The DBMS should aim to ensure that project beneficiaries are benefitting from the educational and livelihood services provided. Applicants must propose an effective strategy for monitoring direct beneficiaries (both children and households) at regular intervals and for specified periods of time (throughout the period of service provision and/or until the end of the project). Applicants must develop indicators to allow them to regularly monitor the work status of each beneficiary child. This information will allow the project to assess whether project beneficiaries demonstrate the intended outcome of the project—reducing exploitative child labor—and that children do not revert back to exploitative child labor.

f. Project Specific Research

Applicants must also propose a strategy to conduct the following project-specific research and produce research reports for each of the topic areas identified below. Applicants must propose to carry out this research within the first two years of the project so that data collected informs implementation of project interventions. Applicants, however, may take more time for the finalization and publication of each report.   Applicants must propose research on each of the following topics:

1. Assess the reach-to-date and impact of selected national and regional government education and social protection systems, particularly the *Juntos* program, on addressing exploitative child labor in the areas of intervention in Huancavelica and Huánuco. (Research on reach to date should be completed within one year, and research on impact should be completed within two years).
2. Determine the relationship between the existence of exploitative child labor and the employment, income and labor conditions of adults in their households, including the relationship between adult informal work or parental migration and the incidence of exploitive labor among their children. (Research should be completed within one year).
3. Identify the specific occupational hazards associated with agricultural, mining and other hazardous work being carried out by children in the targeted regions and by children targeted for project interventions. (Research should be completed within one year).

Research design and methodology must be approved by USDOL before the research begins.

USDOL Goal 5. Promoting Long-Term Sustainability of Efforts to Combat Exploitative Child Labor and Improve Livelihoods

Given the limited resources and timeframes of USDOL-funded projects, Applicants must develop strategies and activities to promote the long-term sustainability of efforts to combat exploitative child labor and promote education and livelihood services in Peru. Issues of sustainability should be incorporated at all stages of a project; including design, staffing, implementation, and evaluation. For USDOL, sustainability in Peru will be linked to project impact and the ability of local actors (individuals, communities, organizations, and the government) to continue activities or efforts initiated by the USDOL-funded project that proved effective and to do so even after the project has ended. Applicants must also propose a comprehensive strategy for building local capacity in Peru as a means to promote the sustainability of efforts to combat exploitative child labor beyond the life of the project.

Applicants' strategies should explain how sustainability will be achieved by the end of the project according to the project's specific objectives.

As part of their sustainability strategy, Applicants are encouraged to involve and work with local stakeholders. Applicants should identify key individuals and/or organization(s), including national and/or local government ministries, NGOs, and community-based, faith-based, rural and/or indigenous organizations and organizations of other vulnerable and excluded groups that could potentially contribute to long-term efforts to combat exploitative child labor and work to build their capacity over the course of the project. Applicants must design projects that will complement existing efforts to combat exploitative child labor and promote education and sustainable livelihoods in Peru, and, to the extent possible, collaborate and coordinate with stakeholders currently engaged in these efforts and secure assistance from third parties in support of these purposes. Where appropriate, Applicants are encouraged to facilitate the use of successful models to serve a greater number of children and communities.

Although, except as provided in Section III., Applicants generally cannot award subgrants or subcontracts to the GoP, to the extent possible, Applicants should consider partnering with other individuals and/or organizations through these mechanisms. Such partnerships may be used to promote sustainability by strengthening the capacity of such organizations in areas including: administrative and financial management, technical assistance, project management, advocacy and awareness-raising on child labor issues. In order to achieve sustainability, Applicants should consider linking children and members of their households to existing services, and expanding, extending, and/or scaling up the services provided to the target beneficiaries.

As part of a sustainability strategy, Applicants should also aim to work with companies and/or industry groups to develop and/or improve their voluntary social compliance practices regarding exploitative child labor, including such elements as:
- codes of conduct
- supply chain mapping and risk assessment of exploitative child labor
- complaint and grievance mechanisms for workers and community members
- social monitoring and auditing of supply chains
- remediation of problems found relating to child labor
- independent third-party review/verification of child labor practices
- public reporting on voluntary social compliance efforts, as applicable.

While the Applicant is responsible for developing packages of services based on the needs of the targeted direct beneficiary group, Applicants should note that their implementation strategies may be further refined after award in coordination with the USDOL and USDOL's external evaluators to allow for the implementation of an impact evaluation of selected services to direct beneficiaries. The services to be selected will be determined in consultation with USDOL post-award.

a. *Host Government*

USDOL has informed host government ministry officials of the proposed award. Applicants are encouraged to discuss proposed interventions, strategies, and activities with host government officials and work cooperatively with government stakeholders at the national and/or local level, including relevant ministries or government bodies during the preparation of their applications and in developing project interventions. Efforts should be made to avoid duplication, enhance collaboration, and develop synergies with government efforts, Applicants must coordinate and/or collaborate with relevant government agencies/ministries on the national, regional, and local levels, including:
1. The Ministry of Labor to (1) identify potential project beneficiaries; (2) link project beneficiaries to Ministry of Labor programs and services, and (3) coordinate project activities, including capacity building activities in Huancavelica and Huánuco.
2. The Ministry of Women and Social Development's *Educadores de la Calle* program to coordinate project activities and identify potential beneficiaries in Huancavelica and Huánuco.

3. The National and Regional Commissions for the Prevention and Eradication of Child Labor to (1) monitor child laborers and (2) develop and coordinate project strategies and activities, including capacity building activities in Huancavelica and Huánuco.
4. The Ministry of Education and education officials at the national, departmental, and local levels, to target project beneficiaries and provide educational services to increase access and quality of basic and secondary education in Huancavelica and Huánuco.
5. The Ministry of Culture to coordinate project strategies and activities and ensure efforts are culturally and linguistically appropriate in Huancavelica and Huánuco.
6. The Ministry of Production's *Mi Empresa* program to coordinate project livelihood activities and identify beneficiary families in Huancavelica and Huánuco.
7. Departmental and municipal governments in Huancavelica and Huánuco to coordinate project activities and link project beneficiaries with social protection programs.

b. *Working with Other Key Stakeholders*

During the preparation of their applications and in developing project interventions, Applicants are expected to work with other key stakeholders and organizations on efforts to address exploitative child labor and its root causes including: international organizations; NGOs; national steering and advisory committees on child labor and education; faith-based organizations and community development associations; trade unions; employers' and teachers' organizations; and children engaged in exploitative child labor and members of their households. Applicants are encouraged to establish public-private partnerships, soliciting assistance from non-Federal third parties who support the goals of this solicitation. Examples include engaging in partnerships with business entities and individual business leaders to reduce exploitative child labor among targeted groups, increase educational opportunities and livelihoods support for direct beneficiaries; provide scholarships; donate goods; provide mentoring and volunteering by employees; assist in awareness raising; and provide internships for children and teachers during vacation periods to help them improve leadership and other skills. Applicants must explain how they will work or complement efforts of key stakeholders.

Applicants must also coordinate with and seek to build upon previous USDOL-funded child labor activities in the country, as well as current child-labor related initiatives carried out by other organizations. Applicants must coordinate with projects funded by relevant U.S. Government agencies, such as those of the U.S. Agency for International Development (USAID). Applicants must explain clearly how they intend to coordinate with initiatives funded by USAID and other relevant organizations, including those promoting the rights of socially excluded groups, such as the *Instituto de Bien Común* and the *PROEIB Andes*.[101]

c. *Post-award Consultation with Host Government and Key Stakeholders*

Once the cooperative agreement is awarded, Grantees are required to discuss the overall project strategy with key stakeholders and, if necessary, refine it. This activity will need to be conducted during the first quarter of 2012. Grantees are also required to discuss specific strategies with Departmental and municipal key stakeholders in geographic zones of intervention, and if necessary refine some aspects before starting direct interventions. The results of these consultations must be included in the Project Work Plan (Annex B, Section III).

Given that transparency and accountability are key components of the U.S. Global Development Policy and long-term sustainability of efforts to combat exploitative child labor, Applicants should explain how their proposed projects will promote transparency and accountability, including by the holding of public meetings to present project results to key stakeholders, including teachers, children and parents. Applicants are encouraged to use innovative tools and participatory approaches to ensure transparency and accountability.[102]

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[101] PROEIB Andes; available from http://www.proeibandes.org/. See also Instituto de Bien Común; available from http://www.ibcperu.org/.

[102] U.S. Government, *Fact Sheet: U.S. Global Development Policy,* [September 22, 2010]; available from http://www.whitehouse.gov/the-press-office/2010/09/22/fact-sheet-us-global-development-policy.

Personnel Requirements and Project Management Plan

Key Personnel

Applicants must identify all key personnel candidates being proposed to carry out the requirements of this solicitation. Together, the Project Director, Education Specialist, Livelihoods Specialist, and Monitoring and Evaluation Officer comprise the key personnel of USDOL-funded child labor projects and are deemed essential to the successful operation of the project and completion of all proposed activities and deliverables.

1) The Project Director is responsible for overall project management, supervision, administration, and implementation of the requirements of the cooperative agreement. The Project Director will establish and maintain systems for project operations; ensure that all cooperative agreement deadlines are met and targets are achieved; maintain working relationships with project stakeholders (including subgrantees and/or subcontractors); and oversee the preparation and submission of technical and financial reports to USDOL. The Project Director must have a minimum of five years of professional experience in a leadership role in implementation of development projects relevant to this solicitation, including coalition building and public-private partnerships promotion. Fluency in English and Spanish is required.

2) The Education Specialist is responsible for providing leadership in developing the technical aspects of this project related to education interventions, in collaboration with the Project Director. The Education Specialist must have at least three years experience in basic and secondary education projects in developing countries in areas including student assessment, teacher training, educational materials/curriculum development, educational management, and educational monitoring and information systems. The Education Specialist must have an understanding of child labor issues, particularly the special educational needs of children removed from exploitative child labor when they enter/return to school, and/or have experience working with this target population. This individual must have experience in working successfully with Ministries of Education, networks of educators, employers' organizations, and trade unions or comparable entities. Fluency in Spanish and working knowledge of English is preferred.

3) The Livelihoods Specialist is responsible for providing leadership in developing the technical aspects of this project related to sustainable livelihoods interventions, in collaboration with the Project Director. The Livelihoods Specialist must have at least three years experience in projects promoting livelihoods interventions in developing countries in areas including skills training, micro-lending, micro-savings, employment generation, alternative/additional income generation, youth employment and social protection. The Livelihoods Specialist must have an understanding of child labor issues, including youth employment. This individual must have experience in working successfully with government ministries agencies and private organizations engaged in promoting improved livelihoods for households and the provision of social protection services, as well as experience working with employers' organizations, trade unions or comparable entities. Fluency in Spanish and working knowledge of English is preferred.

4) The Monitoring and Evaluation Officer is responsible for overseeing the implementation of the project's monitoring and evaluation activities, including the DBMS, and will act as the liaison and point of contact between a USDOL external evaluation contractor and the project. This individual must have at least three years progressively responsible experience in the monitoring and evaluation of international development projects or one year relevant experience combined with an advanced degree in statistics, public policy, economics, or a related field. Relevant experience can include strategic planning and performance measurement, indicator selection, quantitative and qualitative data collection and analysis methodologies, database management, impact evaluation, and knowledge of GPRA. The individual should be familiar with impact evaluations or similar research methodologies. Fluency in Spanish and working knowledge of English is preferred.

All key personnel must allocate 100 percent of their time to the project and live in Peru. Key personnel positions must not be combined. Applicants must ensure that all proposed key personnel will be available to staff the project should the Applicant be selected for award. Proposed key personnel candidates must sign letters indicating their commitment to serve on the project and their availability to commence work within 45 days of cooperative

agreement award. The application will be considered non-responsive and rejected if any key personnel candidates are not designated, or if any of the required documents in Annex E of the Technical Proposal are not submitted (see Section III., Technical Proposal Format).

All key personnel should be employed by the Grantee or a subgrantee (not by a subcontractor). The Project Director must be employed by the Grantee. Applicants proposing to divide key personnel positions between the Grantee and subgrantee must provide justification for why this is the most effective staffing strategy.

Given USDOL's goals of using existing expertise and enhancing local capacity in Peru and using project resources as effectively as possible, USDOL encourages Applicants to hire national/local staff for key personnel positions, to the extent possible. If the Education Specialist, Livelihoods Specialist or Monitoring and Evaluation Officer are not fluent in English, the Grantee must assume full responsibility for ensuring that this staff has a clear and thorough understanding of USDOL policies, procedures, and requirements and that all documents produced for submission to USDOL are in fluent English.

Other Professional Personnel

Applicants must hire Local Coordinators who will live in areas of intervention and be responsible for implementing project activities at the regional and local levels. These individuals must have at least five years of experience working with authorities and vulnerable and excluded local populations. The Local Coordinators must have an understanding of child labor issues among indigenous groups in the targeted regions and a strong capacity to generate dialogue among a diverse range of groups. These individuals must have experience in working successfully with indigenous groups, government ministries, agencies, and private organizations engaged in promoting child protection priorities at the local levels. Fluency in Spanish and working knowledge of local languages is preferred. Among the responsibilities of the Local Coordinators will be to (1) facilitate communication with regional and local authorities, local child-related committees, and regional offices of the Ministry of Labor, Education, and other national government agencies; (2) coordinate activities with local subgrantees or subcontracts; (3) design consultations and raise awareness of child labor among local communities and help design local child-labor plans; and (4) promote project sustainability and partnerships with the private sector and other organizations that work on child-labor related issues.

Applicants should identify any other professional program personnel deemed necessary for carrying out the requirements of this solicitation and provide justification for including these individuals together with any past experience and/or qualifications for serving on this project. For all proposed professional personnel, résumés and personnel descriptions that include the candidates' project roles and responsibilities and their level of effort, must be included in Annex E of the Technical Proposal (Section III., Technical Proposal Format).

Project Management Plan

The Application must discuss the Applicant's project management plan. This plan must correspond with Annex E and Annex D of the Applicant's Technical Proposal (see Section III., Technical Proposal Format) and include a narrative description of the roles and responsibilities and structure of the project's management team and the lines of authority between key personnel, other professional personnel, and other project staff directly responsible for providing direct services to the project's direct beneficiaries. As mentioned above, if any of the project's key personnel would be employed by a subgrantee, the Applicant must provide rationale this selection and an explanation of the staffing structure, including: lines of authority between key personnel and other staff providing services to project beneficiaries, supervision and performance evaluation for personnel from different organizations, procedures for concurrence on key implementation issues, and conflict resolution mechanisms.

Eligible Applicants

Any commercial, international, educational, or non-profit organization(s), including any faith-based, community-based, or public international organization(s) capable of successfully reducing children's participation in exploitative child labor and developing and implementing educational and livelihoods programs to serve them is eligible to apply provided that they meet the requirements outlined below, which apply to all Applicants and any proposed subgrantees or subcontractors. Applications from foreign governments and entities that are agencies of,

or operated by or for, a foreign state or government will not be considered. Applications from organizations designated by the U.S. Government to be associated with terrorism or that have been debarred or suspended will not be considered; similarly, organizations proposing subgrants or subcontracts with organizations designated by the U.S. Government to be associated with terrorism or that have been debarred or suspended will not be considered. Applicants, including any proposed subgrantees or subcontractors, are not allowed to charge a fee (profit) associated with a project funded by USDOL under this award. Lack of past experience with USDOL cooperative agreements, grants, or contracts does not bar eligibility or selection under this solicitation.

Applicants must be in compliance with all audit requirements, including those established in OMB Circular A-133. Applications from U.S.-based non-profit organizations that are subject to the Single Audit Act, that fail to include their most recent single audit or fail to demonstrate that they have complied with single audit submission timeframes established in OMB Circular A-133 will be considered non-responsive and will be rejected. For Applicants that are foreign-based or for-profit organizations, failure to submit the most current independent financial audit will result in an application being considered non-responsive and rejected. In addition, the submission of any audit report that reflects adverse opinions will result in the application being considered non-responsive and rejected.

Applicants must demonstrate presence in Peru — either independently or through a relationship with another organization with country presence (*i.e.,* a subgrantee or subcontractor) — enabling them to initiate program activities upon award of the cooperative agreement. In the event of award, within 60 days, the Grantee must provide either a written subgrant or subcontract agreement with such entity, acceptable to USDOL, or an explanation as to why that entity will not be participating in the cooperative agreement. USDOL reserves the right to re-evaluate the award of the cooperative agreement in light of any such change in an entity's status and may terminate the award if deemed appropriate. The GoP must formally recognize the Applicant using the appropriate mechanism (e.g., Memorandum of Understanding, local registration of the organization) within 60 days of the signing of the cooperative agreement.

For the purposes of this solicitation and cooperative agreement awards, the Grantee will be the sole-entity (1) to act as the primary point of contact with USDOL to receive and respond to all inquiries, communications and orders under the project; (2) with authority to withdraw or draw down funds through the Department of Health and Human Services-Payment Management System (HHS-PMS); (3) responsible for submitting to USDOL all deliverables, including all technical and financial reports related to the project; (4) that may request or agree to a revision or amendment of the cooperative agreement or the Project Document; and (5) responsible for working with USDOL to close out the project.

Each Grantee must comply with all applicable Federal regulations and is individually subject to audit.

Other Eligibility Criteria

Dun and Bradstreet Number(s)

Applicants must include their unexpired Dun and Bradstreet/ DUNS number in the organizational unit section of Block 8 of the Standard Form (SF)-424. Applicants proposing subgrantees or subcontractors must submit each organization's DUNS number as an attachment to the Cost Proposal.

Organizations that do not have a DUNS number can receive a DUNS number at no cost by calling the dedicated toll-free number request line at 1-866-705-5711 or by using the web-based form available at http://fedgov.dnb.com/webform. Registration is brief and can be completed immediately when requested by phone, or within 1-2 business days when requested through the webform.

Applicants must be registered with the Central Contractor Registration. Organizations that have not registered with Central Contractor Registration (CCR) will need to obtain a DUNS number first and then access the CCR online registration through the CCR home page at https://www.bpn.gov/ccr/default.aspx (U.S. organizations will also need to provide an Employer Identification Number from the Internal Revenue Service that may take an

additional 2-5 weeks to become active). Completing and submitting the registration takes approximately one hour to complete and your CCR registration will take 3-5 business days to process.

For any questions regarding registration, please contact the CCR Assistance Center at 1-888-227-2423. After registration, Applicants will receive a confirmation number. The Point of Contact listed by the organization will receive a confidential Trader Partnership Identification Number (TPIN) via mail.

Application Package

This solicitation contains all of the necessary information, including information on required forms, needed to apply for cooperative agreement funding. The application package for this solicitation can be downloaded and viewed from Grants.gov by referencing Funding Opportunity Number 11-07. In order to view the application package and submit applications on Grants.gov, Applicants will need Pure Edge Viewer software, available for free download from http://www.grants.gov/applicants/apply_for_grants.jsp. A brief synopsis of this solicitation will also be published in the Federal Register. The full-text version of this solicitation may be accessed on Grants.gov and USDOL/ILAB's Web site at http://www.dol.gov/ILAB/grants/main.htm. All applications must be submitted by 5:00 p.m. Eastern Standard Time (EST) on November 15, 2011 via Grants.gov or hardcopy. Submission instructions can be found in Section III.

The application package must consist of two separate parts (1) a Cost Proposal and (2) a Technical Proposal, if either is missing, the application will be considered non-responsive and will be rejected. Unless otherwise specified, all documents identified in this section must be included in the application package for the application to be considered complete and responsive. Documents listed as either "optional" or "as applicable," are only required in cases where Applicants, (1) propose Cost Sharing (see Section III., Cost Proposal Format); (2) are proposing to use subgrantees or subcontractors. Applicants should pay close attention to instructions about these documents, in order to ensure that their application package contains all the documents required for their particular situation.

Applicants' Cost and Technical Proposals must address the entire scope of work outlined in Section III.

Applicants should number all pages of the application. All parts of the application must be written in English. Any additional documentation submitted that is not required or specifically requested under this solicitation will not be considered. Any required or additional supporting documents submitted in languages other than English will not be considered.

Requirements for Application Responsiveness

USDOL's Office of Procurement Services will screen all applications for responsiveness. Applications will be considered non-responsive and will be rejected for any one of the following reasons:

1. Failure to submit application by Grants.gov (http://www.grants.gov) or hard copy via the U.S. Postal Service or other delivery service, such as Federal Express, DHL, or UPS;
2. Failure to include the required DUNS number(s) or proof of OMB exemption(s) from the DUNS number requirement;
3. Failure to submit both a completed Cost Proposal and a completed Technical Proposal;
4. Failure to include all of the required documents in the Cost Proposal or Technical Proposal, as outlined in Section III. (and Appendices B and C), respectively;
5. Failure to demonstrate country presence;
6. Submission of an application with budget beyond maximum amount available, $13 million for Peru;
7. Failure to include all required audit report(s) and failure to include most recent single audit or to demonstrate compliance with single audit submission timeframes established in OMB Circular A-133 for applications from U.S.-based non-profit organizations that are subject to the Single Audit Act;
8. Inclusion of an audit report(s) that reflects adverse opinions;
9. Failure to designate key personnel candidates or not including résumés and signed letters of commitment for key personnel candidates; and
10. Failure to timely submit an application.

If an application is deemed non-responsive, the Office of Procurement Services will send a letter to the Applicant, indicating the reason for the determination of non-responsiveness and explaining that the technical review panel will be unable to evaluate the application. If the application is deemed non-responsive due to being incomplete, this letter will indicate which document was missing from the application.

Transparency

USDOL is committed to conducting a transparent grant award process and publicizing information about program outcomes. Posting grant applications on public websites is a means of promoting and sharing innovative ideas. For this grant competition, we will publish on the Department's website or similar location the Executive Summary required by this solicitation for all applications. Additionally, we will publish a version of the Technical Proposal required by this solicitation, for all those applications that are awarded grants, on the Department's website or a similar location. No other parts of or attachments to the application will be published. The Technical Proposals and Executive Summaries will not be published until after the grants are awarded. In addition, information about grant progress and results may also be made publicly available.

USDOL recognizes that grant applications sometimes contain information that an Applicant may consider proprietary or business confidential information, or may contain personally identifiable information. Information is considered proprietary or confidential commercial/business information when it is not usually disclosed outside your organization and when its disclosure is likely to cause you substantial competitive harm. Personally identifiable information is information that can be used to distinguish or trace an individual's identity, such as name, social security number, date and place of birth, mother's maiden name, or biometric records, or other information that is linked or linkable to an individual, such as medical, educational, financial, and employment information.[103]

Executive Summaries will be published in the form originally submitted, without any redactions. However, in order to ensure that confidential information is properly protected from disclosure when USDOL posts the winning Technical Proposals, Applicants whose technical proposals will be posted will be asked to submit a second redacted version of their Technical Proposal, with proprietary, confidential commercial/business, and personally identifiable information redacted. All non-public information about the Applicant's staff should be removed as well. The Department will contact the Applicants whose technical proposals will be published by letter or email, and provide further directions about how and when to submit the redacted version of the Technical Proposal. Submission of a redacted version of the Technical Proposal will constitute permission by the Applicant for USDOL to post that redacted version. If an Applicant fails to provide a redacted version of the Technical Proposal, USDOL will publish the original Technical Proposal in full, after redacting personally identifiable information. (Note that the original, unredacted version of the Technical Proposal will remain part of the complete application package, including an Applicant's proprietary and confidential information and any personally identifiable information.)

Applicants are encouraged to maximize the grant application information that will be publicly disclosed, and to exercise restraint and redact only information that truly is proprietary, confidential commercial/business information, or capable of identifying a person. The redaction of entire pages or sections of the Technical Proposal is not appropriate, and will not be allowed, unless the entire portion merits such protection. Should a dispute arise about whether redactions are appropriate, USDOL will follow the procedures outlined in the Department's Freedom of Information Act (FOIA) regulations (29 CFR part 70).

Redacted information in grant applications will be protected by USDOL from public disclosure in accordance with federal law, including the Trade Secrets Act (18 U.S.C. § 1905), FOIA, and the Privacy Act (5 U.S.C. § 552a). If USDOL receives a FOIA request for your application, the procedures in USDOL's FOIA regulations for responding to requests for commercial/business information submitted to the Government will be followed, as well as all FOIA exemptions and procedures. 29 CFR § 70.26. Consequently, it is possible that application of FOIA

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[103] Memorandums 07-16 and 06-19. GAO Report 08-536, *Privacy: Alternatives Exist for Enhancing Protection of Personally Identifiable Information*, May 2008, http://www.gao.gov/new.items/d08536.pdf.

rules may result in release of information in response to a FOIA request that an Applicant redacted in its "redacted copy."

Cost Proposal Format

Part I of the application, the Cost Proposal, must address the Applicant's financial capacity to plan and implement the proposed project in accordance with the provisions of this solicitation. The Cost Proposal must contain an SF-424 Supplemental Key Contacts Information; an SF-424 Application for Federal Assistance; an SF-424A Budget Information; a detailed Outputs-Based Budget and an accompanying Budget Narrative; and an Indirect Cost Form and supporting documentation, as applicable. The Cost Proposal must be organized according to the format provided in Appendix B. All SF-424 forms, including those required for this solicitation are available on Grants.gov. In addition, the SF-424 forms, the Indirect Cost Form, and a sample Outputs-Based Budget are available from USDOL/ILAB's Web site, http://www.dol.gov/ilab/grants/
bkgrd.htm.

a. *Standard Forms*

Applicants must include the SF-424 Supplemental Key Contacts Information in their Cost Proposal. This form must list the name, position title, address, telephone and fax numbers, e-mail address and other information for a key contact person at the Applicant's organization, including if the key person is the signatory of the SF-424.

The Applicants' SF-424 Application for Federal Assistance and the SF-424A Budget Information must reflect the entire amount of funds being requested under this solicitation and if applicable, the amount of any cost sharing, as discussed in Section III., proposed by the Applicant must be shown in Section 18.b.

Applicants are advised that all costs for proposed construction activities that are: 1) over $5,000; and/or 2) for the construction of a permanent structure, such as latrines and wells, must be reported on the SF-424A under Section B.6.g.

b. *Outputs-Based Budget*

The Cost Proposal must contain a detailed Outputs-Based Budget that corresponds to the Applicant's SF-424A. This budget must comply with Federal cost principles (which can be found in the applicable OMB Circulars, see Section V. and the requirements listed in Section III). All proposed costs must be included in the Applicant's Outputs-Based Budget, as this budget will become part of the cooperative agreement in the event of award. Any costs omitted by the Grantee may not be allowed to be included after award.

The detailed Outputs-Based Budget must (1) show how the budget reflects project goals and design in a cost-effective way, and (2) link the budget to the activities, objectives, and outputs reflected in the Project Design Narrative, Work Plan, and Logic Model (see Section III.). The largest proportion of project resources must be allocated to direct educational services for targeted children, services to promote improved livelihoods for their households and other direct services and project interventions aimed at children and households that are targeted as direct beneficiaries of the project, rather than direct and indirect administrative costs. In their Cost Proposals, Applicants must provide a breakdown of total administrative costs into direct administrative costs and indirect administrative costs. The Grant Officer reserves the right to negotiate project and administrative cost levels before award.

The Outputs-Based Budget must detail the costs for performing all of the requirements presented in this solicitation and for producing all required reports and other deliverables outlined in Section V. Therefore, the project budget must include sufficient funds (1) to develop, implement and sustain a DBMS; (2) to conduct studies pertinent to project implementation and monitor, report on, and evaluate programs and activities; and (3) to finance appropriate in-country and international travel, including to required meetings with USDOL.

Applicants must set aside a total of at least five percent of the project budget to cover the costs associated with project monitoring including (1) development of DBMS; (2) regular collection and processing of monitoring data

for project beneficiaries at the child and the household level, including monitoring the work status of each beneficiary; (3) development of monitoring guidelines (in multiple languages, as appropriate) for all project partners responsible for providing direct services to children and members of their households; (4) the development and implementation of a system and process for validating monitoring information; and (5) meeting reporting requirements as discussed in Section V. Applicants must include a budgetary allocation in the amount of $70,000 for implementation evaluation costs. Applicants are expected to allocate sufficient resources to conduct proposed studies, assessments, and research activities. This includes costs associated with conducting a baseline study, a needs assessment on school conditions, and a research dissemination strategy as described in Section III. Applicants must also allocate funds for travel by the Project Director and/or other key personnel based in the field to meet annually with USDOL officials in Washington, D.C. or another site determined by USDOL. Applicants based both within and outside the United States must budget for the Project Director and/or another key personnel staff member to travel to Washington, D.C. for a post-award meeting, which will be held within two months of award (i.e., after December 31, 2011).

Applicants must also comply with annual single audits or attestation engagements requirements, as applicable. Costs for these audits or attestation engagements may be included in direct or indirect costs, whichever is appropriate, in accordance with the cost allocation procedures approved by the U.S. Federal cognizant agency. Requirements related to annual single audits and attestation engagements can be found in Section V.

The Applicant's Outputs-Based Budget must include a contingency provision, calculated at five percent of the project's total direct costs, as USDOL will not provide additional funding to cover unanticipated costs. The use of contingency provision funds for USDOL-funded projects is intended to address circumstances affecting specific budget lines that relate to one or more of the following (1) inflation affecting specific project costs; (2) UN System or foreign government-mandated salary scale or benefits revisions; and (3) exchange rate fluctuations. However, USDOL also recognizes that certain extraordinary and unforeseen circumstances may arise and result in a need for exceptions to these uses of contingency provision funds and a need for budget modifications or time extensions. These include (1) changes in a country's security environment; (2) natural disasters; (3) civil or political unrest/upheavals or government transitions; or (4) delays related to loss of or damage to project property.

Applicants must provide a justification for any proposed housing costs, housing allowances, and/or personal living expenses in their Budget Narrative. Housing costs, housing allowances, and/or personal living expenses (e.g., dependents' allowance) of project staff may only be included in the project budget if they are accounted for as direct costs of the project, not as fringe benefits or indirect costs.

The project budget (including USDOL funds and any cost sharing funds reported on the SF-424 and SF-424A) submitted with the application must include all necessary and sufficient funds, without reliance on other contracts, grants, or awards to implement the Applicant's proposed project activities and to achieve proposed project goals and objectives under this solicitation. If anticipated funding from another contract, grant, or award fails to materialize, USDOL will not provide additional funding to cover these costs.

c. *Budget Narrative*

The Cost Proposal must include a Budget Narrative that corresponds to the Outputs-Based Budget. The Budget Narrative must include a detailed justification, broken down by line item, of all of the Applicant's costs included in the Outputs-Based Budget.

d. *Indirect Cost Information*

The Cost Proposal must also contain information on the Applicant's indirect costs, using the form provided on USDOL/ILAB's Web site at http://www.dol.gov/ilab/grants/bkgrd.htm. Applicants must include one of the applicable supporting documents in their application (1) a current Negotiated Indirect Cost Rate Agreement (NICRA) or (2) if no indirect costs are claimed, a Certificate of Direct Costs, found in the above cited form.

e. *Cost Sharing (optional)*

This solicitation does not require Applicants to share costs or contribute matching funds, in-kind contributions, or other forms of cost sharing. However, Applicants are encouraged to do so. Applicants that propose matching funds, in-kind contributions, and/or other forms of cost sharing must indicate their dollar value in the SF-424 and SF-424A submitted as part of the Cost Proposal. In the event of award, these funds will be incorporated into the cooperative agreement and Grantees will be (1) required to report on these funds to USDOL in quarterly financial status reports (SF-425); and (2) liable for meeting the full amount of these funds during the life of the cooperative agreement. Matching funds, in-kind contributions, and/or other forms of cost sharing indicated on their SF-424 and SF-424A are subject to Federal cost principles and all provisions outlined in Section III. Applicants must indicate the nature; source(s) of funds and/or in-kind contributions; the amount (or estimated value) in U.S. Dollars; and the proposed project activities planned with these resources. Applicants should clearly describe how the programs, activities, or services provided with these funds or contributions will complement and enhance project objectives.

If proposed matching funds, in-kind contributions, and/or other forms of cost sharing come from subgrantees and/or subcontractors, the value of the cost share must not be directed to the Applicant or its employees for their benefit. The cost share may only be used to support the work of the project or defray its costs. Applicants may not make the award of a subgrant or subcontract contingent upon a subgrantee or subcontractor agreeing to provide matching funds.

Applicants must note the definitions of the following key terms pertaining to cost sharing, and employ these terms effectively in their application as applicable:

- "Cost Sharing" means any method by which the Grantee accomplishes the work of the grant, or work that supports or enhances the goals of the grant, with funds or other things of value, obtained from the Grantee and/or non-Federal third parties. These methods may include "matching funds" and "in-kind contributions".
- "Matching Funds" means cash or cash equivalents, committed to the project by the Grantee and/or a non-Federal third party. A Grantee will be responsible for obtaining such funds from the third party and applying them to the work of the grant. Failure to do so may result in USDOL's disallowance of costs in the amount of the committed matching funds.
- "In-Kind Contributions" means goods or services, committed to the project by the Grantee and/or a non-Federal third party. A Grantee will be responsible for obtaining such goods or services from the third party and applying them to the work of the grant. Failure to do so may result in USDOL's disallowance of costs in the amount of the committed in-kind contributions.

f. *Equal Opportunity Survey (optional)*

All Applicants are requested, but not required, to complete and include the Survey on Ensuring Equal Opportunity for Applicants (OMB No. 1890-0014) in their applications; this form is provided on USDOL/ILAB's Web site at: http://www.dol.gov/ilab/grants/bkgrd.htm.

Technical Proposal Format

Part II of the application, the Technical Proposal, must address the Applicant's technical capacity to plan and implement the proposed project in accordance with the provisions of this solicitation. The Technical Proposal must respond to all of the requirements outlined in Section III, including the scope of work and relationship to the USDOL five goals, target population, and Technical Proposal requirements sections. An Applicant must agree that *following award*, it will work with the USDOL funded external evaluators to development CMEPs, and impact evaluations (where applicable).

The Technical Proposal must contain all of the documents outlined below, in Section III. and in Appendix C, except those specifically marked as "optional" or "as applicable." To facilitate the review of applications, Applicants must organize their Technical Proposals in the same order as below and in Appendix C:

a. Executive Summary

The Executive Summary must not exceed <u>three</u> single-sided, (8-1/2" x 11") double-spaced pages with 1-inch margins. Font size should be no less than 11-point and include the following information:
- Project title;
- Name of the Applicant;
- Proposed subgrantees or subcontractors (as applicable);
- Summary of the proposed project design and key project activities, including project strategies by sector;
- Funding amount requested from USDOL (up to $13 million); and
- Total dollar value of cost sharing being proposed on the Applicant's SF-424 and SF-424A (as applicable).

b. Table of Contents

A Table of Contents listing all required documents and their corresponding page numbers must be included.

c. Project Design Narrative

The narrative must describe in detail, the Applicant's response to the entire Program Description, including the Scope of Work and Relationship to USDOL Five Goals, Technical Proposal Requirements, and Target Population (Section III.). The Applicant's project design narrative must not exceed 60 single-sided, double-spaced (8-1/2" x 11") pages with 1-inch margins. Font size should be no less than 11-point. All required annexes to the Technical Proposal do not count toward the 60-page limit for the project design narrative. The Project Design Narrative must contain the following sections:

1. Background and Justification

This section must identify the geographic area(s) within Huánuco and Huancavelica and sector(s) of work, which must include agriculture and mining, being targeted by the Applicant and provide a justification for these choices. This section must be based on the Applicant's pre-award needs assessment described in Section III., including a thorough review of literature available on child labor, sustainable livelihoods and education issues in Peru, and must demonstrate the Applicant's knowledge and understanding of all proposal requirements outlined in Section III.

2. Project Design and Strategy

This section must discuss the Applicant's proposed project design and strategy for carrying out all requirements outlined in Section III., including the five goals of all USDOL-funded projects. In addition, Applicants must include the total number of direct beneficiaries to be served by the project and propose specific criteria and the process for selecting direct beneficiaries. The total number of direct beneficiaries must be broken down into (1) the total number of children to whom the project will provide education and/or training services and (2) the total number of households to which the project will provide livelihood services. As applicable given the Applicant's project strategy, this section should also identify the number of indirect beneficiaries to be reached by the project, and describe the types of project services from which these indirect beneficiaries are expected to benefit.

Applicants must document their ability to collect and report on the required performance indicators including a description of the data collection plan, management, analysis and reporting. Applicants must describe how data will be used to manage the project and assure continuous quality improvement. Applicants must also describe how they plan to communicate definitions, targeting requirements, and monitoring processes and procedures to their partners to ensure full compliance and adherence with project monitoring and evaluation processes and procedures.

3. Organizational Capacity

This section must present the qualifications of the proposed Applicant and/or any proposed subgrantees and/or subcontractors to implement the project.

a. International and U.S. Government Grant and/or Contract Experience

This section must provide a brief overview of the information presented by the Applicant in Annex C of their Technical Proposal. Applicants must highlight any experience they may have with implementing projects to (1)

reduce exploitative child labor through the provision of direct educational services; (2) provide basic, transitional, non-formal and vocational education programs to children; (3) improve country capacity to combat exploitative child labor and/or improve access to, and quality of, basic education; (4) promote sustainable livelihoods including through provision of services related to skills training, micro-lending, micro-savings, employment generation, alternative/additional income generation, and (5) promote sustainability. Annex C of the Technical Proposal must include information on the Applicant's subgrantees and subcontractors, if applicable, previous and current grants, cooperative agreements, and/or contracts funded by USDOL, other Federal agencies, and other donors, including the GoP.

b. Country Presence and Host Government Support

In this section, Applicants must address their organization's existing presence and ability to start up project activities in Peru before signing a cooperative agreement. Applicants should also discuss their ability to work directly with Government and NGOs, including local organizations and community based organizations, and their past experience working with these stakeholders. Applicants may submit supporting documentation in Annex F of the Technical Proposal, which demonstrates country presence and outreach to host government ministries and NGOs operating in Peru.

c. Fiscal Oversight

In this section, Applicants must provide a narrative description and evidence that their organization has a sound financial system in place to effectively manage the funds requested under this solicitation. Applicants' (including subgrantees and subcontractors, if applicable) most recent audit reports must be submitted in Annex G of the Technical Proposal. See Section V. for specific audit requirements.

d. Personnel and Project Management Plan

This section must discuss the Applicant's project management plan as described in Section III. This section must discuss the Applicant's project management plan. This plan must correspond with Annex C and Annex D of the Technical Proposal and include a narrative description of the roles and responsibilities of and the project's management structure. It must also describe the lines of authority between key personnel, other professional personnel, and other project staff. In the case that the project's key personnel would be employed by a subgrantee, the Applicant must provide a rationale for this selection and an explanation of the staffing structure, including: lines of authority between key personnel and other staff providing services to project beneficiaries, supervision and performance evaluation for personnel from different organizations, procedures for concurrence on key implementation issues and conflict resolution mechanisms.

e. Key Personnel

Applicants must identify all key personnel candidates being proposed to carry out the requirements of this solicitation as described in Section III., Key Personnel. Applicants must also address candidates' level of competence, past experience relevant to this solicitation, and qualifications to perform the requirements outlined in Section III. For all proposed key personnel, résumés and personnel descriptions that include the candidates' project roles and responsibilities and their level of effort, must be included in Annex D of the Technical Proposal.

f. Other Professional Personnel

In this section, Applicants must identify any other professional program personnel deemed necessary to carry out the requirements of this solicitation and provide justification for including these individuals together with any past experience and/or qualifications for serving on a USDOL-funded project. Applicants must also address candidates' level of competence, past experience relevant to this solicitation, and qualifications to perform the requirements outlined in Section III., Key Personnel. For all proposed professional personnel, résumés and personnel descriptions that include the candidates' project roles and responsibilities and their level of effort, must be included in Annex D of the Technical Proposal.

Annexes

Annex A: Logic Model
Annex A must include a Logic Model detailing the sequence of actions that describe proposed project activities. The logic model must include inputs, outputs, outcomes, and may also consider assumptions and external factors that may influence the project. The Logic Model must be no longer than two pages. There are good resources available to help Applicants develop logic models. Two examples are: The University of Wisconsin Extension, available at http://www.uwex.edu/ces/pdande/evaluation/evallogicmodel.html and The Kellogg Foundation, available at http://www.wkkf.org/knowledge-center/resources/2006/02/WK-Kellogg-Foundation-Logic-Model-Development-Guide.aspx.

Annex B: Work Plan
Annex B must contain the Applicant's Work Plan. The Work Plan must identify major project activities, deadlines for completing these activities, and person(s) or institution(s) responsible for completing these activities. The Work Plan must correspond to activities identified in the Logic Model and the Project Design Narrative. The Work Plan may vary depending on what is determined to be the most logical form (i.e., it may be divided by project component or region depending on the project).

Annex C: Past Performance Table(s)
Annex C must contain the Applicant's Past Performance Table(s). This table must complement the Applicant's Project Design Narrative and provide information on the Applicant's grants, cooperative agreements, and/or contracts with USDOL, other Federal agencies, and other donors that are relevant to this solicitation. Applicants must include the following information in the table:

1. The agency, donor, or organization for which the work was done;
2. Name, phone and fax numbers, and e-mail address for a current contact person in that organization with knowledge of the project;
3. The project's name and instrument number of the grant, contract, or cooperative agreement;
4. The project's funding level, in U.S. Dollars;
5. The country of implementation and period of performance for the project; and
6. A brief summary of the work performed and accomplishments.

Agency/ Donor	Contact Information	Name of the Project and Instrument Number	Funding Amount (in USD)	Country and Period of Performance	Brief Summary of Work Performed and Accomplishments

* **Note:** A separate Past Performance Table must be completed for each subgrantee and/or subcontractor that will be providing direct services to the project's direct beneficiaries.

Annex D: Project Management Organization Chart
Annex D must contain the Applicant's Project Management Organization Chart. The chart must provide a visual depiction of the project's management structure and lines of authority among all key personnel, other professional personnel, and other project staff being proposed in Section III., Key Personnel. This chart must also include lines of authority among all organizations that will be responsible for key elements of project implementation, including providing direct educational services and other direct services to the project's direct beneficiaries (including subgrantees and/or subcontractors, as applicable).

Annex E: Personnel Descriptions, Résumés, and Letters of Commitment
Annex E must contain personnel descriptions (outlining roles and responsibilities) and résumés for all key personnel and other professional personnel being proposed by the Applicant, as well as signed letters from all proposed key personnel, indicating their commitment to serve on the project and their availability to commence work within 45 calendar days of the cooperative agreement award. Each résumé must include:
- Educational background, including highest education level attained;

- Work experience covering at least the last 5 years of employment to the present, including such information as the employer name, position title, clearly defined duties, and dates of employment;
- Salary information for at least the last 5 years of employment to the present;
- Special experience, capabilities, or qualifications related to the candidate's ability to implement the scope of work and perform effectively in the proposed position; and
- English skills.

Annex F: Documentation of Country Presence and Host Government Support
Annex F must contain documents that corroborate the Applicant's representation in Section III., Country Presence and Host Government Support, demonstrating country presence. Such documentation could include official registration of the Applicant's organization in Peru. Documents indicating the GoP's support for the Applicant may also be included in this Annex. Documentation can include a current Memorandum of Understanding between the Applicant and the host government and/or letters of support for the proposed project from the national and/or local governments of Peru.

Annex G: Audit Report(s)
Annex G must contain the audit report(s) of the Applicant and any proposed subgrantees and/or subcontractors (as applicable). The following audit attachments are required, depending on the organization's status (1) for Applicants from U.S.-based non-profit organizations that are subject to the Single Audit Act, include the most recent single audit and demonstrate compliance with single audit submission timeframes established in OMB Circular A-133; (2) for Applicants that are for-profit or foreign-based organizations the Applicant's most current independent financial audit; (3) the most recent single audit report for all proposed U.S.-based, non-profit, subgrantees and/or subcontractors that are subject to the Single Audit Act; and/or 4) the most current independent financial audit, for all proposed subgrantees and/or subcontractors that are for-profit or foreign-based organizations. To expedite the screening of applications and to ensure that the appropriate audits are attached to each application, Applicants must provide a cover sheet to the audit attachments listing all proposed subgrantees and/or subcontractors.

Submission Date, Time, Address, and Delivery Method

Applications in response to this solicitation may be submitted in hard copy or electronically via Grants.gov. Applications submitted by other means, including e-mail, telegram, or facsimile (FAX) will be not be accepted. Irrespective of submission method, all applications must be received by USDOL by 5:00 p.m. Eastern Standard Time (EST) on November 15, 2011. Applicants electing to submit hard copies must submit one (1) blue ink-signed original, complete application, *plus* three (3) additional copies of the application. Applicants electing to submit electronically must submit one electronic copy of the complete application via Grants.gov. Applicants submitting via Grants.gov are responsible for ensuring that their application is received by Grants.gov by the deadline. Hard copy applications must be delivered to: U.S. Department of Labor, Procurement Services Center, 200 Constitution Avenue NW, Room S-4307, Washington, DC 20210, Attention: Brenda White and James Kinslow, Grant Officers, Reference: Solicitation 11-07. Applicants are advised to submit their applications in advance of the deadline.

Applicants electing to submit hard copy applications may submit them via the U.S. Postal Service or non-U.S. Postal Service delivery services, such as Federal Express or UPS. Regardless of the type of delivery service selected, Applicants bear the responsibility for timely submission. The application package must be received at the designated place by the date and time specified or it will be considered non-responsive and will be rejected.

Any application received at the Procurement Services Center after the deadline will not be considered unless it is received before the award is made and:

1. It is determined by the Government that the late receipt was due solely to mishandling by the Government after receipt at USDOL at the address indicated; and/or
2. It was sent by registered or certified mail not later than the fifth calendar day before the deadline; or
3. It was sent by U.S. Postal Service Express Mail Next Day Service-Post Office to Addressee, no later

than 5:00 p.m. at the place of mailing two (2) working days, excluding weekends and Federal holidays, before the deadline.

The only acceptable evidence to establish the date of mailing of a late application sent by registered or certified mail is the U.S. Postal Service postmark on the envelope or wrapper and on the original receipt from the U.S. Postal Service. The only acceptable evidence to establish the date of mailing of a late application sent by U.S. Postal Service Express Mail Next Day Service-Post Office to Addressee is the date entered by the Post Office clerk on the "Express Mail Next Day Service-Post Office to Addressee" label and the postmark on the envelope or wrapper on the original receipt from the U.S. Postal Service.

If the postmark is not legible, an application received after the above closing time and date will be treated as if mailed late. "Postmark" means a printed, stamped, or otherwise placed impression (not a postage meter machine impression) that is readily identifiable without further action as having been applied and affixed by an employee of the U.S. Postal Service on the date of mailing. Therefore, Applicants should request that the postal clerk place a legible hand cancellation "bull's-eye" postmark on both the receipt and the envelope or wrapper.

The only acceptable evidence to establish the time of receipt at USDOL is the date/time stamp of the Procurement Service Center on the application wrapper or other documentary evidence of receipt maintained by that office. Confirmation of receipt can be obtained from Brenda White and James Kinslow (see Section VI. for contact information). Note: Please be advised that U.S. mail delivery in the Washington D.C. area can be slow and erratic due to security concerns. Applicants must consider this when preparing to meet the application deadline.

Applicants submitting their application electronically through Grants.gov should note the following submission instructions (1) an individual with authority to legally bind the Applicant must be responsible for submitting the application on Grants.gov; (2) applications submitted through Grants.gov do not need to be signed manually; the form will automatically affix an electronic signature for the authorized person identified, and (3) when submitting on Grants.gov, Applicants must save all attachments as a .doc, .pdf, .txt, or .xls file. If submitted in any other format, the application bears the risk that compatibility or other issues will prevent USDOL from considering the application. USDOL will attempt to open the document, but will not take any "corrective" measures in the event of issues with opening. In such cases, the non-conforming application will not be considered for funding.

To avoid unexpected delays that could result in the rejection of an application, Applicants should immediately initiate and complete the registration steps at http://www.grants.gov/applicants/get_registered.jsp as registration can take multiple days to complete. Applicants should consult the Grants.gov Web site's Frequently Asked Questions and Applicant User Guide, available at http://www.grants.gov/help/faq.jsp, and http://www.grants.gov/assets/UserGuide_Applicant.pdf. Within two business days of application submission, Grants.gov will send the Applicant two email messages to provide the status of application progress through the system. The first email, almost immediate, will confirm receipt of the application by Grants.gov. The second email will indicate the application has both been successfully submitted and successfully validated or has been rejected due to errors. Only applications that have been successfully submitted and successfully validated will be considered. It is the sole responsibility of the Applicant to ensure a timely submission, therefore sufficient time should be allotted for submission (two business days), and if necessary, additional time to address errors and receive validation upon resubmission (an additional two business days for each ensuing submission). It is important to note that if sufficient time is not allotted and a rejection notice is received after the due date and time, the application will not be considered.

Applicants can contact the Grants.gov Contact Center at 1-800-518-4726 or support@grants.gov to obtain assistance with any problems related to using Grants.gov, including difficulties downloading the application package; software compatibility questions; and questions on how to assemble electronic application packages. USDOL bears no responsibility for data errors resulting from transmission or conversion processes.

Funding Restrictions, Unallowable Activities, and Specific Prohibitions

USDOL/ILAB highlights the following restrictions, unallowable activities, and specific prohibitions, as identified in OMB Circular A-122, 29 CFR Part 95, 29 CFR Part 98, and other USDOL/ILAB policy, for all USDOL-funded child labor technical cooperation projects. Applicants' Cost and Technical Proposals must be developed in accordance with the provisions outlined below. If any Applicant has questions about these or other restrictions, please e-mail Brenda White and James Kinslow at white.brenda.j@dol.gov and kinslow.james@dol.gov.

Pre-award Costs

Cooperative agreement funds may not be encumbered/obligated by a Grantee before the period of performance. Pre-award costs, including costs associated with the preparation of an application submitted in response to this solicitation, are not reimbursable under the cooperative agreement.

Direct Cash Transfers to Communities, Parents, or Children

USDOL/ILAB does not allow for direct cash transfers to target beneficiaries. Grantees may not provide direct cash transfers to communities, parents, or children. Purchase of incidental items is allowable if necessary for direct beneficiaries' participation in project activities and as a means of promoting sustainable reduction of exploitative child labor amongst the target group. These beneficiary support costs could include direct costs such as uniforms, tool kits for livelihood interventions, school supplies, books, provision of tuition, or transportation costs. If approved by USDOL, the Grantee or its subgrantees or subcontractor(s) must purchase or directly pay for these items in the form of vouchers or payment to the service provider, as opposed to handing cash directly to project beneficiaries or other individuals. This ensures that the money is used for its intended purpose and is not diverted or lost. Applicants may, however, propose microfinance interventions (e.g., micro-savings and micro-loans) or linkages to existing microfinance programs.

If an Applicant proposes the provision of beneficiary support costs, it must specify: (1) why these activities and interventions are necessary and how they will contribute to the overall project goals; and (2) how the disbursement of funds will be administered in order to maximize efficiency and minimize the risk of misuse. The Applicant must also address how beneficiary support costs will be made sustainable once the project is completed.

Construction

Applicants must adhere to requirements for construction outlined in Section III., Construction. Funds for construction must be clearly specified in the budget. Any activities that lead to the creation of real property (*i.e.,* a new classroom, an addition to an existing building, wells, and latrines) that is of a permanent nature must be classified under construction expenses. Expenses in support of construction cannot be classified as supplies, and should be budgeted under the construction line item. In general, USDOL expects construction to be limited to improving existing infrastructure and facilities of schools and/or other learning environments in the project's target communities. In order to ensure sustainability, USDOL encourages Applicants to secure forms of cost sharing from communities and local organizations when proposing construction activities.

Housing and Personal Living Expenses

USDOL funds may only be used to pay for housing costs, housing allowances, and personal living expenses (e.g., dependents' allowance) of project staff if they (1) are separately accounted for as direct costs of the project necessary for the performance of the project and (2) receive prior approval from USDOL. In accordance with federal cost principles, housing and personal living expenses may not be counted as fringe benefits or indirect costs.

Housing and other personal expenses are costs that are appropriately the responsibility of individual employees, including local coordinators, whether they are residing in the United States or abroad. In general, housing costs, housing allowances, and personal living expenses will only be authorized under the cooperative agreement if deemed necessary for the performance of the project, in particular, in cases of extraordinary costs of living attributable to unique circumstances affecting a local economy

Subgrants and Subcontracts

Subgrants and subcontracts awarded after the cooperative agreement is signed, and not proposed in the application, must be awarded through a formal competitive bidding process in accordance with 29 CFR 95.40-48. Subgrants and subcontracts are subject to audit, in accordance with the requirements of 29 CFR 95.26.

Lobbying and Fundraising

Funds provided by USDOL for project expenditures under cooperative agreements may not be used with the intent to influence a member of the U.S. Congress, a member of any U.S. Congressional staff, or any Federal, State, or local government official in the United States (hereinafter "government official(s)"), to favor, adopt, or oppose, by vote or otherwise, any U.S. legislation, law, ratification, policy, or appropriation, or to influence in any way the outcome of a political election in the United States, or to contribute to any political party or campaign in the United States, or for activities carried on for the purpose of supporting or knowingly preparing for such efforts. This includes awareness-raising and advocacy activities that include fundraising for, or lobbying of, U.S. Federal, State, or local governments. (See OMB Circular A-122, as codified at 2 CFR Part 230). This does not include communications for the purpose of providing information about the Grantees and their programs or activities, in response to a request by any government official, or for consideration or action on the merits of a Federally-sponsored agreement or relevant regulatory matter by a government official.

Applicants classified under the Internal Revenue Code as a 501(c)(4) entity [See 26 U.S.C. 501(c)(4)] may not engage in any lobbying activities. According to the Lobbying Disclosure Act of 1995, as codified at 2 U.S.C. 1611, an organization, as described in Section 501(c)(4) of the Internal Revenue Code of 1986, that engages in lobbying activities directed toward the U.S. Government is not eligible for the receipt of Federal funds constituting an award, grant, cooperative agreement, or loan.

Funds to Host Country Governments

USDOL funds awarded under cooperative agreements are not intended to duplicate existing foreign government efforts or substitute for activities that are the responsibility of such governments. Therefore, Grantees may not provide any of the funds obligated under this cooperative agreement to a foreign government or entities that are agencies of, or operated by or for a foreign state or government, ministries, officials, or political parties, except that where the Grantee has conducted a competitive process to select the awardee and has determined that no other entity in the country is able to provide services or undertake project activities, the Grantee may award subcontracts to foreign government agencies or entities that are agencies of or operated by or for a foreign state or government, ministries, officials, or political parties. In such cases, Grantees must receive prior USDOL approval before awarding the subcontract.

Miscellaneous Prohibitions

 USDOL funds may not be used to provide for:
- The purchase of land;
- The procurement of goods or services for personal use by the Grantee's employees;
- Entertainment, including amusement, diversion, and social activities and any costs directly associated with entertainment (such as tickets, meals, lodging, rentals, transportation, and gratuities). Costs of training or meetings and conferences, when the primary purpose is the dissemination of technical information including reasonable costs of meals and refreshments, transportation, rental of facilities and other incidentals are allowable. Costs related to child labor educational activities, such as street plays and theater, are allowable; and
- Alcoholic beverages.

Prostitution and Trafficking

The U.S. Government is opposed to prostitution and related activities which are inherently harmful and dehumanizing and contribute to the phenomenon of trafficking in persons. U.S. Grantees and their subgrantees and subcontractors, cannot use funds provided by USDOL to lobby for, promote or advocate the legalization or regulation of prostitution as a legitimate form of work. Foreign-based Grantees and their subgrantees and subcontractors that receive funds provided by USDOL for projects to combat trafficking in persons cannot lobby

for, promote or advocate the legalization or regulation of prostitution as a legitimate form of work while acting as a subgrantee or subcontractor on a USDOL-funded project. It is the responsibility of the Grantee to ensure its subgrantees and subcontractors meet these criteria. This provision must be included in any applicable subgrant and subcontract that the Grantee awards using USDOL funds and the Grantee will obtain a written declaration to that effect from the subgrantee or subcontractor concerned. Also, Applicants will be required to adhere to the requirements at 2 CFR Part 175 relating to trafficking in persons, which will be included in the cooperative agreement.

Inherently Religious Activities

The U.S. Government is generally prohibited from providing direct financial assistance for inherently religious activities. The Grantee(s) may work with and subgrant to or subcontract with religious institutions; however, Federal funds provided under a USDOL-awarded cooperative agreement may not be used for religious instruction, worship, prayer, proselytizing, other inherently religious activities, or the purchase of religious materials. Neutral, non-religious criteria that neither favor nor disfavor religion will be employed in the selection of Grantees and must be employed by Grantees in the selection of subgrantees or subcontractors. This provision must be included in all subgrants and subcontracts issued under the cooperative agreement.

Any inherently religious activities conducted by the Grantee must be clearly separated in time or physical space from activities funded by USDOL. Grantees must separately account for and segregate from Federal and matching funds (neither of which may be used to fund inherently religious activities), any non-Federal and non-matching funds (or allocable portion of those funds) used for such inherently religious activities. Additionally, direct beneficiaries of the project must have a clear understanding that their enrollment in a USDOL-funded project is not conditioned on their participation in any religious activities and a decision to not participate in any inherently religious activity will in no way impact, or result in any negative consequences to, their project standing. For additional guidance, please consult USDOL's Center for Faith-Based and Community Initiatives' Web site at http://www.dol.gov/cfbci. A Grantee should consult USDOL for prior approval if it is unclear if project activities are allowable

Terrorism

Applicants are bound by U.S. Executive Orders and U.S. law that prohibit transactions with and the provision of resources and support to individuals and organizations associated with terrorism. It is the legal responsibility of the Grantee to ensure compliance with these Executive Orders and laws. USDOL policy seeks to ensure that no USDOL funds directly or indirectly used to provide support to individuals or entities associated with terrorism. Applicants responding to this solicitation and Grantees subsequently awarded funding by USDOL under this solicitation must check http://www.treas.gov/offices/enforcement/ofac/sdn/t11sdn.pdf to assess information available on parties that are excluded from receiving Federal financial and non-financial assistance and benefits. In the event of award, this provision must be included in all applicable subgrants and subcontracts issued under the cooperative agreement.

Value Added Tax (VAT)

Applicants should discuss the possibility of obtaining customs and VAT exemptions with host government officials during the preparation of their application. While host governments are encouraged not to apply customs or VAT taxes to USDOL-funded projects, some host governments may nevertheless choose to assess such taxes. When preparing their budgets, Applicants should account for such costs, since USDOL cannot provide assistance in this regard. If these costs are omitted, a Grantee may not be allowed to include them after award.

IV. APPLICATION REVIEW INFORMATION

Application Evaluation Criteria

The criteria outlined below will be used to evaluate applications submitted in response to this solicitation on the basis of 100 points. Only applications deemed responsive will be evaluated (see Section III., Requirements for

Application Responsiveness). In the evaluation of applications will consider all information and requirements presented in this solicitation.

Specific Evaluation Criteria:

    A. Project Design and Budget   60 points
      (including Child Labor Monitoring Strategy and General Education and Livelihood Strategies)
    B. Strategy for Research on Child Labor   10 points
    C. Organizational Capacity   15 points
    D. Personnel and Project Management Plan   15 points

Project Design and Budget (60 points)

In evaluating Applicants on this criterion, USDOL will consider the Applicant's Cost and Technical Proposals, including the Project Design Narrative, Logic Model (Annex A) and Work Plan (Annex B).

Applicants will be evaluated on the overall quality, effectiveness, relevance, and clarity of their proposed project design and strategy, including the extent to which it responds to all of the requirements outlined in the Program Description for this solicitation, including, the Scope of Work, Technical Proposal Requirements, and Target Population sections (see Section III.). Applicants will be evaluated on the following:

- The extent to which the Applicant proposes effective and relevant strategies for identifying direct beneficiaries; ensuring the long-term reduction of exploitative child labor in the two targeted regions of Peru; providing direct educational services for target children, and promoting sustainable livelihoods for their households as a strategy for removing or preventing children from involvement in exploitative labor.
- The extent to which the project design will (1) be based on good practices (and innovative approaches, where applicable), and (2) build upon existing efforts and government policies, plans, and/or programs in Peru.
- The extent to which the Applicant proposes feasible and sensible timeframes for the accomplishment of tasks and the proposed outcomes.
- The extent to which the Cost Proposal is realistic and reasonable. Proposals should reflect consistency between the proposed costs outlined in the budget and the work to be performed, as outlined in the Applicant's Project Design Narrative. The budget should also be reasonable given costs in Peru. The degree to which the Cost Proposal is responsive to the requirements outlined in the Program Description.
- The degree to which the allocation of resources in the budget clearly supports the project's strategy and the extent to which proposed costs will lead to the achievement of identified outputs.
- The extent to which the budget supports a cost-effective plan for ensuring the long-term reduction of exploitative child labor through education and promotion of sustainable livelihoods, taking into account such factors as the sector(s) of work being targeted. Low administrative costs and amount of resources to direct services (e.g., direct educational and livelihoods services) are preferred.
- The extent to which the Applicant proposes effective strategies for building local capacity and promoting the long-term sustainability of efforts to combat exploitative child labor. USDOL encourages Applicants to consider innovative approaches that reflect a thorough understanding of the implementing environment.

Strategy for Research on Child Labor (10 points)

In evaluating Applicants on this criterion, USDOL will consider the Applicants knowledge of exploitative child labor and its root causes in Peru and specifically in Huancavelica and Huánuco. USDOL will also evaluate the extent to which the Applicant proposes research that will fill existing gaps in knowledge about child labor in Peru, especially among the targeted groups—children in the worst forms of rural child labor in agriculture, mining, and other hazardous work, in the regions of Huancavelica and Huánuco. Proposals will be evaluated on the extent to which they propose to engage partnerships with local research organizations, especially universities to design, conduct, and disseminate research. Applicants' dissemination strategies will be evaluated on the use of creative means of ensuring that research is widely distributed and made available to the public. The use of new technologies is encouraged. The relevance of the dissemination strategies to the practical realities and cultural and

social context in Peru will be considered. Finally, USDOL will consider the Applicant's strategy to ensure the sustainability and availability of research outputs beyond the life of the project.

Organizational Capacity (15 points)

In evaluating Applicants on this criterion, USDOL will consider the Applicant's Cost and Technical Proposals, including the Project Design Narrative (Organizational Capacity), Past Performance Table(s) (Annex C), Documentation of Country Presence and/or Host Government Support (Annex F), and Audit Report(s) (Annex G).

Applicants will be rated on their demonstrated capacity to technically, administratively, and financially implement a project of similar type, funding amount and complexity. Applicants proposing to use subgrants or subcontracts will be evaluated based on their past experience and performance in providing quality technical, administrative, and financial oversight to subgrantees and subcontractors that ensures responsiveness and quality reporting to the donor.

Applicants will be rated on their experience and demonstrated success in implementing development projects that aim to (1) reduce exploitative child labor through the provision of direct educational services; (2) provide basic, transitional, non-formal and vocational education programs to children; (3) improve country capacity to combat exploitative child labor and/or improve access to, and quality of, basic education; (4) promote sustainable livelihoods including through provision of services related to skills training, micro-lending, micro-savings, employment generation, alternative/additional income generation, and (5) ability to promote sustainability. Applicants will also be evaluated on their ability to commence project activities in Peru as soon as possible after signing a cooperative agreement with USDOL.

Applicants may be rated on their past performance with implementing grants, cooperative agreements, and/or contracts relevant to this solicitation. USDOL may contact the organizations listed in the Organizational Capacity section of the Project Design Narrative and/or Annex C of the Applicant's Technical Proposals and use the information provided in evaluating applications. Past performance will be rated by such factors as:
   a. The Applicant's demonstrated ability to meet its project targets (including those related to GPRA) under past or current USDOL-funded projects, if applicable for (a) reducing exploitative child labor and (b) improving country capacity;
   b. The Applicant's demonstrated experience promoting sustainable livelihoods, including through skills training, income generation interventions, increasing access to social protection programs, and promoting decent work opportunities for adults and youth of legal working age;
   c. The quality and timeliness of submitted grant, cooperative agreement, and/or contract deliverables to USDOL and/or other donors;
   d. The responsiveness of the Applicant and its staff to USDOL and/or other donors, including the quality and timeliness of communications about such deliverables; and
   e. The performance of the Applicant's key personnel on projects with USDOL and/or other donors, including whether the Applicant has a history of replacing key personnel with similarly qualified staff, and the timeliness of replacing key personnel.
   f. Applicant's demonstrated ability to work with national, regional and local governments and other key stakeholders.

Personnel and Project Management Plan (15 points)

Given the complex nature of USDOL projects to be funded under this solicitation, Applicants' approach to project management must be clear and effective in carrying out the scope of work. Applicants will be evaluated on the quality and clarity of information provided on their approach to project management and staffing.

In evaluating Applicants on this criterion, USDOL will review the Cost and Technical Proposals, including but not limited to, the Personnel and Project Management Plan section of the Project Design Narrative, Project Management Organization Chart (Annex D), and Personnel Descriptions, Résumés, and Letters of Commitment (Annex E)

The successful performance of the project depends heavily on the management skills and qualifications of the key personnel who carry out the scope of work, USDOL will emphasize the qualifications, management experience, and commitment of the key personnel identified. USDOL may give preference to Applicants proposing effective staffing strategies that aim to develop the capacity of national and/or local staff over the course of the project. USDOL will also consider the overall cost-effectiveness of the project's proposed staffing strategy, including other professional personnel proposed by the Applicant.

When evaluating key personnel candidates, USDOL will assess résumés.for each key personnel (Project Director, Education Specialist, Livelihoods Specialist, and Monitoring and Evaluation Officer) against the criteria outlined in Section III., Key Personnel.

Review and Selection Process

Each complete and responsive application will be objectively evaluated by a technical review panel against the criteria described in this solicitation. Neutral, non-religious criteria that neither favor nor disfavor religion will be employed in the selection of cooperative agreement awardees. Applicants are advised that panel recommendations to the Grant Officer are advisory in nature. The Grant Officer may elect to select a Grantee on the basis of the initial application submission or the Grant Officer may establish a competitive or technically acceptable range from which a Grantee will be selected. If deemed appropriate, the Grant Officer may call for the preparation and receipt of final revisions of applications, following which the evaluation process described above, may be repeated, in whole or in part, to consider such revisions. The Grant Officer will make final selection determinations based on panel findings and consideration of factors that represent the greatest advantage to the Federal Government, including cost, the availability of funds, and the Applicant's past performance on Federal awards. USDOL reserves the right to (1) solicit information from Federal sources about the Applicant's past performance on Federal awards—including evaluations, audits, attestation engagements, and questionnaires; (2) assess the Applicant's past performance on Federal awards with respect to its potential effect on grant implementation; and (3) consider this information as part of its selection process. If USDOL does not receive technically acceptable applications in response to this solicitation, it reserves the right to terminate the competition and not make any award. The Grant Officer's determinations for awards under this solicitation are final.

Applicants should note that the selection of an organization as a potential cooperative agreement recipient does not constitute approval of the cooperative agreement application as submitted in response to this solicitation. Before the actual cooperative agreement is awarded, USDOL may enter into discussions with one or more selected Applicants for any reason deemed necessary, including negotiating components of the project design/strategy; budget; project duration; staffing; funding levels; and financial and administrative systems in place to support implementation of the cooperative agreement (including relevant issues raised in submitted audit report(s)). If negotiations do not result in a mutually acceptable submission, the Grant Officer reserves the right to terminate the negotiation and decline to fund the application. In the actual cooperative agreement, USDOL reserves the right to place special provisions on Grantees, such as in cases where USDOL has concerns about their application, including in their audit report(s). USDOL also reserves the right to negotiate program components further after award during the project design consolidation phase.

Award of a cooperative agreement under this solicitation may also be contingent upon an exchange of project support letters between USDOL and the relevant host government ministries in Peru.

Anticipated Announcement and Award Dates

Designation decisions will be made within 45 days after the deadline for submission of applications, where possible. All cooperative agreements will be awarded no later than December 31, 2011. USDOL is not obligated to make any awards as result of this solicitation, and only the Grant Officer can bind USDOL to the provision of funds under this solicitation. Unless specifically provided in the cooperative agreement, USDOL's acceptance of a proposal and/or award of Federal funds does not waive any cooperative agreement requirements and/or procedures.

V. AWARD ADMINISTRATION INFORMATION

Award Notices

The Grant Officer will notify Applicants of designation results as follows:

<u>Designation Letter:</u> The designation letter signed by the Grant Officer serves as official notice of an Applicant's designation as Grantee. The designation letter will be accompanied by a cooperative agreement and USDOL/OCFT's most current Management Procedures and Guidelines (MPG). The MPG provides general management procedures and guidelines for Grant and Cooperative Agreements in areas that may not be explicitly detailed in the solicitation.

<u>Non-Designation Letter:</u> Applicants not designated will be notified formally of the non-designation. However, Applicants not designated must formally request a debriefing to be provided with the basic reasons for the determination.

Notification of designation by a person or entity other than the Grant Officer is not valid.

Administrative and National Policy Requirements

General

Grantees are subject to the terms outlined in this solicitation, the cooperative agreement, and the MPGs are all applicable to the implementation of projects awarded under this solicitation. They are also subject to applicable U.S. Federal laws (including provisions of appropriations laws) and regulations, Executive Orders, applicable OMB Circulars, listed in Section V. and USDOL policies. If, during project implementation, a Grantee is found in violation of any of the foregoing, the terms of the cooperative agreement awarded under this solicitation may be modified by USDOL; costs may be disallowed and recovered; the cooperative agreement may be terminated; and USDOL may take other action permitted by law. Determinations of allowable costs will be made in accordance with the applicable U.S. Federal cost principles.

Project Audits and External Auditing Arrangements

In accordance with 29 CFR Parts 96 and 99, USDOL has contracted with an independent external auditor to conduct project-specific attestation engagements at USDOL's expense to supplement the coverage provided by the annual audits/engagements that Grantees are required to arrange. Grantees scheduled for examination by USDOL's contractor will be notified approximately 2 to 4 weeks before the start of the engagement.
In addition, Grantees are subject to the following requirements related to audits and attestation engagements:

   i. U.S.-based non-profit Grantees whose total annual expenditure of Federal awards is more than $500,000 must have an organization-wide audit conducted in accordance with 29 CFR Parts 96 and 99, which codify the requirements of the Single Audit Act and OMB Circular A-133, and must comply with the timeframes established in those regulations for the submission of their audits to the Federal Audit Clearinghouse. Grantees must send a copy of each single audit conducted within the timeframe of the USDOL-funded project to their assigned USDOL Grant Officer's Technical Representative (GOTR) at the time it is submitted to the Federal Audit Clearinghouse.

   ii. All Grantees, including foreign-based and private for-profit Grantees, are subject to attestation engagements during the life of the cooperative agreement. Such an attestation engagement will be conducted in accordance with U.S. Government Auditing Standards, which includes auditors' opinions on (1) compliance with USDOL regulations and the provisions of the cooperative agreement and (2) the accuracy and reliability of the Grantee's financial and performance reports.

Administrative Standards and Provisions

Cooperative agreements awarded under this solicitation are subject to the following administrative standards and provisions outlined in the CFR that pertain to USDOL, and any other applicable standards that come into effect during the term of the cooperative agreement, if applicable to a particular Grantee:

- 29 CFR Part 2 Subpart D – Equal Treatment in Department of Labor Programs for Religious Organizations; Protection of Religious Liberty of Department of Labor Social Service Providers and Beneficiaries.
- 29 CFR Part 31 – Nondiscrimination in Federally Assisted Programs of the Department of Labor— Effectuation of Title VI of the Civil Rights Act of 1964.
- 29 CFR Part 32 – Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance.
- 29 CFR Part 33 – Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities Conducted by the Department of Labor.
- 29 CFR Part 35 – Nondiscrimination on the Basis of Age in Programs or Activities Receiving Federal Financial Assistance from the Department of Labor.
- 29 CFR Part 36 – Federal Standards for Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance.
- 29 CFR Part 93 – New Restrictions on Lobbying.
- 29 CFR Part 94 – Federal Standards for Government-wide Requirements for Drug-Free Workplace (Financial Assistance).
- 29 CFR Part 95 – Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and other Non-Profit Organizations, and with Commercial Organizations, For-Profit Organizations, Foreign Governments, Organizations Under the Jurisdiction of Foreign Governments and International Organizations.
- 29 CFR Part 96 – Federal Standards for Audit of Federally Funded Grants, Contracts and Other Agreements.
- 29 CFR Part 98 – Federal Standards for Government-wide Debarment and Suspension (Non-procurement).
- 29 CFR Part 99 – Federal Standards for Audits of States, Local Governments, and Non-Profit Organizations.

A copy of Title 29 of the CFR referenced in this solicitation is available from the U.S. Government Printing Office at no cost, online, at http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&sid=5e421ad42692a 3a28f382a9aba659b2b&rgn=div5&view=text&node=29:1.1.1.1.39&idno=29.
Copies of OMB Circulars referenced in this document can be found at:

- OMB Circular A-122 – Cost Principles for Non-Profit Organizations
  http://www.whitehouse.gov/sites/default/files/omb/assets/omb/fedreg/2005/083105_a122.pdf

- OMB Circular A-133 – Audits of States, Local Governments, and Non-Profit Organizations
  http://www.whitehouse.gov/sites/default/files/omb/assets/a133/a133_revised_2007.pdf

Copies of all regulations referenced in this solicitation are available at no cost, online, at http://www.dol.gov.

Transparency Act Requirements

Applicants must ensure that they have the necessary processes and systems in place to comply with the reporting requirements of the Federal Funding Accountability and Transparency Act of 2006 (Pub. Law 109-282, as amended by section 6202 of Pub. Law 110-252) as follows:

- All applicants, except for those excepted from the Transparency Act under sub-paragraphs 1, 2, and 3 below, must ensure that they have the necessary processes and systems in place to comply with the sub-

award and executive total compensation reporting requirements of the Transparency Act, should they receive funding.

- Upon award, applicants will receive detailed information on the reporting requirements of the Transparency Act, as described in 2 CFR Part 170, Appendix A, which can be found at the following website: http://edocket.access.gpo.gov/2010/pdf/2010-22705.pdf

The following types of awards are not subject to the Federal Funding Accountability and Transparency Act:

(1) Federal awards to individuals who apply for or receive Federal awards as natural persons (i.e., unrelated to any business or non-profit organization he or she may own or operate in his or her name);

(2) Federal awards to entities that had a gross income, from all sources, of less than $300,000 in the entities' previous tax year; and

(3) Federal awards, if the required reporting would disclose classified information.

Reporting and Deliverables

Grantees must submit copies of all required reports and deliverables to USDOL by the specified due dates, unless otherwise indicated. More information on the reports and deliverables and exact timeframes for their completion will be included in the cooperative agreement and the MPGs that are distributed to Grantees before signing the cooperative agreement with USDOL.

Needs Assessment of Learning Environments and Action Plan

Grantees are required to conduct a needs assessment and develop a plan to inspect schools and other learning environments attended by direct beneficiaries of the project; identify those with conditions that present risk of illness or injury to the health or safety of the children; and develop an action plan for mitigating such conditions, as stated in Section III. This needs assessment and corresponding action plan must be submitted to USDOL within 12 months of award.

Technical Progress and Financial Reports

Grantees must submit narrative technical progress reports to USDOL on a semi-annual basis by April 30 and October 30 of each year during the cooperative agreement period. However, USDOL reserves the right to require up to four technical progress reports a year. Technical progress report formats are in the MPG, which are distributed to Grantees after award. Grantees must also submit an electronic financial report (SF-425) to USDOL on a quarterly basis through the E-Grants system. The SF-425 must be submitted no more than 30 days after the end of each quarter, *i.e*., January 30; April 30; July 30; and October 30. In addition, Grantees are encouraged to submit a semi-annual update to USDOL of the project's detailed Outputs-Based Budget or a Financial Status Report that provides information on total allocations, expenditures, commitment of balances, and project balance by budget categories identified in the SF-424A.

Final Report

Grantees must submit final technical and financial reports no later than 90 days after the project completion date. This stand-alone report must provide a complete and comprehensive summary of the progress and achievements made during the life of the project.

Other Reports (Deliverables)

Final reports from all small-scale research studies proposed in the application. Grantees and USDOL will establish due dates according to project activities.

VI. AGENCY CONTACTS

All technical questions about this solicitation (SGA 11-07) must be sent in writing to Brenda White and James Kinslow, Grant Officer, U.S. Department of Labor's Office of Procurement Services, via e-mail (e-mail addresses: white.brenda.j@dol.gov and kinslow.james@dol.gov) no later than October 26, 2011 (16 days after publication) in order to receive a reply and allow responses to reach all prospective Applicants before the submission of their

applications. Compiled technical questions received by e-mail will be posted on USDOL/ILAB's Web site at www.dol.gov/ILAB/grants/main.htm within four weeks of this solicitation's publication. A general list of frequently asked questions (FAQs) about USDOL's Solicitations for Cooperative Agreements for Child Labor grants will also be posted on USDOL/ILAB's Web site at http://www.dol.gov/ILAB/grants/bkgrd.htm.

VII. OTHER INFORMATION

Office of Management and Budget Information Collection

This Solicitation for Cooperative Agreement Applications requests information from Applicants. This collection of information is approved under 1225-0086 OMB Information Collection No 1225-0086 (expires November 30, 2012). According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. Public reporting burden for the grant application is estimated to average 40 hours per response. These estimates include time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing and reviewing the collection of information, and drafting the proposal. Each recipient who receives a grant award notice will be required to submit semi-annual technical progress reports to ILAB. Each report will take approximately 10 hours to prepare. Any comments about the burden estimated or any other aspect of this collection of information, including suggestions for reducing this burden, should be directed to the USDOL, ILAB, OCFT, attention: Malaika Jeter (e-mail: jeter.malaika@dol.gov or phone: (202) 693-4821—please note that this is not a toll-free number); or in the USDOL Office of Procurement Services, attention: Brenda White and James Kinslow (e-mails: white.brenda.j@dol.gov and kinslow.james@dol.gov; phone: (202) 693-4570—please note that this is not a toll-free number). All applications should be sent to USDOL in hard copy by mail or via Grants.gov in accordance with the instructions outlined in Section III. of this solicitation.

This information is being collected for the purpose of awarding a cooperative agreement. The information collected through this Solicitation for Cooperative Agreement Applications will be used by the USDOL to ensure that cooperative agreements are awarded to the Applicants best suited to perform the functions of these cooperative agreements. Submission of this information is required in order for the Applicant to be considered for award of a cooperative agreement. Unless otherwise specifically noted in this announcement, information submitted in the respondent's application is not considered to be confidential.

Privacy Act and Freedom of Information Act

Any information submitted in response to this solicitation will be subject to the provisions of the Privacy Act and the Freedom of Information Act, as appropriate.

Signed at Washington, DC, this 13th October, 2011.

Grant Officer

Appendix A: Definitions

"**Acceptable work**," while not specifically defined in the ILO Conventions, is work that is performed by children who are of legal working age, in accordance with national legislation and international standards, namely ILO Conventions 182 and 138; non-hazardous; non-exploitative; and does not prevent a child from receiving the full benefit of an education. For example, "acceptable work" would generally include light work that is compatible with national minimum age legislation and education laws.

"**Area based approach**" allows for targeting of all forms of exploitative child labor within a defined geographic location.

A "**Child**" or "**children**" are individuals under the age of 18 years. For the purposes of this solicitation, this term also includes older children ("**youth**") who are under the age of 18 years.

"**Child labor**" **should**, for the purposes of this solicitation, be considered synonymous with the term **"exploitative child labor"**

"**Child labor monitoring system**" CLMS involves the identification, referral, protection, and prevention of exploitative child labor through the development of a coordinated multi-sector monitoring and referral process that aims to cover all children living in a given geographical area.

Progress in this field can be demonstrated if one or several of the following systems has been established:
- A comprehensive plan and/or pilot program to develop and establish national, local or sector specific CLMS.
- A CLMS covering various forms of child labor at the national level;
- A CLMS covering various forms of child labor at the local level:
- A CLMS in any formal or informal sector, urban or rural; or

A comprehensive and credible CLMS includes the following characteristics:
- The system is focused on the child at work and/or in school;
- It involves all relevant partners in the field, including labor inspectors if appropriate;
- It uses regular, repeated observations to identify children in the workplace and determine risks to which they are exposed;
- It refers identified children to the most appropriate alternative to ensure that they are withdrawn from hazardous work;
- It verifies whether the children have actually been removed and/or shifted from hazardous work to an appropriate situation (school or other);
- It tracks these children after their removal, to ensure that they have satisfactory alternatives; and
- It keeps records on the extent and nature of child labor and the schooling of identified child workers.

Children at high-risk of entering exploitative child labor refers to children who experience a set of conditions or circumstances (family environment or situation, proximity to economic activities prone to employ children, etc.) under which the child lives or to which the child is exposed that make it more likely that the child will be employed in exploitative child labor (e.g. siblings of working children). The definition of high-risk should be defined by the project and used in the baseline survey.

Children engaged in exploitative child labor includes those children (minors under age 18) working in the *worst forms of child labor* as outlined in ILO Convention 182 and children engaged in work that is exploitative and/or interferes with their ability to participate and complete required years of schooling. ILO Convention 182 defines the WFCL as:

(a) all forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage and serfdom and forced or compulsory labor, including forced or compulsory recruitment of children for use in armed conflict;

(b) the use, procuring or offering of a child for prostitution, the production of pornography or for pornographic performances;

(c) the use, procuring or offering of a child for illicit activities, in particular for the production and trafficking of drugs as defined in the relevant international treaties; and

(d) work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children.

Grantees are encouraged to consult Recommendation 190 accompanying C. 182 for additional guidance on identifying hazardous work.

"Cooperative agreement" an award instrument where substantial involvement is anticipated between the donor (USDOL) and the Grantee during the performance of project activities. The level of monitoring and accountability required by USDOL under a cooperative agreement is less than what is required under a contract, but more than what is required under a regular grant.

"Decent work" is an initiative led by the ILO that promotes higher productivity and fair income for all workers. It is based on four components: (1) job creation, (2) exercise of labor rights, (3) expansion of social protection programs, and (4) social dialogue**.**

"**Direct beneficiaries**" are children who have been provided with an education or training service by the project and households who have benefited from a livelihood service.

"**Direct educational services**" may involve either of the following:

1. The provision of goods and/or services (if lack thereof is a barrier to education) that meets direct beneficiaries' specific needs and results in their enrollment in at least one of the four categories of educational activities listed below. Examples of goods and/or services that may meet the specific gaps/educational needs of targeted children include tutoring, school meals, uniforms, school supplies and materials, books, tuition and transportation vouchers, or other types of non-monetary incentives.

    The four categories of educational activities that qualify are:
    a. Non-formal or basic literacy education- This type of educational activity may include transitional, leveling, or literacy classes so that a child may either be mainstreamed into formal education and/or can participate in vocational training activities;
    b. Vocational, pre-vocational, or skills training- This type of training is designed to develop a particular, marketable skill (*i.e.,* mechanics, sewing);
    c. Formal education - This is defined as the formal school system within the select country; or
    d. Mainstreaming - This type of educational activity involves transitioning children from non-formal education into the formal education system. Generally, mainstreaming involves the provision of goods and/or services that may assist in placement testing and enable a child to attend and stay in school.

OR

2. The direct provision of at least one of the following two educational activities by the project to its direct beneficiaries:

    a. Non-formal or basic literacy education; or
    b. Vocational, pre-vocational, or skills training.

Grantees must be able to match a particular service or educational or training opportunity to an individual child. Therefore, project interventions such as infrastructure improvements to schools and other learning environments, teacher training, construction of latrines, inclusion of child labor modules in teacher curriculum, or the provision of classroom chalkboards are not considered "direct educational services" as defined above (see definition of "other project interventions").

"**Direct services**" is a general category of interventions that includes "direct educational services" and "other direct services" provided by the project.

"**Educational services**" refers to formal or nonformal education:

1. Formal education services refer to education provided and/or recognized by the government. Formal education may include government schools, private schools, religious schools, etc. The support of formal education may involve the provision of goods and/or services including direct costs such as school fees and teaching and learning materials and indirect costs such as school uniforms, transportation costs, etc. These goods and/or services are intended to ensure that the child will attend and stay in school.

2. **Nonformal Education** services refer to education provided by any organization or body outside of the formal school system. This education may include literacy, mainstreaming education, accelerated learning, community-based education, bridge courses, remedial education, life skills, etc. Nonformal education services may lead to mainstreaming into formal education or equivalent school certificates.

3. **Vocational** services refer to education and/or training related to a specific vocation, trade or occupation. Vocational education is differentiated from formal or nonformal education and should **not** be counted under formal and nonformal education services.

"**Hazardous work**". The worst forms of child labor referred to in Article 3(d) of Convention 182 are known as "**hazardous work**." According to ILO Convention 182, hazardous work "shall be determined by national laws or regulations or by the competent authority, after consultation with the organizations of employers and workers concerned, taking into consideration relevant international standards…" As this suggests, forms of work identified as "hazardous" for children [Article 3(d)] may vary from country to country. ILO Recommendation No. 190, which accompanies ILO Convention 182, gives additional guidance on identifying "hazardous work." ILO Recommendation No. 190 states in Section II, Paragraph 3 that, "[i]n determining the types of work referred to under Article 3(d) of the Convention [ILO Convention 182], and in identifying where they exist, consideration should be given, inter alia to:

a. work which exposes children to physical, psychological, or sexual abuse;
b. work underground, under water, at dangerous heights or in confined spaces;
c. work with dangerous machinery, equipment and tools, or which involves the manual handling or transport of heavy loads;
d. work in an unhealthy environment which may, for example, expose children to hazardous substances, agents or processes, or to temperatures, noise levels, or vibrations damaging to their health;
e. work under particularly difficult conditions such as work for long hours or during the night or work where the child is unreasonably confined to the premises of the employer."

ILO Recommendation No. 190 goes on to state in Paragraph 4 that, "[f]or the types of work referred to under Article 3(d) of the Convention and Paragraph 3 above, national laws or regulations or the competent authority could, after consultation with the workers' and employers' organizations concerned, authorize employment or work as from the age of 16 on condition that the health, safety and morals of the children concerned are fully protected, and that the children have received adequate specific instruction or vocational training in the relevant branch of activity."

"**Indirect beneficiaries**" are individuals who may benefit from "other direct services" and/or "other project interventions" provided by the project but who do not receive a "direct educational service." Such individuals would not qualify as direct beneficiaries.

"**Key stakeholders**" can include, but are not limited to: parents, educators, community leaders, national policy makers, and key opinion leaders.

"**Livelihood**" is defined as a means of living, and the capabilities, assets (including both material and social

resources, such as, food, potable water, health facilities, educational opportunities, housing, and time for participation in the community), and activities required for it. A livelihood encompasses income, as well as social institutions, gender relations, and property rights required to support and sustain a certain standard of living. It includes access to and benefits derived from social and public services provided by the state, such as education, health services, and other infrastructure. Sustainable livelihood programs seek to create long-lasting solutions to poverty by empowering their target population and addressing their overall well-being. USDOL child labor elimination projects focus on ensuring that households can cope with and recover from the stresses and shocks and maintain or enhance present and future capabilities and assets in a way that helps them overcome the need to rely on the labor of their children to meet basic needs.

"Livelihood services" may include, but are not limited to, the provision or linkage to education and training, employment services, economic strengthening services, income smoothing services, and social capital services. Definitions of livelihood services include but are not limited to the following categories:

- **Education and training services** aim to provide adult participants with the basic skills and knowledge necessary to benefit from social services, financial services, and higher education. Education and training services may include the provision or linkage to life skills, leadership training, financial education, and literacy and numeracy programs. Only ***adults***[104] may be counted in this category as receiving education and training services. Please note that children receiving education and training services would be counted under ED1.

- **Income smoothing services** aim to mitigate economic shocks by leveling out the income of participants over time. Income smoothing services may include village savings and loan programs, micro-insurance, micro-savings, (un)conditional cash transfer programs, health services, food programs, housing, and initiatives that aim to diversify the income sources of participants. ***Adults and children*** may receive income smoothing services.

- **Social capital services** aim to expand a participant's connection within and between social networks. Social capital services may include the provision or linkage to support groups and labor sharing arrangements. ***Adults and children*** may receive social capital services.

- **Employment services** aim to increase employment, job retention, earnings, and occupational skills of participants. Employment services may include the provision or linkage to employment assistance programs, vocational and business training, business start-up packages, occupational safety and health training, micro-franchise programs, job placement, apprenticeships and public works programs. ***Adults and children*** of the legal working age may receive employment services.

- **Economic strengthening services** aim to increase the economic well-being of participants. Economic strengthening services may include the provision or linkage to micro-credit, productivity transfers, and cooperatives. ***Adults and children*** of the legal working age may receive economic strengthening services.

- **Productivity transfers** are inputs aimed at improving the productivity and/or efficiency of processes and may include, for example, training, <u>seeds</u>, <u>fertilizers</u>, <u>fuel</u>, and labor-saving technologies.

- **Cooperatives** are groups owned and operated by individuals, organizations or businesses for their mutual benefit. For example, agricultural cooperatives or farmers' co-op, may provide services, such as training, to individual farming members; pool production resources (land, machinery) so that members can farm together; provide members with inputs for agricultural production, such as <u>seeds</u>, <u>fertilizers</u>, and <u>machinery</u>; and engage in the <u>transformation</u>, <u>distribution</u>, and <u>marketing</u> of farm products.

"**Other direct services**" are services, other than "direct educational services," that are (1) considered essential for ensuring reduction of children in exploitative child labor and (2) provided directly to the project's direct

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[104] A legal <u>adult</u> is a person who has attained the age of 18.

beneficiaries. Some examples of "other direct services" would include extracurricular activities during school breaks; and psychosocial counseling or medical care (*e.g.,* for children withdrawn from commercial sexual exploitation, child soldiering). Another example would be providing direct beneficiaries who meet minimum age requirements for employment (particularly children 15-17 years) with occupational safety and/or health interventions that promote safe, acceptable work (*e.g*., protective masks, goggles, gloves) or job placement services to facilitate children's transition from a vocational or skills training program into acceptable work. If the project provides children with one or more "other direct services" but does not provide them with a "direct educational service," then the project cannot count these children as "direct beneficiaries." However, such children may be considered "indirect beneficiaries."

"**Other project interventions**" are services that benefit children and their families, but do not qualify as either "direct educational services" or "other direct services." Examples of "other project interventions" include such activities as awareness raising and social mobilization campaigns to combat exploitative child labor and promote education; alternative income-generating activities and business/skills training for parents; teacher training; inclusion of child labor modules into teacher curriculum or other curricula improvements; and/or infrastructure improvements to schools and other learning environments (including the construction of latrines and digging of wells), which are seen as necessary for ensuring the long-term reduction of children in exploitative labor because they increase access to basic education and/or improve its quality. Individuals who do not receive a "direct educational service," but benefit from one or more "other project interventions," cannot be considered "direct beneficiaries" of the project. Such individuals may, however, be considered "indirect beneficiaries" of the project.

"**Social protection programs**" are government interventions that seek to mitigate the impact of economic shocks, promote equity, and reduce poverty by providing social assistance to vulnerable populations. They can include cash transfers, microloans, health insurance, scholarships, savings, vocational training, and temporary jobs. Some of USDOL-funded projects have worked with governments to include project beneficiaries in social protection programs, provide project services to social protection beneficiaries or conduct joint initiatives to combat child labor within the social-protection programs' framework.

"**South-South cooperation**" refers to partnerships between developing countries in which the parties share lessons learned. For the purposes of this SGA, the focus is on lessons learned to address the worst forms of child labor and provide support to vulnerable households.

"**Worst forms of child labor**" are defined in Article 3 of ILO Convention 182 as:

  a. all forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage and serfdom and forced or compulsory labor, including forced or compulsory recruitment of children for use in armed conflict;
  b. the use, procuring or offering of a child for prostitution, the production of pornography or for pornographic performances;
  c. the use, procuring or offering of a child for illicit activities, in particular for the production and trafficking of drugs as defined in the relevant international treaties;
  d. work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children.

"**Youth employment**" According to the ILO, approximately 81 million of the unemployed are between 15 and 24 years of age.[105] Youth employment opportunities address this population, which is faced with a lack of sufficient and sustainable decent work and vulnerable barriers, including underemployment, temporary and involuntary work with few benefits, and limited opportunities for advancement. USDOL projects recognize the value of safe work for youth and their families and may support efforts to (1) promote youth employment opportunities that ensure youth can access educational, developmental, vocational, economic and social opportunities, and (2) protect working children from hazards in the workplace**.**

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[105] Youth Employment: The challenge, http://www.ilo.org/employment/Areasofwork/lang--en/WCMS_143354/index.htm

Appendix B: Cost Proposal Format

 I. Cost Proposal

  A. Required Standard Forms
   1. SF-424 Supplemental Key Contacts Information
   2. SF-424 Application for Federal Assistance, including all applicable DUNS Numbers in
   Block 8 (and as an attachment for each subgrantee or subcontractor, as applicable)
   3. SF-424A Budget Information (Non-Construction Programs)

  B. Outputs-Based Budget

  C. Budget Narrative

  D. Indirect Cost Information

   1. Indirect Cost Form for the Applicant (including one for each subgrantee and subcontractor,
   as applicable);
   2. One of the following for the Applicant (including one for each subgrantee and subcontractor, as
   applicable) (1) A current, approved Negotiated Indirect Cost Rate Agreement (NICRA) or (2) A
   Certificate of Direct Costs.

 E. Cost Sharing (Optional)

  F. Survey on Ensuring Equal Opportunity for Applicants (Optional)

Note: The SF-424 Supplemental Key Contacts Information Form, SF-424 Application for Federal Assistance, SF-424A Budget Information, Indirect Cost Information Form, Survey on Ensuring Equal Opportunity for Applicants, and a Sample Outputs-Based Budget are available from USDOL/ILAB's Web site at http://www.dol.gov/ilab/grants/bkgrd.htm. All forms in the SF-424 family of forms are also available on Grants.gov.

Appendix C: Technical Proposal Format

I. Technical Proposal

A. Executive Summary
(Maximum 2 single-sided, 8 1/2" x 11" pages with 1-inch margins and font size no less than 11-point)

B. Table of Contents

C. Project Design Narrative
(Maximum 60 single-sided, double-spaced 8 1/2" x 11" pages with 1-inch margins and font size no less than 11-point)

    1. Background and Justification
    2. Project Design and Strategy
          a. Strategy for research on child labor
    3. Organizational Capacity
          a. International and U.S. Government Grant and/or Contract Experience
          b. Fiscal Oversight
    4. Personnel and Project Management Plan
          a. Key Personnel
          b. Other Professional Personnel
          c. Project Management Plan

II. Annexes to the Technical Proposal
(These do not count towards the 60-page maximum for the Project Design Narrative)

        Annex A: Logic Model
        Annex B: Work Plan
        Annex C: Past Performance Table(s)
        Annex D: Project Management Organization Chart
        Annex E: Personnel Descriptions, Résumés, and Letters of Commitment
        Annex F: Documentation of Country Presence and Host Government Support
        Annex G: Audit Report(s)

Appendix D: **Primary and Secondary Completion Rates by Region**

Region	Primary Completion Rate among 12-13 year olds (%)	Secondary Completion Rate among 17-18 year olds (%)
Amazonas	61.1	37.2
Ancash	69.9	53.0
Apurímac	67.2	60.7
Arequipa	86.1	77.3
Ayacucho	59.6	48.7
Cajamarca	60.4	39.9
Callao	81.3	71.2
Cusco	60.2	53.0
Huancavelica	50.9	40.7
Huánuco	46.7	35.7
Ica	85.9	68.9
Junin	75.2	67.0
La Libertad	66.8	56.5
Lambayeque	76.3	57.1
Lima (Metro./Provinces)	82.2/80.7	74.4/69.7
Loreto	48.9	42.4
Madre de Dios	77.6	60.8
Moquegua	76.2	67.9
Pasco	83.4	64.3
Piura	74.7	49.4
Puno	78.9	73.6
San Martín	63.5	51.7
Tacna	82.0	77.4
Tumbes	80.8	71.6
Ucayali	72.4	43.8

Source: INEI and Encuesta Nacional de Hogares data, 2010 available from www.escale.mined.gob.pe.

Appendix E: **Economically Active Children and Population by Region**

Region	Number of economically active children 1/	Total population 2/	Working children as percent of total population
Amazonas	93,000	376,000	24.7%
Ancash	126,600	1,063,500	11.9%
Apurímac	86,600	404,190	21.4%
Arequipa	43,700	1,152,303	3.8%
Ayacucho	65,000	612,489	10.6%
Cajamarca	174,800	1,388,000	12.6%
Callao	22,100	876,877	2.5%
Cusco	175,300	1,171,403	15.0%
Huancavelica	111,200	455,000	24.4%
Huánuco	169,700	762,223	22.3%
Ica	35,500	711,932	5.0%
Junin	151,200	1,225,474	12.3%
La Libertad	97,800	1,617,050	6.0%
Lambayeque	64,000	1,113,000	5.8%
Lima	226,300	8,445,211	2.5%
Loreto	60,300	891,732	6.8%
Madre de Dios	12,000	109,555	11.6%
Moquegua	7,500	161,533	4.6%
Pasco	36,800	280,449	13.1%
Piura	136,700	1,676,315	8.2%
Puno	238,000	1,268,441	18.8%
San Martín	45,400	728,808	6.2%
Tacna	14,600	288,800	5.1%
Tumbes	12,700	200,306	6.3%
Ucayali	47,500	432,159	11.0%

Sources:

1/ *Peru: Niños y Niñas que Trabajan*, 2009, data from INEI Encuesta Nacional de Hogares 2008.

2/ INEI 2007 census

Appendix F: Population and poverty rates in Huancavelica and Huanuco by Province

Huancavelica

Province	Population	Poverty rate (%)
Tayacaja	104,901	89.2
Churcampa	44,903	88.9
Acobamba	63,792	88.0
Angaraes	55,704	87.6
Huaytará	23,274	78.3
Huancavelica	142,723	78.1
Castrovirreyna	19,500	77.8
Total Region	**454,797**	**85.7**

Huanuco

Province	Population	Poverty rate (%)
Yarowilca	32,380	85.2
Pachitea	60,321	81.9
Dos de Mayo	47,008	78.8
Huamalíes	66,450	76.5
Huacaybamba	20,408	76.1
Ambo	55,483	68.8
Marañón	26,620	68.7
Lauricocha	35,323	66.9
Huánuco	270,233	52.8
Puerto Inca	31,032	48.2
Leoncio Prado	116,965	43.7
Total Region	**762,223**	**64.9**

Source: INEI 2007 National Census, available at http://www.inei.gob.pe/