



Reference: Funding Opportunity 72052720APS00001

Amendment Number: One (1)

Issuance Date of Amendment Number One (1): April 12, 2020

Agreement Officer: G. Michael Junge

Subject: Amendment One (1) to the PERU NEW PARTNERSHIP AND PRIVATE SECTOR ENGAGEMENT INITIATIVE – Notice of Funding Opportunity/Annual Program Statement Number 72052720APS00001

Dear Prospective Applicants:

The purpose of this Amendment One (1) to reference funding opportunity is to include and additional area of intervention for Development Assistance.

Therefore, the APS as described above is hereby amended as follows:

1. SECTION A: PROGRAM DESCRIPTION:

After “4. Venezuelan Migration Response” add “5. COVID-19 Response”.

2. SECTION D: APPLICATION AND SUBMISSION INFORMATION: under subsection A – Agency Point of Contact:

After "4. Venezuelan Migration Response" add "5. COVID-19 Response".

3. SECTION H: OTHER INFORMATION A – PROGRAM FUNDING AREAS", add the following numbers to the section headings:

- Add a "1." in front of “Alternative Development (AD)”
- Add a "2." in front of “Environmental and Sustainable Growth (ESG)”
- Add a "3." in front of “Governance and Institutional Strengthening (GIS)”
- Add a "4." in front of “Venezuelan Migration Response”

4. SECTION H: OTHER INFORMATION A – PROGRAM FUNDING AREAS", at the end of subsection "4. Venezuelan Migration Response", add the following:

“5. COVID-19 RESPONSE

Problem Statement:

Peru’s decentralized health system lacks the capacity and resources to contain the spread of COVID-19.

Theory of Change: If the Government of Peru is able to increase its capacity and resources to respond to the COVID-19 crisis, **THEN** there will be a reduction in the impacts of the disease.

Purpose Statement: USAID will assist the Government of Peru to: (1) stem the further transmission and re-emergence of COVID-19; and (2) mitigate second-order impacts of the disease to prevent backsliding on shared, top-level development and security objectives.

Background:

The COVID-19 pandemic hit Peru as its healthcare system was grappling with severe seasonal outbreaks of dengue and malaria and the arrival of almost one million Venezuelan refugees and migrants. While the Peruvian Government has taken drastic measures to reduce the spread of COVID-19 (particularly through strict, nationwide forced social isolation measures that include a complete border closure, curfews, and a prohibition on the movement of private vehicles, with limited exceptions), the disease could overwhelm an already overstretched system. Peru’s decentralized system – on which the provision of healthcare and other essential services depends – presents major challenges in procuring and mobilizing resources to address immediate health needs and second-order impacts of the crisis.

In terms of immediate needs, the Government of Peru has requested medical equipment and supplies to test and treat an escalating number of COVID-19 patients (e.g., test kits, personal protective equipment, ventilators, thermometers, and ICU beds); and technical assistance to strengthen capacity for surveillance and rapid response, infection prevention and control, and risk communication and community engagement – particularly in areas outside of Lima that lack access to adequate water and sanitation services.

To address second-order impacts, the Government of Peru has rolled out a suite of emergency measures – including its *Reactiva Perú* initiative, announced on April 3, 2020 – to assist poor individuals and extend credit guarantees to businesses. Further interventions may be necessary, however, depending on the trajectory of the disease and ongoing efforts to contain it. Already, COVID-19 has disrupted the livelihoods of thousands of families in both the formal and informal economy, opening up opportunities for malign actors that traffic in drugs, timber, gold, and persons. The Venezuelan refugee

and migrant population, indigenous communities, and women are particularly vulnerable to exploitation.

The Government of Peru's hotline to report violence against women received 5,418 calls during the first 15 days of the national state of emergency. Gender-based violence in Peru's jungle areas was disproportionately high before COVID-19 arrived and has only intensified as families struggle to cope with the added social and economic stress unleashed by the disease. These same families are heavily dependent on the sale of labor-intensive, agricultural crops such as cacao and coffee. The Peruvian cacao sector reached \$294 million in exports in 2019 (a ten percent increase over the previous year) but could contract significantly should the crisis continue unabated in Europe (a major producer and buyer of fine chocolate). The sharp, COVID-induced curtailment in global demand, financing, and labor to harvest cacao and coffee could turn struggling families back to the drug trade and other illicit sources of revenue. Indigenous communities lack access to vital health information and services and may face heightened threats of deforestation and encroachment on their territories. Venezuelan refugees and migrants, who are heavily reliant on the informal economy and generally lack access to public services, suffer disproportionately within this new COVID context.

[End of Amendment No. 1]