



**Cuban Civil Society Support Program
(CCSSP)**

Contract Number DOT-I-00-03-00009-00

Monthly Report

MAY
~~February 16 June 11~~

Submitted June 6, 2011

1. Country Situation Update

The Cuban Communist Party concluded its Congress in April and on May 11th the government released the approved guidelines for economic reform. The guidelines officially instituted changes including: legal sale of real estate and cars; expansion of private cooperatives; the possibility for Cubans to travel outside the island; and the conversion of many public buildings into residential property to alleviate the country's housing shortage. The actual legislation regulating these changes is being developed.

Since taking office in 2008, President Raul Castro has promoted timid reforms that suggest a shift towards a free market system. There is disagreement among Cuba analysts regarding the possible success of the newly released guidelines. Pessimistic analysts, including: Oscar Espinosa Chepe (Cubanet), Carlos Alberto Montaner (Miami Herald), and Tomas Bilbao, (Cuba Study Group), believe Cuba will continue its economic nosedive with a poorly designed package of guidelines and further argue the failing economy needs real structural change towards a market economy creating access to foreign credit, freedom for private ownership, and ability to conduct private business. Optimistic analysts, including: Jeff Franks (Reuters), Paul Haven (Associated Press), and Domingo Amuchástegui Álvarez (Cuba Encuentro), see the reforms creating an entrepreneurial class that will change the economic landscape.

The Cuban government initially planned to lay-off half a million workers in the first quarter of 2011 with the anticipation those workers would become "*cuentapropistas*" and alleviate labor shortages in certain sectors. Castro has since stated a slower dismissal process would be better suited for the realities of Cuban society. Many analysts believe the reform process should have begun the day Raul Castro took office when he recognized the necessity for reforms in the employment sector to secure the survival of socialism, which created initial expectations for change among citizens.

Despite the initial delay, the most recent release of economic reforms has proven the Party leadership has no intention of revoking or reversing the process in the near future. Castro understands reform is necessary to assure the survival of the regime; but, it is not clear to what degree the elites will tolerate reform before a successful entrepreneurial class emerges and begins to demand increased freedoms. The current pro-democracy movements in the Middle East, Spain and France highlight the importance of Internet and social network capacity for a successful civil society shift. The emergence of a potentially prosperous entrepreneurial class will create greater access to technology and could present a threat to the regime.

USA-Cuba: Internet and the "Cyber war"

The U.S. government is expanding news broadcasting in Cuba through Radio and TV Martí presence in social networks. Internet, Facebook, Twitter and SMS messaging are the latest media forms utilized to aid free flow of news to and within the island, in addition to the Radio and TV Martí programming, whose signals are often jammed by the Cuban government.

Tension between the U.S. and Cuba remains high after the Cuban broadcast of the video series, "*Las Razones de Cuba*," on state television. The series demonstrates the Cuban government's concern for social organization development and mobilization through the Internet, as well as its willingness to counter-attack. The government denounced USAID program infiltration with independent groups on the island, intimidating citizens from joining independent organizations. The video series is the latest of attacks toward USAID Cuba programs, which struggle to maintain credibility concerning their mission and use of resources. Sen. John Kerry has frozen this year's \$20 million budget for Cuba programming, forcing agency administrators to revamp program management.

Human Rights and Dissidents

Raul Castro has been involved in conversations with the Catholic Church in Cuba regarding improvements of treatments and release of political prisoners in Cuba. These talks represent the continuation of an ideological shift started last year to seek collaboration with a religious institution on matters of mutual interest. Although recent events along with the economic reforms generate hope for human rights improvements, the situation for dissidents has worsened in recent months. Around the time of Castro's discussions with the Church and the release of political prisoners, opponents' arrests were for short periods of time. Currently, however, State security and police have become more physically aggressive toward dissidents and those arrested are detained for longer periods. On a positive note, increased cell phone use on the island has translated in increased visual documentation of repression against dissidents. For example, upon dissident Juan Wilfredo Soto's death caused by a brutal beating by State police, the news was released quickly because citizens with cellphones were able to record and send the images abroad.

Throughout the month of April, the "*Observatorio Cubano de Derechos Humanos*" in Madrid reported at least 300 incidents of violence and 244 short-term arrests against dissidents, human rights defenders and independent journalists in Cuba. The organization also questioned the Cuban government regarding the death of Juan Wilfredo Soto. The doctor who performed autopsy reportedly said that Soto showed no bruising and Granma, the State newspaper, stated in an editorial the claim over his death was the most recent example of the "hundreds of smear campaigns" orchestrated by the U.S. government against Cuba.

2. Programmatic Highlights and Major Activities

Programmatic Activities:

Key Programmatic Accomplishments:

- *Sector CP - This innovative sector seeks to counter apathy and stimulate civic engagement by supporting media projects that communicate positive, unbiased messages through different aspects of everyday life and humor. In previous activities under this sector, the CCSSP created a variety of media products and was able to shape the social content of the items produced to promote civic analysis and a sense of duty for the targeted audience.*
 - [SJO076]: The grantee is in the final stage of creating two deliverables, defining various key elements, and beginning production. In May, additional supplementary content was developed in an off-site location. The grantee presented the first draft product with the supplementary content. The grantee is simultaneously testing a distribution strategy in the island to have the platform operational for the product launch by the end of June.
 - [SJO079]: In May, the grantee completed the second set of products under this grant and is distributing them through online platforms. In June, a third product is scheduled for launch and distribution. According to all indicators collected under a reporting tool, the distribution strategy has been successful with a growing audience on the island.
 - [SJO083]: The final version of the product was delivered. Strategy meetings were held between the grantee and local organizations to discuss product distribution to take place in June. The grantee will travel to present the product and conduct a workshop for youth interested in participating in the distribution. To support additional distribution channels, a collaboration meeting is planned for June in a third country.

- [SJO084]: The online platform created and launched in grant SJO068 was revised in May. The public launch took place May 31st and the promotion stage is scheduled for June and July.

- **Sector CP (2)** - *This sector has exponentially exceeded expectations, and has demonstrated a true desire for freedom of expression and a need for increased networking capacity on the island. Therefore, the CCSSP has allocated significant resources toward achieving further success in this sector.*
 - [SJO077]: Grant activities were completed this month, with improvements made on the communications platform, reporting function, and subscription growth and sustainability. Grant deliverables, final activity, and financial reports, submitted on May 31st, are currently under review by CREA staff to ensure compliance and activity impact assessment. Grant due to close May 31, however grantee has requested a no-cost extension to continue activities. CREA is in the process of reviewing the request and preparing an Amendment.
 - [SJO087]: This grant is due to close May 31. However the grantee requested a no-cost extension in order to submit all deliverables. CREA is in the process of reviewing the request and preparing an Amendment.

- **Sector US** – *In this sector, CCSSP explored the reality of this population group and discovered significant potential for civic initiatives. With Latin American NGOs whose experience and characteristics are similar to the target population, civic activities are conducted to influence independent action.*
 - [SJO075]: In May, the grantee initiated a virtual training platform for beneficiaries on the island to build youth networks. Beneficiaries began plans for cross-province network activities and the first is scheduled to take place at the beginning of June.

- **Other Activities**
 - [SJO074]: The final draft version of the product was approved by the grantee. Product development advanced the past month with activities in a third country. The grantee will perform a series of focus groups with the targeted audience in a third country, and a cost-amendment is needed for these activities.
 - [SJO078]: The grantee successfully developed activities presented in the work plan. A consultant will be traveling to the island next month to provide assistance for further activities and improve reporting capabilities; CREA will issue a cost-amendment to allow for this travel.
 - [SJO082]: Due to administrative issues with the grantee and other implementation partners, travel to the island scheduled for April has been delayed. Nevertheless, these issues have been resolved with intervention from OTI/CREA, and the grantee is currently finalizing travel logistics. OTI/CREA is in discussions to include more staff to ensure the completion of all objectives despite initial delays.
 - [SJO085]: Beneficiaries on the island presented budgets for future activities and CREA processed the requested support in late May. The grantee is testing new methods to provide support to beneficiaries.

- [SJO086]: Strategic meetings were held with the grantee and a partner organization to coordinate follow-on activities to deliverables presented under SJO073. These meetings resulted in a finalized work plan, negotiated additional partnerships, and established operational mechanisms for the initiative.
- [SJO088]: The grantee created a strategic alliance with an organization for beneficiaries to travel to a third county for training sessions to develop capacity for future activities. The beneficiaries are expected to travel in July. The grantee will manage travel details with the intermediary partner and OTI/CREA.

Program Operations

- Grants cleared to date: **82** (13 in process, 10 completed, 54 closed, 4 cancelled, 5 rejected after clearance)

Status Count				
Pending	Cleared	Completed	Closed	Cancelled / Rejected
1	13	10	54	4 / 10* <i>*5 had been cleared</i>

USAID | OTI | CREA | CCSSP

CLEARED		
1	SJO074	\$35,344.00
2	SJO075	\$69,655.00
3	SJO076	\$69,435.00
4	SJO077	\$200,180.00
5	SJO078	\$38,160.00
6	SJO079	\$42,560.00
7	SJO082	\$185,409.00
8	SJO083	\$32,390.00
9	SJO084	\$91,254.00
10	SJO085	\$46,293.00
11	SJO086	\$13,657.00
12	SJO087	\$90,000.00
13	SJO088	\$47,801.00
Subtotal:		\$962,138.00

COMPLETED		
1	SJO032	\$78,792.00
2	SJO061	\$26,671.00
3	SJO062	\$54,802.00
4	SJO065	\$42,789.00
5	SJO068	\$75,665.00
6	SJO070	\$28,325.00
7	SJO071	\$55,674.00
8	SJO072	\$231,558.00
9	SJO080	\$5,766.00
10	SJO081	\$11,540.00
Subtotal:		\$611,582.00

CLOSED		
1	SJO001	\$95,420.00
2	SJO003	\$17,157.00
3	SJO006	\$81,421.00
4	SJO007	\$123,098.00
5	SJO008	\$34,332.00
6	SJO009	\$24,256.00
7	SJO010	\$30,359.00
8	SJO011	\$19,601.00

CLOSED		
9	SJO012	\$14,204.00
10	SJO014	\$47,453.00
11	SJO015	\$7,328.00
12	SJO016	\$72,709.00
13	SJO017	\$2,345.00
14	SJO018	\$12,759.00
15	SJO019	\$89,059.00
16	SJO020	\$11,430.00
17	SJO022	\$72,098.00
18	SJO024	\$12,784.00
19	SJO025	\$86,994.00
20	SJO026	\$4,655.00
21	SJO027	\$4,743.00
22	SJO028	\$63,655.00
23	SJO029	\$57,625.00
24	SJO030	\$17,830.00
25	SJO031	\$5,876.00
26	SJO033	\$74,390.00
27	SJO034	\$65,522.00
28	SJO035	\$19,429.00
29	SJO036	\$14,525.00
30	SJO037	\$36,210.00
31	SJO038	\$99,163.00
32	SJO039	\$38,510.00
33	SJO040	\$141,427.00
34	SJO041	\$4,947.00
35	SJO042	\$21,551.00
36	SJO044	\$86,900.00
37	SJO046	\$21,940.00
38	SJO047	\$29,152.00
39	SJO048	\$4,542.00
40	SJO049	\$89,900.00
41	SJO050	\$129,050.00
42	SJO052	\$53,161.00
43	SJO053	\$12,248.00
44	SJO054	\$30,309.00
45	SJO055	\$55,503.00
46	SJO056	\$69,091.00

CLOSED		
47	SJO057	\$4,514.00
48	SJO058	\$125,571.00
49	SJO063	\$8,819.00
50	SJO064	\$4,284.00
51	SJO066	\$17,256.00
52	SJO067	\$86,732.00
53	SJO069	\$19,149.00
54	SJO073	\$24,155.00
1	SJO001	\$95,420.00
2	SJO003	\$17,157.00
3	SJO006	\$81,421.00
4	SJO007	\$123,098.00
Subtotal:		\$2,397,141.00

PENDING		
1	ijcSJO050	
Subtotal:		

CANCELLED		
1	SJO013	\$9,825.00
2	SJO043	\$5,687.00
3	SJO045	\$16,707.00
4	SJO059	\$3,325.00
Subtotal:		\$35,544.00

REJECTED		
1	iSJO001	
2	iSJO010	
3	iSJO011	
4	SJO002	Rejected After Clearance
5	SJO004	
6	SJO005	
7	SJO021	
8	SJO023	
9	SJO051	Never Approved
10	SJO060	

Administration and Operations

- Activity Database (ADa): CREA staff has successfully transitioned to the updated database front end, and will continue to provide information on activities from the field.
- Procurement: CREA staff continues with procurement to provide in-kind support to grantees activities.
- Finance: All financial transactions continue to be managed from Washington, D.C.
- Human Resources: CREA plans to hire a financial consultant for 5 days to assist the program from the field.
- Close Out: CREA staff continues to follow the close out processes outlined in the CCSSP Close Out Plan, which was submitted to OTI on March 31, 2011. All grants are scheduled to close by July 31, 2011

allowing for time to complete all administrative and operational duties for Program close on September 30, 2011.

3. Budget Information

CLIN	Description	Total	Obligated	Disbursed April 2011	Cumulative Amount
001	Operations	\$ 4,887,599		\$ 81,442.17	\$ 4,086,146.27
002	Fixed Fee Operations	\$ 244,380		\$ 4,072.11	\$ 204,307.32
003	Grants	\$ 10,200,000		\$ 201,062.21	\$ 3,257,808.00
004	Fixed Fee on Grants	\$ 204,000		\$ 4,021.24	\$ 65,156.15
	TOTAL	\$ 15,535,979	\$ 9,170,671	\$ 290,597.73	\$ 7,613,417.75

4. Problems Encountered: Issues and Proposed Actions

- There are no issues or problems to report in this period.

5. Upcoming Activities

CREA has the following activities planned for June 2011:

- CREA plans to sign new grant to support agreed upon activities in meetings held under SJO086, which will continue through July 31st and then transition to independent management by partner organizations.
- A new grant will be signed with the grantee of SJO082, to facilitate Monitor and Evaluation exercises in the field, complimentary to the activities under SJO082.
- A follow-on grant to activities under SJO074 will be signed this month.
- CREA is planning to sign a follow-on grant to SJO079 to hold a strategic meeting to initiate strategic discussions with the grantee to determine continuation and sustainability of this project.
- CREA is in discussions with the grantee to develop a follow-on grant to SJO077 to support sustainability efforts to continue the initiative after program close out.