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U.S. AGENCY FOR  
INTERNATIONAL  
DEVELOPMENT

**ACTION MEMORANDUM FOR THE ACTING ASSISTANT ADMINISTRATOR, PRE**

THRU: PRE/EM, Monica McKnight *MEM*  
PRE/EM, Russell Anderson *A*

FROM: PRE/EM, Rebecca Maestri *RLM*

SUBJECT: International Development Law Institute (930-0900)

**Problem:** The purpose of this Action Memorandum is to request your approval to amend the IDLI project authorization to: (1) extend the Project Assistance Completion Date from August 8, 1993, to August 8, 1995, and; (2) increase the life of project funding from its current amount of \$1,050,000 by \$550,000 to a new total of \$1,600,000.

**Background:** IDLI has received approximately \$3 million from A.I.D. since August 1982 through a combination of grants from the Africa Bureau, the Bureau for Private Enterprise, and the then Near East, Asia Near East Bureaus.<sup>1</sup>

IDLI was established in Rome, Italy in March 1983 as an international non-governmental organization under Dutch law and began that year with training programs to enhance the role of law in development. In June 1983, IDLI established a separate non-profit, corporation under District of Columbia law. In February 1988, eight countries signed an "Establishment Agreement" -- an agreement to establish IDLI as an international organization.<sup>2</sup>

The goals and objectives of IDLI have remained intact since the inception of the organization. Since its creation, the purpose

<sup>1</sup> IDLI Financial Summary:

1982	\$500,000 (ANE/APR: seed money)
1983	\$135,000 (ANE: bridge financing)
1985	\$125,000 (PRE: program support)
1986	\$125,000 (PRE: program support)
1987	\$329,000 (ANE: institutional support)
1988	\$330,000 (ANE: institutional support)
1989	\$330,000 (ANE: institutional support)
1990	\$350,000 (PRE: fellowships & support)
1991	\$350,000 (PRE: fellowships & support)
1992	\$338,000 (PRE: fellowships & support)
1993	\$480,000 (PRE: program support) <u>proposed</u>

Total \$3,392,000

<sup>2</sup> IDLI began operating as a public international (i.e.: intergovernmental) organization on January 1, 1991. Its member states include: U.S., Austria, Denmark, France, Italy, Kuwait, Netherlands, Philippines, the PRC, and Switzerland (Germany, Japan, Mexico, and the United Kingdom are considering membership).

of the institute has been to help developing country legal advisors and lawyers play a constructive role in the development process. To achieve this goal IDLI seeks to: 1. encourage and facilitate the improvement and use of legal sources in the development process; 2. encourage adherence to the rule of law in international transactions; and 3. improve the negotiating capability of developing countries in the fields of development cooperation, foreign investment, international trade and other international business transactions. IDLI has had over 1,300 participants from over 110 countries, which recently included countries from Central and Eastern Europe.

IDLI has been evaluated by A.I.D. on two occasions -- in 1985 and 1989. Both evaluations were extremely positive. The 1985 evaluation noted "IDLI's impressively rapid passage from concept to performance to acceptance makes it *per se* a worthy case study in the mechanisms and strategies of successful institutional development." The 1989 evaluation noted "it should be clear that IDLI is an outstanding institution that performs its chosen function excellently." The 1989 evaluation summarized the effect of IDLI training on its participants by stating:

"IDLI has made a major impact on developing countries, . . . because of the subject matter of their training which is essential to a lawyer who works with the development process. They have provided practical training similar to continuing legal education. Many of the participants have realized that both the legal skills and substantive law they learn at IDLI is not what they normally get in their ordinary legal training and they are very grateful for the training. The alumni and participants who were interviewed all spoke highly of their experience and the fact that they are able to use newly developed skills in representing their countries in the international economic sphere."

In March 1990, IDLI submitted an unsolicited proposal seeking funding over a five-year period. The proposal is consistent with the finding of the 1989 evaluation. A three year grant was subsequently awarded to provide funding for administrative/program support and participant training fellowships. This grant provides for two option years.

**Discussion:** IDLI's sustainability is directly linked to the financial contributions of its member states for continued financial support. As it has been increasingly difficult for A.I.D. to provide an appropriate level of funding for IDLI, efforts have been made to identify future funding from the State Department Office of International Organizations. At this time, it is anticipated that IO will provide funding for IDLI beginning in FY95.

**Authority:** You have the authority to approve the requested

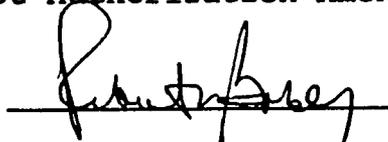
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<sup>3</sup> Norman J. Singer, Evaluation of International Development Law Institute, Rome Italy, (June 1989), p. x, 57-9.

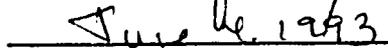
action pursuant to Interim Reorganization Delegation of Authority No. 9, dated October 1, 1991, from the Acting Associate Administrator for Operations.

**Recommendation:** That you approve the proposed increase of the total authorized funding amount of the IDLI grant by \$550,000 from \$1,050,000 to a new total of \$1,600,000; and exercise the grant's option years four and five, thereby extending the project assistance completion date from August 8, 1993, to August 8, 1995 by signing the attached Project Authorization Amendment.

Approve: \_\_\_\_\_



Date: \_\_\_\_\_



Disapprove: \_\_\_\_\_

Robert N. Bakley  
Acting Assistant Administrator  
Bureau for Private Enterprise

<sup>RM</sup>  
PRE/EM:RMaestri:3-2342:5/17/93:U:\EMPUB\DOCS\IDLI\ACTION.MMO

CLEARANCES:

PRE/EM:McKnight MEM date 4/1  
PRE/EM:Randerson RA date 5/28  
PRE/GC:PWeisenfeld Dak date 6/3/93  
PRE/PD:RVanRaalte K date 6/4/93  
DAA/PRE:JWilkinson JW date 6/4/93

**FIRST PROJECT AUTHORIZATION AMENDMENT**

Name of Countries: Selected Developing Countries  
Number of Project: 930-0900  
Name of Project: International Development Law Institute (IDLI)  
Name of Grantee: International Development Law Institute

1. I hereby authorize the first amendment to the authorization for the International Development Law Institute project to increase the authorized grant amount by five hundred and fifty thousand United States dollars (\$550,000) from \$1,050,000 to a total of \$1,600,000, subject to the availability of funds in accordance with the A.I.D. OYB/allotment process; and to exercise option years four and five of the grant agreement to extend the project assistance completion date from August 8, 1993, to August 8, 1995.

2. Except as hereby amended, the Project Authorization of 1990 shall remain in full force and effect.

June 4, 1993  
Date

  
\_\_\_\_\_  
Robert N. Bakley  
Acting Assistant Administrator  
Bureau for Private Enterprise

<sup>ZM</sup>  
PRE/EM:RMaestri:3-2342:5/17/93:U:\EMPUB\DOCS\IDLI\ATHRZJ

Clearance:

PRE/EM:MMcKnight ZM date 6/3/93  
PRE/EM:Randerson I date 6/2/93 }  
GC/PRE:PWeisenfeld Drift date 6/2/93 }  
PRE/DP:RVanRaalte I date 6/6/93  
DAA/PRE:JWilkinson \_\_\_\_\_ date \_\_\_\_\_