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UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
AGENCY FOR INTERNATIONAL DEVELOPMENT
Washington, D. C. 20523

HONDURAS

PROJECT PAPER

STRENGTHENING DEMOCRATIC INSTITUTIONS
AMENDMENT NUMBER 4

AID/LAC/P-815
CR-383

PROJECT NUMBER: 522-0296

UNCLASSIFIED

APPENDIX 3A, Attachment 1
Chapter 3, Handbook 3 (TM 3:43)

AGENCY FOR INTERNATIONAL DEVELOPMENT

PROJECT DATA SHEET

1. TRANSACTION CODE

A = Add
 C = Change
 D = Delete

Amendment Number
No. 4

DOCUMENT CODE
3

COUNTRY/ENTITY
HONDURAS

3. PROJECT NUMBER
522-0296

4. BUREAU/OFFICE
USAID/HONDURAS

5. PROJECT TITLE (maximum 40 characters)
Strengthening Democratic Institutions

6. PROJECT ASSISTANCE COMPLETION DATE (PACD)

MM DD YY
018 | 3 | 19 | 5

7. ESTIMATED DATE OF OBLIGATION
(Under "B." below, enter 1, 2, 3, or 4)

A. Initial FY | 8 | 7 | B. Quarter | 4 | C. Final FY | 9 | 4 |

8. COSTS (\$000 OR EQUIVALENT \$) =

A. FUNDING SOURCE	FIRST FY 87			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total						
(Grant)	(500)	(700)	(1,200)	(15,925)	(5,875)	(21,800)
(Loan)	()	()	()	()	()	()
Other U.S.						
1.						
2.						
Host Country		1,000	1,000		18,906	18,906
Other Donor(s)						
TOTALS	500	1,700	2,200	15,925	24,781	40,706

9. SCHEDULE OF AID FUNDING (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) PSEE	700	750		2,200		300		2,500	
(2) ES	700	750		14,300		3,000		19,300	
(3)									
(4)									
TOTALS				16,500		3,300		21,800	

10. SECONDARY TECHNICAL CODES (maximum 8 codes of 3 positions each)

720 | 980

11. SECONDARY PURPOSE CODE

12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)

A. Code
B. Amount

13. PROJECT PURPOSE (maximum 480 characters).

To improve the capability of key national democratic institutions (the Judiciary, the Congress, and the National Elections Tribunal/National Registry) to improve local leadership, and to increase the knowledge and participation of the Honduran population in democratic processes.

14. SCHEDULED EVALUATIONS

Interim MM YY Final MM YY
0 | 8 | 9 | 3 | | | | 0 | 8 | 9 | 5 |

15. SOURCE/ORIGIN OF GOODS AND SERVICES

(Amendment)
 000 941 Local Other (Specify)

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a _____ page PP Amendment.)

This amendment adds funds for the extension of project activities for three additional years.

17. APPROVED BY

Signature
Name Marshall D. Brown
Mission Director

Date Signed MM DD YY
0 | 9 | 2 | 5 | 9 | 2 |

18. DATE DOCUMENT RECEIVED BY AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION

MM DD YY
| | | | | |

**PROJECT AUTHORIZATION
AMENDMENT NO. 4**

Name of Country: Honduras
Name of Project: Strengthening Democratic Institutions
Number of Project: 522-0296

1. Purpose of Amendment. The purpose of this Amendment to the Project Authorization is to add additional funds to the Life of Project Funding and to specify the categories of non-U.S. procurement authorized with such additional funding.

2. Additional Funding. Pursuant to Sections 106, 531 and 534 of the Foreign Assistance Act of 1961, as amended, I hereby authorize an additional Five Million Three Hundred Thousand United States Dollars (U.S. \$5,300,000) for the Strengthening Democratic Institutions Project. Such Project shall now have a total Life of Project funding of \$21,800,000 in Grant Funds, consisting of the \$7,000,000 authorized on August 10, 1987; \$9,000,000 authorized on December 23, 1988; \$500,000 authorized on January 23, 1991; and the additional \$5,300,000 authorized by this Amendment.

3. Source and Origin of Commodities, Nationality of Suppliers

3.1 U.S. Source/Origin/Nationality

Except to the extent permitted by paragraphs 3.2 and 3.3 below, commodities financed by USAID under the Project shall have their source and origin, and suppliers of goods and services under the Project shall have their nationality, in the United States (USAID Geographic Code 000), except as USAID may otherwise agree in writing. Ocean shipping financed by USAID under the Grant shall, except as USAID may otherwise agree in writing, be financed only on flag vessels of the United States. Air transportation services shall be on U.S. flag carriers except to the extent such carriers are not "available" as defined by the U.S. "Fly America Act."

3.2 Local Procurement. Procurement of commodities with a source or origin in Central American Common Market Countries, and procurement of services from suppliers whose nationality is in the Central American Common Market, is authorized only to the extent permitted by the Agency's Buy America guidance, Ch. 18 of HB 1B, up to an aggregate amount of Seven Hundred Thirty Three Thousand United States Dollars (\$733,000), or such other amount as A.I.D. may agree in writing. Of this amount \$197,000 is for procurement of local professional services, \$215,000 for local commodity procurement, \$321,000 for locally contracted base line studies, audits,

b

public opinion polls and public information campaigns, and \$60,000 for personal services contracts. None of the currently planned local or third country procurement requires a waiver under the Buy America guidance. In addition, local procurement by HB 13 grantees is also permitted to the extent allowed by the standard provisions of such grants. Finally, non- U.S. procurement for training services is permitted to the extent allowed by A.I.D. HB 10. Together, local procurement by HB13 grantees and non-U.S. procurement for training allowed by HB10 will total approximately \$260,000.

3.3 Source/Origin/Nationality of Prior Funds. Paragraphs 3.1 and 3.2 above shall apply to procurement from funds obligated on or after the date of this Amendment. Funds obligated prior to that date shall continue to be governed by the terms of the prior source/origin/nationality requirements.

4. Other Terms and Conditions. Except as above amended, all other terms and conditions of the original Project Authorization, as previously amended, shall remain in full force and effect.



Date: 9/25/92

Marshall D. Brown
Mission Director
USAID/Honduras

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I. BACKGROUND AND SUMMARY

The Strengthening Democratic Institutions (SDI) Project, authorized in August 1987, represented the first phase of a long term U.S. Government commitment to help consolidate democracy in Honduras by building effective, credible, and stable democratic institutions. The project supports better administration of justice, legislative enhancement, improved voter registration and elections, and democratic leadership training. Because of the proximity of the Honduran national elections when project activities began, initial funding and effort was directed to the elections component. After the elections, however, the other components became more important, the most successful of which has been the Administration of Justice.

Five years of implementation experience in the field of democratic development have taught us that these type of projects must be designed with enough flexibility to allow project implementation to keep step with an ever-changing political environment. Secondly, the prospect that there will be political will and government commitment during the life of the Project is critical to the choice and the eventual impact of interventions.

In Phase I of the Project, relatively more was achieved in the improvement of the administration of justice compared to the other components because the Court embraced the project objectives and maintained momentum in implementation. However, the development of a transparent and ethical application of justice is a long, slow process. Recognizing this, we have developed a strategy for strengthening the integrity of the Honduran judiciary for the long term (Annex C). We believe that major progress in reform can be achieved by attacking the structural aspects of the Court system which actively encourage corruption. The most important of these is the method of selection, promotion and firing of judicial personnel. Rooting out corruption without addressing these basic personnel considerations will reduce the overall level of corruption in the short run, but the system will revert as soon as the current reformers have moved on.

While the full implementation of the Judicial Career Law should result in a more honest and efficient judicial system, it is not in itself a sufficient condition to battle corruption. The Court must have the ability to investigate allegations of corruption and the will to punish the perpetrators. To that end, USAID encouraged the Court to expand the role of the Inspector General of Tribunals. Case tracking systems will enable the Court to quickly identify irregularities. Provision for adequate salaries for judicial personnel will reduce the likelihood that judicial personnel will succumb to subornment. Finally, the Property Registry has been included in this amendment because it is quite probably the single biggest source of fraud and corruption in the judicial system. The amendment will support a modern, transparent registry system to safeguard the rights of investors and thus eliminate a significant disincentive to investment in Honduras.

Activities in the Court have been intensive and much progress has been made toward achieving all goals, particularly with regard to the administrative reforms and implementation of the Judicial Career Law. However, the judiciary is still subordinated politically and administratively to the Legislative and Executive Branches. While the Constitution requires the National Congress to allocate 3% of national current revenues for the Supreme Court, only a maximum of 1.6% has ever been allocated. Until such time as the Court receives its Constitutionally-mandated share of the national budget, the Court remains dependent on the other two branches of government and unable to meet even its basic needs. This Project Amendment is the result of constant dialogue between the Court and USAID regarding priority areas for interventions which will yield measurable short-term results while preparing the ground for longer-term reforms in the judicial sector.

Progress in the Congressional component had been slow up until six months ago when the Director of the Center for Information and Legislative Studies (CIEL) was named. Congress delayed nearly one year in the naming of the Director and the remodeling of the building to house the CIEL, conditions which had to be met before USAID would proceed with the procurement for this component. Because USAID has committed to support the CIEL at least until it is operational, unexpended funds from the original project budget will be used to complete as much as is possible of the equipping and technical assistance to the CIEL during the Amendment period. No costs additional to the existing contract are expected to be incurred by the contractor, Georgetown University, as a result of the extended timeframe for these activities.

The assistance for the 1989 elections was successful. However, the updating of the civil registry was seriously delayed due to contractor and counterpart performance problems. The National Election Tribunal (TNE) is now successfully updating the civil registry using local currency generators programmed at a sectoral level and with only minimal commodity support from USAID. With approximately 36% of the civil registry updated, the TNE expects to fully complete the task several months before the November 1993 elections.

Activities to increase democratic leadership focused on the training of labor leaders during the first phase of the Project.

The \$5.3 million three-year amendment ("Phase II") maintains the original project purpose. It makes improved administration of justice and continued reform of the judicial sector the centerpiece of our democracy initiative. The amendment ties ongoing and new project activities to our revised Mission goals and strategic objectives.

The amended Project narrows the range of activities to focus on the judicial sector and democratic leadership, given the limited effectiveness of continuing to work with the Congress and our desire to keep a low profile in the sensitive area of elections. No new activities will be initiated with Congress, though funding from the original grant budget will be used to complete certain activities with the Center for Information and Legislative Studies (CIEL) and to upgrade the Executive Secretariat and Administrative Offices. Under the

amendment, some limited support will be provided to the TNE for procurement of commodities, training of poll workers, and international observers for the 1993 elections.

Only a few completely new activities are included in this three-year amendment. One is support to the Honduran Bar Association (via the Inter-American Bar Foundation) to strengthen its role in legal and procedural reform and continuing education for members. Support to non-partisan citizen groups concerned with legal reform and civic education will be expanded as we move beyond strengthening formal democratic institutions to empowering civil society through assistance to citizen groups. Support to the National Judicial Reform Commission will significantly increase and funding will be provided to the Inspector General's Office. Case tracking/statistics and property registry modernization, planned for Phase I but not yet executed, will be funded in Phase II.

The decision to invest more in the judicial sector and in democratic leadership (empowering civil society) is based on the Mission's experience to date in project implementation and our conviction that these are two areas where we have a reasonable chance to achieve substantial development impact.

II. PROJECT RATIONALE

The SDI Project and this amendment are the Mission's most direct response to the challenge of supporting sustained economic development by encouraging the consolidation of democratic system in Honduras. The Agency's Democracy Initiative and the Bureau's strategic objective of developing stable democratic societies in the countries of Central America find expression in the activities planned under the amended Project.

The rationale for this Project is upheld by the growing evidence that open societies that value individual rights, respect the rule of law and have open and accountable governments provide better opportunities for sustained economic development than do closed systems which stifle individual initiative. In redefining our strategic objectives through the application of the Program Performance Assessment System (PPAS), the Mission raised the consolidation of the Honduran democratic system to an equal level with our Mission goal of equitable and sustainable economic growth and development.

Honduras recognizes the need to strengthen democratic institutions and processes to guarantee that democracy will endure and, therefore, is moving forward with its own programs to consolidate democracy in Honduras. The judiciary has been particularly committed to a program of improving the administration of justice and strengthening the rights of citizens before the law. The President of the Court, named in 1991, is a well respected lawyer who has the political ties necessary to support a reform effort but is not himself a politician. He has managed to bring into national consideration the reform of the currently political appointment of the Supreme Court. A Presidential Commission tasked with the Modernization of the State is advocating the same type of reforms that we are promoting

and has formally proposed to the Congress a set of Constitutional changes designed to improve the administration of justice. These include seven-year appointments for Supreme Court Magistrates with the possibility of re-election, such appointments to be made from a list of 30 candidates developed by a selection committee comprised of representatives from various institutions involved in AOJ and the private sector, the development of an independent Public Ministry, and full compliance with the mandated assignment of 3% of current national revenues for the judiciary.

III. PROJECT AMENDMENT DESCRIPTION

A. Project Objectives: Goal, Purpose and Outputs

The goal and purpose of the amended Project remain unchanged with the exception that the purpose statement has been edited to provide a more succinct and accurate statement of purpose. The goal of the Project is to strengthen Honduran democracy. The purpose is to improve the capability of key democratic institutions and increase the knowledge and participation of the Honduran populace in the democratic process.

This purpose statement is very close to the strategic objective of "more responsive selected democratic institutions and processes, with greater citizen participation" adopted by the Mission as its revised statement of our CDSS objectives. Indeed, the End of Project Status and outputs indicators on the revised logframe are taken from the objective tree developed by the Mission for this strategic objective during the PPAS exercise.

B. Project Amendment Strategy

The Mission's overall approach under the SDI amendment will be to focus our resources, in priority order, where there is demonstrated political will and institutional cooperation as is the case in the justice sector. Next in priority, we will apply resources to areas where U.S. interests are served, as is the case of the 1993 elections, which we consider must be guaranteed to be free, open and honest. Through the Project, we will provide a limited amount of commodities, training for pollworkers, and funding for international election observers if requested.

Further, under our strategy the Project will assist fledgling non-partisan watchdog/civic action groups and legal reform groups. We are convinced that to assure a stable and enduring democracy in Honduras, citizens must learn democratic values through greater participation in non-governmental organizations and civic action groups that provide a voice for the collective citizenry.

Finally, we will complete previous accords made during the first phase of the Project in those cases where success is probable though additional investment is not merited due to the insufficient cooperation to date. The Congress component clearly fits into this lowest category within the priorities of the amendment strategy.

The second phase of the SDI Project will build on previous successes and apply the lessons learned through implementation and independent evaluation of the project activities.

C. Description of Project Activities

1. Administration of Justice Component

The Administration of Justice Component under the amendment follows the original project design with increased emphasis on the reform framework and inter-institutional cooperation. The anti-corruption framework being developed with assistance from the Project is intended to institutionalize processes in the judicial system which will make future deviation or regression to the status quo very difficult.

The activities under this component support specific program outputs under the PPAS and so are described in terms of those outputs.

Program Output 5.2: Better qualified and more ethical and efficient judges, attorneys, and administrators in judicial institutions.

Better Qualified

A judicial system is only as good as the personnel that comprises it. Improvements in the capabilities of judicial and administrative personnel have been made as a result of the experimental programs, training, observational visits, fellowships, technical assistance, implementation of the Judicial Career Law and development of manuals in Phase I. However, continued efforts to institutionalize a standard of professionalism must be made to insure the quality of justice.

Under the amendment, we can have measurable impact by continuing efforts to improve the human resource base of the justice sector and the conditions under which they work. To that end, new entry orientation, training of judicial and administrative personnel, and observational travel is included in the amendment. Some office equipment and supplies will be provided for the Judicial Career Council whose primary role is to review and resolve grievances and, in this sense, to enforce the correct implementation of the Judicial Career Law. A grant to the Inter-American Bar Foundation is also included to strengthen the Honduran bar association's ability to provide continuing education for its members, the core of the judicial system. Project management will assure that gender factors will be taken into account in the design of each of these activities.

Phase I has included training, support to the public defender and prosecutor programs and for the implementation of the Judicial Career Law. The only new activity under this output is the work contemplated with the bar association.

More Efficient

There is an extensive backlog of cases in the Honduran court system. Although there are clearly defined timetables for processing civil and criminal cases, there is a general lack of compliance with these timeframes. An estimated 70% of the prison population are detained persons awaiting trial or sentencing. Detention prior to sentencing averages 14 months and cases requiring up to eleven years for resolution have been noted. The conditions in the prisons are deplorable. They are overcrowded and services are inadequate to meet even such basic needs as nutrition, medical care, and hygiene. The long time to sentencing is the only consistent human rights abuse in Honduras according to Human Rights groups. The public prosecutor and public defender programs established in Phase I have assisted in the swifter and more just administration of justice, as evidenced by the freeing and/or sentencing of prisoners held for long periods of time.

Jurisprudence exists only as a concept in Honduras. Theoretically, three cases similarly decided by the Supreme Court are recognized as binding precedent having the force of law. There is, however, no way of archiving and retrieving court cases to use them in this manner. Put simply, precedent cannot be used because it cannot be found. Under Phase I, a jurisprudence system was designed with the court using a small sample of various types of cases. Phase II will support the completion of historical case compilation and the dissemination of a self-updating system to all but the lowest courts.

There is no management information system to provide information regarding workload and performance of judges or to track the movement of individual cases from arrest to disposition. A case tracking/statistics system for all courts will provide ready access to information regarding workload and performance of judges (including adherence to timeframes). It will also track the movement of cases through the judicial process permitting the measurement of time of sentencing and, therefore, the impact of a number of project activities. All the information gathered through the case tracking/statistics system will be disaggregated by gender as appropriate.

Training for forensic staff members, possibly through ICITAP, combined with counterpart funded equipment for the forensic laboratory in San Pedro Sula to improve evidence development will aid in the disposition of cases.

Under Phase I, the Project supported activities to improve evidence development through support for judicial personnel to attend ICITAP courses and through support for improved police/court cooperation. Additional assistance in terms of the purchase of a limited amount of forensic equipment for the San Pedro Sula forensic laboratory furthers this goal. Initial work in jurisprudence and case tracking activities (pilot project and concept

paper respectively) was begun in Phase I. Full implementation of these two activities had originally been planned for Phase I but was not possible due to budget overruns in other activities.

More Ethical

It is a common belief that corruption is a serious problem in the judicial system. Corruption flourishes when conditions produce a "gray" area, leaving a judge considerable "leeway" in making decisions. The land registry is one example of a gray area. Court land records (original texts of deeds) and cadastral surveys often do not agree, resulting in land disputes and a substantial number of civil and criminal cases which are not easily resolved. The perception of corruption in property registration sharply reduces Honduras' potential for attracting and holding investors.

Poor development and management of evidence also allows judges "leeway" in decision making. Furthermore, the lack of active mechanisms to monitor judicial conduct and the failure to sanction unethical behavior contributes to the widespread corruption that is believed to exist. To strengthen the integrity of the judiciary, the current President of the Court has expanded the role of the Inspector General of Tribunals. While historically the Inspector General (IG) office was an ineffective and highly political agent, it is now being turned into a rapid response unit to investigate allegations of judicial misconduct and to carry out periodic reviews of the courts. Five subinspectors are being hired competitively to be located in the three offices in Tegucigalpa, San Pedro Sula and La Ceiba. Through the IG, the Court will be able to collect evidence with which to charge not only judicial personnel engaged in misconduct, but also lawyers and citizens. To publicize the existence and the role of the IG in combatting corruption, the Court is planning widescale publicity campaigns.

The Project will assist the IG with training, short- and long-term technical assistance; counterpart contributions will cover operating expenses. An individual with considerable experience in investigation of white collar crime will be contracted to provide one year of expert services to the IG. The contractor will work with the inspectors on a daily basis to ensure that the IG will be an effective brake on corruption.

In the past, there were poor relations and coordination between the police and court as well as distrust. The police complained that they worked hard to develop cases but that the judges released the accused on technicalities. The judges complained that the police did not provide sufficient evidence. Coordination between the various participants in the sector have improved under the first phase of the Project through seminars and workshops (both USAID and ICITAP sponsored) involving the various groups. Work with the National Judicial Reform Commission (an inter-institutional group which, inter alia, coordinates all donor AOJ activities except those with the police), as well as the Coordinating Commission and the Liaison Office (also inter-institutional groups formed to resolve conflicts in the investigative process), has also supported more effective cooperation. Now public prosecutors and the police work together in the collection and development of good solid evidence, thereby

reducing the discretion that the judge has in making a decision. This discretion is further limited by the existence of public defenders who are beginning to carefully monitor their clients' cases during the initial detention and investigative phase.

Phase II aims to further reduce the "gray" areas and thus the "leeway" of the judges. The Project will implement a system to reconcile land records and computerize the consolidated records using the Central District of Tegucigalpa/Comayagüela as the pilot area. Recognizing the important coordinating function between the court, police, and prosecutors in the collection and development of evidence which is performed by the Liaison Office, limited commodity support for the existing office and new offices is planned. To support the "new" Inspector General (IG) Office, administrative training of staff, technical assistance, observational visits, ethics campaigns, and advertising the existence of the office are planned under the amendment. Likewise, support will be provided to citizen groups to monitor the judicial process and act as advocates for reform and increased access particularly for disadvantaged groups and women.

The concept of the Liaison Office was developed by ICITAP in 1990 but did not expand beyond the first office due to lack of funding. The Project will fund commodity costs associated with the Court's participation in addition to their own contributions. Support for the Inspector General began under Phase I using ESF local currency programmed as counterpart to the Project. Phase II will provide funds for technical assistance and observational visits. Support to citizen monitoring groups represents a new activity under the amendment.

Program Output 5.3: Framework institutionalized for ongoing legal and administrative reforms in the judicial system

There is an urgent need for legal and procedural reform. The existence of contradictory, unclear, and obsolete laws and regulations and costly, complex, and obsolete procedures for case development and evidence collections are clearly obstacles to a good judicial system.

Examples of some recent legal reforms which were needed include the Agricultural Reform Modernization Law and the Investment Law. One example of obsolete procedures that persist involves defense counsel. The Code of Penal Procedure states that an accused cannot have his/her defense counsel with him/her until the trial stage. This, however, is illogical since it is in the earlier stages that investigations are made. In essence, the failure to permit counsel before the trial stage is an effective denial of the right to counsel.

The National Judicial Reform Commission has taken the leadership role in legal and procedural reform. Institutions such as the Honduran bar association and citizen legal reform groups, however, can also play a role in this reform process. In fact, it should be a double role. They can act as pressure groups in order to revoke and modify laws and also act as "think tanks," to the National Judicial Reform Commission to enhance its role as a leader in

legal and procedural change. Additionally, grants will be given to the Inter-American Bar Foundation to strengthen the ability of the Honduran Bar Association to promote reforms and to other citizen legal reform groups to effect the needed changes and to complement the work of the National Judicial Reform Commission.

The majority of Honduran citizens do not understand the law and the legal institutions created to protect their rights. Informed citizens aware of the legal remedies offered to them are more likely to demand a better administration of justice, thus invigorating democracy in the country. A grant to a PVO to do civic education designed to foment citizen interest in legal rights is included in the amendment.

Under Phase I, very minimal support has been provided to the National Judicial Reform Commission. The support contemplated in the amendment represents a substantial increase in the level of support to the Commission to facilitate its role in legal and procedural reform. The NJRC has maintained a high level of productivity and interest since its establishment in 1985 without any resources other than the Project-financed staff of two persons. This indicates the strength of commitment and the potential of this Commission to continue to expand its work in reform and evaluation of the judicial system. Project resources will expand its ability to address relevant obstacles to justice over the near term by providing them with a budget to carry out the analyses and reports which are currently being done by the members themselves in whatever spare time they have and which, therefore, take a long time to execute. With time, the NJRC budget for studies should be incorporated in the Court budget (at the 3% level).

Support to be provided to other non-governmental organizations and citizen legal reform groups represent new activities under the Amendment.

2. Election Support Component

Program Output 5.7: More accurate electoral registry and voting system.

The credibility of elections in Honduras is of strong importance to the US Government. To ensure the greatest possible chances of successful 1993 and future elections, project resources will be directed to the electoral process and the completion of the registry updating process.

In the absence of career legislation in the TNE/RNP, support for this component will be concentrated on the training of poll workers, procurement of key commodities for the 1993 elections, and support for the international election observers (if requested). GOH counterpart contributions to the project will fund any public information services carried out under the Project. Specifications for the commodities will be prepared by the institutional contractor under the current Project; the Mission will procure the commodities directly. Elections observers would be funded through National Endowment for Democracy. Poll workers will

be trained by a local firm selected through informal competition. In addition, funds from Phase I will be used to complete the civil registry updating activity.

The support provided under the amendment for this component is the same as provided in the 1989 election.

3. Democracy Leadership Component

Program Output 5.5: Greater number of Hondurans exposed to and trained in democratic values.

Honduras suffers from a weak civic tradition. Training in democratic values leading to increased citizen activity is critical if Hondurans are to transcend the constraints of their political history and learn how to participate in a democracy. Particularly important are activities designed to correct laws which discriminate by sex.

Project activities will indirectly support the Honduran Congressional Women's Affairs committee which reviews draft and existing legislation for its impact on women, proposes corrective legislation, and uses its political influence to increase awareness of women's rights in the Congress and Court. The existing agreement with the American Institute of Free Labor Development (AIFLD) will be amended to include civic education for labor leaders. For adult Hondurans who may never have received instruction in civics, the self-instruction module of the GOH's new, radio-based Adult Education program will be modified to include civic education.

IV. FINANCIAL PLAN AND COST ESTIMATES

The cost of this SDI Amendment is \$12.675 million. USAID will provide \$5.3 million in grant funds comprised of projectized ESF (\$5 million) and PSEE (\$300,000). The GOH will provide the equivalent of \$7.4 million between cash counterpart contributions of approximately \$4.9 million and in-kind contributions of approximately \$2.5 million. It should be noted that no new funds are being provided to the Congress under this amendment. A summary financial plan for the amendment only is provided below. A revised Life of Project financial plan can be found in Annex E. The same annex includes a table showing how project costs relate to program outputs associated with this Project and our Mission strategic objective of strengthening Honduran democracy.

AMENDMENTSUMMARY FINANCIAL PLAN

Thousand US\$

<u>Project Component</u>	<u>USAID</u>	<u>GOH</u>	<u>Total</u>
Administration of Justice	3,944	5,337	9,281
Elections Support	336	2,038	2,374
Democratic Leadership	550	0	550
Project Management	<u>470</u>	<u>0</u>	<u>470</u>
Total	5,300	7,375	12,675

Detailed budgets for the three year period of the amendment were prepared by the Court and the TNE with the close collaboration of the Offices of Budget and Public Credit of the Ministry of Finance. This approach led to a rapid approval by the GOH of the level of counterpart to be provided to the Project as well as agreement on the sources and timing of cash contributions. The GOH is fully aware of the implications of this commitment. A condensed three year budget showing USAID and GOH contributions by component is shown on the following page. A more detailed budget with cost estimates by individual line item is found in Annex E.

V. IMPLEMENTATION ARRANGEMENTS**A. Implementing Agencies****1. Participating Organizations**

Activities in the amendment involve working with the Judiciary, the Congress, and TNE/RNP. Additionally, there are several activities planned involving grants to non-governmental institutions under the AOJ and Democratic Leadership components.

Administration of Justice Component

With regard to the Administration of Justice (AOJ) component, USAID will work with the Supreme Court which will be responsible for the majority of activities including:

- implementing and expansion of a jurisprudence system designed under Phase I;
- establishment of case tracking and statistical information system;
- pilot project to reconcile and computerize land records;
- support to the Liaison Office, the Inspector General's Office, the Forensic Laboratory in San Pedro Sula, career law implementation and the Experimental Programs;
- training and observational visits for judicial and administrative personnel.

USAID will work directly with the National Judicial Reform Commission. Funds will be provided to a separate account in the Court but approval of the use of the funds and contracting will be managed by the NJRC following the stipulations of the Standard Provisions of the bilateral grant agreement, and Handbook 11, as appropriate. Accounting and payments will be handled through the normal court system.

Additionally under this component, USAID will work with the Inter-American Bar Foundation, to which a grant will be given to strengthen the Honduran Bar Association's ability to provide continuing education for its members, and with local PVO's working in support of oversight and reform of the justice system.

Legislative Enhancement Component

Under the Legislative Enhancement component, USAID will work directly with the Director of the Center for Information and Legislative Studies who has been designated as the liaison for activities related to both the CIEL, as well as the Administrative Office and the Executive Secretariat. These activities, which will enable the CIEL to be operational, to develop and computerize all administrative functions, and to establish a computerized record of daily actions and tracking of legislation, were to have been completed by August 31, 1992. Due to delays on the part of the Congress, they were not completed.

Electoral Assistance Component

Under the Electoral Assistance component, the Project will work with the National Elections Tribunal/National Civil Registry (TNE/RNP) as a whole. TNE/RNP is responsible for conducting national elections. USAID will support an international election observer team and training for poll workers essential to the conduct of these elections.

Democratic Leadership Component

Under the Democratic Leadership component, the American Institute of Free Labor Development will continue to conduct all activities with labor unions under an operational program grant. A buy-in to a centrally funded project with the Educational Development Center will be used to add civic education to the Ministry of Education's radio adult education course.

In addition, under this same component, USAID will enter into grant agreements with local PVOs which will serve as private, nonpartisan watchdog groups who will monitor government conduct and advocate for the public interest. The Project will also encourage the activities of the permanent Congressional Committee for Women's Affairs.

2. USAID Project Monitoring Responsibilities

USAID's Office of Special Projects will continue to be responsible for the management of this project. A U.S. direct hire project officer will administer and monitor the project with the assistance of two assistant PSC project officers, one FSN program assistant and a FSN secretary. All these positions, except the direct hire, will be project-funded. The Project Officer will report to the Director, Office of Human Resources Development, who with the Mission Project Committee, will monitor project activities.

3. The Judiciary Project Committee

In the AOJ component, there will be a Judiciary Project Committee consisting of the key players in the amendment activities related to the Judiciary. These include the President of the Supreme Court or his designee, the Fiscal of the Court, the Inspector General, the Director of the Administration of Personnel of the Judicial Career, a representative from the National Judicial Reform Commission (NJRC) and the Director of Planning and Budgeting with the participation as needed of the head of the Judicial School and the heads of technical departments. The Committee will meet on a regular basis to discuss project implementation.

B. Obligating Instruments

USAID will sign an amendment to the project agreement with GOH represented by the Ministry of Hacienda. All dollar grant funds will be obligated directly into the bilateral agreement with the agreement of the GOH that USAID will be responsible for all dollar-funded contracts and grants made under the agreement. Grants to the Inter-American Bar Association and local PVOs will be made through HB 13 instruments.

C. Procurement Plan

The authorized source, origin and nationality of goods and services procured under this Amendment is the United States except as provided for by the Buy America policy. Project-financed goods and services will be procured in accordance with relevant USAID Handbooks, USAID Acquisition Regulations, and the Federal Acquisition Regulation as applicable. Local procurement will be carried out in accordance with the procedures of Handbook 1B and Handbook 11 in the case of Host Country Contracting. In addition, the project will comply with the Agency's rules and procedures for Gray Amendment procurement.

1. Technical Services, Training and Observational Tours

Rather than using the prior approach of putting all components under one contractor, after August 1992, USAID will have one institutional contract for technical services, local training, and conferences related to the Land Registry/Case Docketing/Statistics activities, and separate contract for the Jurisprudence activities. These contracts will be level of effort, cost reimbursement contracts. Formal competition will be used for the Land Registry/Case Docketing activities while a non-competitive contract with the Consortium for Services to Latin America (CSLA) will be used for the Jurisprudence activity since the additional work to be done is primarily limited to training more Court staff in the system already developed by CSLA. CSLA will also develop specifications for computer procurement for the Land Registry/Case Docketing/Statistics, and Jurisprudence activities since they are related in terms of similar hardware configurations. A waiver of competition may be considered for CSLA to manage the procurement and installation of the computers based on the work they have already done in the Court.

In the legislative component, technical assistance to complete as much as possible of the CIEL implementation (Phase I) and automation of the Administrative Office and the Executive Secretariat will be implemented by the existing institutional contractor under a no-cost extension to their current contract.

USAID expects that U.S. technical services contractors will find it advantageous to utilize local Honduran personnel to the maximum extent possible in order to save on costs. USAID will encourage contractors to do so not only for competitive reasons but also because it will contribute to establishing a base of skills and knowledge in Honduras during the life of the project.

2. Commodities

With the exception of the legislative component, CSLA may directly procure all computer equipment contemplated under the amended agreement. For the legislative component, Georgetown University will complete the procurement of a mainframe-based computer system and related commodities for the CIEL under a no-cost extension to their current contract. Local procurement, such as desks and chairs, will be carried out by USAID.

3. Project Management and Administration

USAID will amend the current PSC contracts of the project secretary and the administrative assistance (to be upgraded to Assistant Project Officer) to extend their services for the term of the amendment. Two-year contracts for the second PSC position of Assistant Project Officer and a Program Assistant position will be competed locally.

4. Evaluation and Audits

USAID will contract directly with institutions or individuals for requisite audits and evaluations during the life of the project. The Mission is establishing a recipient audit program which will be applicable to all non-governmental grantees.

5. Buy America

The project has been designated in accordance with the Agency's Buy America Guidance, State 410442 (December 6, 1990). U.S. procurement is required whenever practicable. Local procurement for the project is planned only for those goods or services for which the Buy America guidance provides a specific exemption, i.e., those for which project objectives will be directly served by utilizing local procurement and for which substantial cost savings will result from using local procurement.

None of the currently planned local procurements requires a waiver under the Buy America guidance. However, if during implementation of the project, a transaction is proposed that requires a waiver, such waiver will be obtained before proceeding with the transaction.

Table 1 presents the procurement plan in chart form and indicates the Buy America implications of each class of transactions of commodities, services, or training financed by the project. All transactions will require US source, origin, and nationality except for the following, which are permissible under the cited sections of the Buy America guidance:

- A program assistance and a project secretary will be personal services contractors with Honduran nationality. The estimated LOP costs of these positions are \$40,000 and \$20,000 respectively. Section 9 of the Buy America guidance exempts professional services contracts under \$250,000 from Buy America requirements.
- The project authorizes a total of \$624,000 for training including short-term training in third countries. Section 9 of the Buy America guidance provides that the source policy on participant training set forth in Handbook 10 remains unchanged by the Buy America guidance. Handbook 10 authorizes third country and local training under appropriate circumstances. An estimated \$121,000 of the total amount planned for short-term training will be used for third country training. An additional \$391,000 will be used for local training \$200,000 of which will be contracted through local open competition for the training of poll

workers and the remainder made available to the Judicial School and NJRC. The sensitivity of foreign involvement in training of poll workers justifies the use of local source procurement for this training. Some local training of limited scope will be carried out by the Judicial School of the Supreme Court as part of continuing efforts to strengthen that institution.

- The project authorizes \$100,000 for audits to be obtained through an IQC with a U.S. auditing firm or a contract with a CACM affiliate of a U.S. firm using open competition. The IQCs are under the direction of the RIG, however, and it is highly likely that the only locally appropriate and cost-effective contracts will be with local firms.

- Similarly, local baseline studies, opinion polls, and public information campaigns totalling \$221,000 will be carried out by local firms. None of these contracts will exceed \$250,000. Section 9 of the Buy American guidance provides that the guidance does not apply to professional services contracts under \$250,000.

- The project authorizes a total of \$1,289,000 for commodity procurement. Sections 10 and 11 of the Buy American guidance permit local source, U.S. origin procurement up to a transaction limit of \$100,000 and local source, origin unspecified, procurements up to a transaction limit of \$5,000. Approximately \$215,000 in local procurement is planned in conformance with the Buy American guidance.

- The project authorizes a total of \$488,000 for technical assistance. Of this amount approximately \$197,000 will be local procurement of individual and institutional services. Section 9 of the Buy American guidance provides that Buy America requirements do not apply to professional services contracts under \$250,000.

- The project authorizes \$626,000 for grants to local and U.S. institutions. Approximately \$436,000 will be awarded to local institutions of this total. Section 23 of the Buy American Guidance notes that Handbook 13 already contains procurement source/origin waiver requirements which apply to grants with a procurement element exceeding \$250,000. None of the contemplated grants will have total procurement exceeding this amount. For procurement amounts less than the ceiling, a written justification when procurement is from a source other than the U.S. will be required per Handbook 13.

- The project authorizes \$1,212,000 for the design of a automated land registry system, and a docketing and statistics system. The land registry will be tested in the cities of Tegucigalpa and Comayagua, and will include training. Bidders will be encouraged to maximize their use of local institutions and companies in the execution of the contract both for the land registry and docketing/statistics elements.

VI. INFORMATION SYSTEM AND EVALUATION

Strategic Objective # 5 of USAID/Honduras is "more responsive selective democratic institutions and processes with greater citizen participation." Two of the three performance indicators relevant to the SDI Project require public opinion polls to measure: (1) the belief that elections are fair, open, and free and (2) increased public confidence in the judicial system. Consequently, USAID plans to have public opinion polls conducted at least yearly to measure changes in the public perception in these areas. Baseline information has been established by a May 1992 opinion poll and the first update is now in process as of September 1992. These polls executed by CID Gallup include data disaggregated by sex, domicile, education level, marital status, and party affiliation, where appropriate. A third indicator, i.e. passage of well-defined internally consistent and superseding major legislation and associated regulations, will require a special study to be commissioned by USAID to determine the percent of major laws passed that meet the output criteria. These performance indicators associated with the Mission's strategic objective in democracy are translated into End of Project Status (EOPS), or purpose level indicators for the SDI Project.

Similarly, measurement of indicators of project outputs require information systems. Information and monitoring systems will be maintained by the implementing organizations and data provided to USAID. Gender disaggregated data will be collected where appropriate. Grant budgets will allocate funding specifically for monitoring and evaluation activities including the purchase of computers. For example, the Project will assist in establishing and maintaining comprehensive statistics and case tracking information systems for the judiciary. The judicial systems are described in detail in Annex D, section B.1.g. Further the Judiciary Project Committee will serve to provide continuous feedback to the line managers involved in implementing Project activities.

MOUs and grant agreements with all implementing organizations will detail reporting requirements and the need for individual organizations to develop monitoring and evaluation plans. USAID will review all evaluation plans to assure that they will provide adequate information to measure project achievement at the output level. We and the grantees will be guided by the specific indicators recently developed at the output level under the Mission's PPAS. These indicators are described in detail as to the unit of measurement, the source, the timing, frequencies, method and party responsible for gathering the data.

Both institutional and personal services contractors will be required to report on their activities on a quarterly basis in order to provide USAID another perspective on progress made toward project objectives. In addition, all grant agreements and contracts will specify the type of financial reporting that will be required, for example, compliance with counterpart contribution provisions.

The project budget includes funding for consolidated project midterm (3/94) and final evaluations (9/95). The midterm evaluation will focus on achievement of project level outputs and processes while the final evaluation will measure achievements at the purpose level and provide lessons learned. The midterm evaluation will be conducted by a team of evaluation specialists who will test the validity of the design assumptions, measure progress to date, evaluate the effectiveness of contractors, and recommend mid-course corrections. The final evaluation will determine whether the project achieved its purpose and whether it contributed to the Mission's strategic objective.

VII. ANALYTICAL CONSIDERATIONS

An assessment of the Honduran judicial system was done by Florida International University in 1987. An update of this assessment was not judged to be necessary for this amendment since USAID/Honduras is now very conversant with the judicial sector as a result of five years of project implementation. Since the 1987 assessment, a number of small-scale evaluations, assessments, and surveys have been done to assist in the planning of project amendment activities. Feedback has been obtained from counterparts and users of the judicial system to develop Phase II.

The results of the 1990 independent mid-term evaluation were also taken into consideration in the design of the amendment. The evaluation recommended that new End of Project Status (EOPS) indicators be selected to provide a more appropriate yardstick against which future evaluators could measure the success of the project. The EOPS have been revised. The evaluators stressed the importance of focusing on those areas where the GOH has demonstrated its commitment to the Project objectives. In emphasizing the administration of justice component, we made a conscious decision to work with the judiciary because of its proven commitment to the task of judicial reform. Another recommendation made by the evaluators was that the Mission should give higher priority to the Democratic Leadership component and rethink its approach to developing leaders. The amendment responds to this recommendation by opening the project to more activity empowering civil society through support to citizen groups and educating adults through civic education.

USAID commissioned questions to determine the public's perception of the judiciary and electoral process as part of a CID Gallup public opinion poll carried out in Honduras in May 1992. The mid-term evaluation correctly pointed out that the lack of a baseline study on public attitudes towards the institutions whose credibility were to be improved under the SDI Project obviated the possibility of measuring project impact. The results of the May 1992 poll clearly indicated areas in which efforts might be concentrated in the amendment and at the same time provided baseline data against which to measure the progress of the project.

The Agency's Environmental Regulations require that an Initial Environmental Examination be undertaken for every substantial project amendment. At the time the Project as originally authorized, a categorical exclusion was approved based on the categories of assistance to be provided (technical assistance, training, commodities) in support of the administration of justice, legislative enhancement, elections support and democratic leadership activities. The categories of assistance and type of activities to be carried out under the amendment do not vary materially from the previously examined activities. Thus, a new IEE is not necessary.

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ANNEX A

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SECRETARIA DE HACIENDA Y CREDITO PUBLICO
REPUBLICA DE HONDURAS

Tegucigalpa, M.D.C. 19 de Septiembre de 1992

CP-SF-019

Señor
MARSHALL BROWN
Director Agencia para el
Desarrollo Internacional
(AID)
Su Despacho

REF: PROG. AID-522-0296
FORTALECIMIENTO DE LAS
INSTITUCIONES DEMOCRATICAS

Señor Director:

El Gobierno de Honduras con la colaboracion del Gobierno de los Estados Unidos de America, ha venido ejecutando el Proyecto de la referencia cuyo objetivo fundamental es fortalecer las instituciones y procesos democraticos, garantizando la eficiencia e imparcialidad del Sistema Judicial, la capacidad y efectividad del Congreso Nacional en la formulacion y promulgacion de Leyes y la participacion de las entidades en el ejercicio de un liderazgo democratico.

El proyecto ha tenido resultados altamente positivos y es intension de este Gobierno consolidar los mismos y profundizar su alcance fundamentalmente en los aspectos al sector judicial y la formacion de liderazgos democraticos concernientes.

En ese sentido recientemente hemos firmado con esa Agencia una extension del periodo de vigencia del Proyecto, del 31 de agosto de 1992 al 31 de agosto de 1995 periodo para el cual se requieren fondos adicionales tanto de Donacion como de Contraparte Nacional.

En base a lo expuesto anteriormente solicitamos un incremento en los Fondos de Donacion por el monto de U.S.\$ 2.000.000.00 (DOS MILLONES DE DOLARES AMERICANOS) para lo cual el Gobierno se compromete a cumplir su correspondiente Contraparte Nacional en efectivo y en especie.

Esperando que nuestra solicitud sea resuelta favorablemente.

Con nuestra mas alta consideracion y respeto.



Rene Ardon Matute
RENE ARDON MATUTE
Ministro por Ley

cc: Margareth Kramhout AID
cc: Emily Donard AID

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ANNEX B
REVISED LOGFRAME
Strengthening Democratic Institutions
522-0296

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Assumptions
<p><u>GOAL</u> To strengthen Honduran democracy</p>	<ul style="list-style-type: none"> - continuing open elections - increased confidence, access, and participation in democratic institutions and processes 	<ul style="list-style-type: none"> - Analyses of elections - Baseline Studies - Opinion Polls 	<ul style="list-style-type: none"> - regional political stability - stabilized economy - continued political will to consolidate democratic process
<p><u>PURPOSE</u> To improve the capability of key democratic institutions and increase the knowledge and participation of the Honduras populace in the democratic process.</p>	<p><u>End of Project Status</u></p> <ul style="list-style-type: none"> - 70% of public believes elections are free, fair and open - increased public confidence in judicial system - passage of clear, consistent and superseding laws 	<ul style="list-style-type: none"> - Project Reports - Surveys/Polls - Evaluations 	<ul style="list-style-type: none"> - Political acceptance of targeted institutions to change - Maintenance of internal political stability
<p><u>OUTPUTS</u></p> <ul style="list-style-type: none"> 1. More accurate electoral registry and voting systems 2. Greater information usage in developing laws and more efficient tracking 	<ul style="list-style-type: none"> 1.1 Civil Registry Updated 1.2 Election Commodities procured 1.3 Pollworkers trained 2.1 CIEL established 2.2 Pagaduría systems improved 2.3 Secretaría Adjunta improved 	<ul style="list-style-type: none"> - Grantee and contractor progress reports - Evaluations - Site visits and reports 	<ul style="list-style-type: none"> - Multi partisan support

(CONT...)

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Assumptions
<u>OUTPUTS</u>			
3. Better qualified and more ethical and efficient judicial personnel	3.1 Experimental Programs implemented 3.2 Judicial Career Law implemented 3.3 Forensic Medical training completed for 3 persons and SPS facility established 3.4 3000 judicial personnel trained 3.5 Judicial Career Council in place 3.6 Inspector General Office established and functioning		<ul style="list-style-type: none"> - Enhanced elite political commitment to reformed judicial process - appropriate human resources available - 3% of National Budget directly or through receipts to Judiciary by 1990
4. Framework institutionalized for on-going legal and administrative reforms in judicial system	4.1 National Judicial Reform Commission established 4.2 Coordinating Commission and Liaison Offices expanded 4.3 Strengthened Bar Association		
5. Greater number of Hondurans exposed to and trained in democratic values	5.1 Civic education and leadership training provided to 3500 persons by 1995 5.2 Labor Union members and leaders trained		

STRENGTHENING DEMOCRATIC INSTITUTIONS IN HONDURAS
STRATEGY FOR STRENGTHENING THE JUDICIAL SYSTEM

Corruption is prevalent throughout the world. The basic tool for fighting corruption is the just application of the law against the perpetrators. It is in this area that developing countries tend to be deficient, thus permitting corruption with impunity. With no reasonable basis to assume that laws will prevail to protect investments, property and persons, economic investment will be inhibited except by the very bold or the powerful. As part of a long-term effort to strengthen democracies, the United States Agency for International Development (USAID) has focused on strengthening the judicial systems as a first, and necessary step, towards creating the climate for true democratic development and increased domestic and international investment.

In Honduras, USAID began helping the Honduran Court in 1985 through a regional project with the United Nations Latin American Institute for Crime Prevention and the Treatment of Offenders (ILANUD). This initial project supported the formation and development of a National Judicial Reform Commission, a inter-institutional body coordinating judicial reform and a Judicial School for in-service training of justices. Following a sector assessment in 1987, USAID developed the Strengthening Democratic Institutions (SDI) Project, whose judicial component was focused on reducing judicial corruption through the introduction of the principles of merit appointment and the longer term development of the regulations and manuals necessary to implement the Judicial Career Law. At the same time the administrative processes of the Court have been modernized to permit control and transparent reporting of personnel and financial actions.

In 1992, the USAID did a second assessment of sector constraints and a review of project progress. The assessment confirmed the constraints previously identified but with modifications based on project experience.

Constraints on the Integrity and Quality of Judicial Personnel

- failure to fully implement the career merit system (Judicial Career Law, 1980) for the appointment and removal of judicial personnel;
- appointment of Supreme Court justices based on partisan politics rather than qualification;
- lack of political will in the Court and in the nation's power structure to combat corruption within the judiciary, combined with lack of organized action or pressure by interest groups and the citizenry at large for increased judicial integrity;

- lack of adequate budget for the Court to support a competitive salary system for judicial personnel;
- lack of qualified, competent people working in the judicial sector, particularly at the justice of peace level;
- lack of awareness and/or lack of application of a code of ethics or rules governing ethical behavior of judicial personnel and lawyers; and
- lack of monitoring, evaluation, and disciplinary systems to ensure judicial process and individuals' performance;

Other Constraints Which Impede the Just Application of Law

- absence of defense for the poor;
- faulty or inadequate development and presentation of evidence;
- a property registry system that is highly vulnerable to corruption;
- lack of easily accessible information on prior superior court decisions; and
- existence of contradictory, unclear, and obsolete laws and procedures.

A Strategy for Reform:

Given the continued relevance of the constraints which formed the basis for Phase I of the project and the moderate but steady gains being made in ongoing project activities, USAID and the Court agreed on a strategy which will continue to support ongoing activities, such as implementation of the Career Law, while focusing both ongoing and new activities more on anti-corruption and efficiency. The strategy recognizes that there is no one magic bullet for reform of the judicial system. Rather, improvement must be made across the board in all aspects of personnel and process management. One essential condition, however, is honest and capable Supreme Court leadership, which is committed to improving the integrity of the judicial system.

Integrity and Quality of Judicial Personnel

Major progress in judicial reform can be achieved by attacking the structural aspects of the Court system which actively encourage corruption. The most important of these is the method of selection, promotion, and firing of judicial personnel. It is moral character, intelligence, and allegiance that tends to determine whether an individual succumbs to

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corruption. Rooting out corruption must begin by addressing these basic personnel considerations in order to achieve the objective of better qualified and more ethical and efficient judges and court administrators.

A system in which jobs are given away through patronage, with no reference to capability or merit, promotes allegiance to the patrons, not to the Courts or law. A system which instead rewards hard work, honesty, and loyalty with a fair salary, respect, and promotions promotes allegiance to the institution and the correct application of the law. Such a system needs clear guidelines for conduct, rewards and punishments. The Mission's strategy for promoting the latter is to address the structural and technical factors which provide opportunities for corruption and/or weaken the efficiency of the Court, as discussed below:

Constraint: Lack of a Career Merit System for Appointment and Removal of Judicial Personnel

Recognizing the need for a career merit personnel system for the Court, Honduras took a major step toward reform with the passage of the Judicial Career Law in 1980. The law requires that all hirings and promotions be based on merit considerations and all firings be for cause. In 1991 and 1992, under the Strengthening Democratic Institutions (SDI) Project, USAID has assisted the Court to achieve full implementation of the Judicial Career Law by financing technical assistance in support of the development of internal regulations, position descriptions, salary scales, selection, evaluation and termination procedures, grievance procedures, monitoring and reporting, and training of personnel in their rights and responsibilities under the Law.

In 1991, the Judicial Career Council was inaugurated and given the responsibility of implementing the Judicial Career Law by approving all personnel policies and hearing personnel grievances. To assist the Council in fulfilling its role, USAID is planning to provide a small quantity of basic commodities for the Council in 1993. The Court has proposed to Congress changes to the Career Law which should improve the effectiveness of the Council. Through these activities, USAID believes that the Judicial Career Law can be fully implemented by 1995.

Constraint: Partisan Appointment of Supreme Court Justices

A Presidential Commission tasked with the Modernization of the State has proposed to the Congress a constitutional change in the manner of appointing Supreme Court Justices. The proposal would result in seven-year appointments for Supreme Court Magistrates with the possibility of reelection. Such appointments would be made from a list of 30 candidates developed by a selection committee comprised of representatives from various institutions involved in the Administration of Justice. Embassy and USAID policy dialogue with political leaders will work towards passage of these recommendations which would further facilitate the de-politization of the Judiciary. Unfortunately, since the proposal requires a constitutional change, which in turn requires approval by two separate Congresses, the change

will not become effective until 1998. The caliber of appointment of the Supreme Court magistrates by the new government elected at the end of 1993 will have a crucial impact on the success of the SDI project.

Constraint: Lack of Political Will to Combat Corruption

Although laws governing judicial and attorney behavior exist and the punishments are clear, the laws are not enforced. The political and societal will to enforce the law has been lacking. There does not appear to be a strong societal expectation in Honduras that the justice system will function more ethically and independently than other sectors. This may well reflect Latin American cultural history in general, and Honduran rule in the specific, whereby rule of law has been subordinated to rule by powerful interests and individuals. This is not to say that the current situation is entirely acceptable to society. For various reasons, individuals, and even governments, have tried to encourage reforms leading to the more idealized concept of justice imbedded in the Constitution, the 1906 Law of the Organization and Attributes of Tribunals and the Judicial Career Law. Positive steps toward improving the integrity of the justice sector have recently been taken with the proposals for the judicial sector by the Commission for the Modernization of the State and with a number of changes within the Court's structure.

Policy Dialogue: USAID discussions with officials at the highest level in the judiciary in 1992 and 1993 have resulted in a number of actions to combat corruption. One has been the development of the Office of the Inspector General in the Court. This office will conduct regular reviews of courts and investigate allegations against judicial personnel. Discussions at the highest level will continue to develop the burgeoning political will to support the anti-corruption mechanisms necessary to improve the integrity of the judicial system.

Constraint: Lack of Organized Action or Pressure by Interest Groups and Citizenry

In the formula for success in improving the integrity of the judiciary, societal demand for equitable and honest application of the law will probably be the most difficult change to engender. The strategy has been to first develop a constituency for integrity within the judicial employees themselves. This should occur with the introduction of career ladders, rewards and punishment for behavior, and the intangible reward of the respect which individuals gain by being part of a respected institution. In addition, the Project will take advantage of the current reform atmosphere to conduct public information campaigns in 1993-1995 to advise citizens of their rights and responsibilities, as the majority do not understand the law and the legal institutions created to protect their rights. Being more informed of the legal remedies offered to them, they are more likely to demand a better administration of justice. During this same timeframe, the Project will support the strengthening of local citizen groups to monitor the judicial process and act as advocates for reform in order to increase judicial integrity.

Constraint: Inadequate Court Budget to Support a Competitive Salary System for Judicial Personnel

Inadequate salaries tend to attract the least competent of the lawyers or the most venal. The Court had been unable to justify any budget increases since their budget presentations and general administrative and control systems were so weak. From 1990 through 1992, the Project assisted the judiciary in an administrative reorganization that has resulted in a more integrated and efficient organization. These administrative reforms comprised three major areas: reorganization, systemization of basic administrative functions for the Court, and computerization.

The Project introduced systems which provide adequate controls and checks and developed guidelines for budget formulation, presentation, control, and evaluation. It established a method of fund accounting which, for the first time, incorporated the U.S. Generally Accepted Accounting Principles and the new internationally agreed to Generally Accepted Accounting Principles for Government, as well as fiscal procedures for payroll, paymaster, procurement, warehousing, property control, and auditing. All Court administrative personnel in middle and top management have received formal and intensive on-the-job training in office automation and the functioning and computerization of the new systems.

As a result of these administrative improvements, the Court can now demonstrate that it has effective command over its resources and expenditures and can, therefore, be held accountable for properly utilizing any budget increase. Having demonstrated this capacity, it received substantial increases in budget during 1992 and 1993.

To supplement the funds the Court receives from the GOH, during 1993, USAID will be working with the Court to identify alternative sources of funding. Recently, the Ministry of Finance gave verbal assurances that the Court could begin to generate and retain revenue with the issuance of its own stamps as a user fee in official document transactions. The goal of the Court and USAID is a Court budget equal to or greater than 3% of national net revenues, as required in the Constitution. This will allow the Court not only to meet basic necessities but to also actually effect some of the reforms, such as oral proceedings, needed to improve the judicial process and guarantee the independence of the judiciary.

Constraint: Lack of Qualified Judicial Personnel

Besides providing the technical assistance to implement the Judicial Career Law and support to the Judicial Career Council mentioned above, USAID has ongoing activities to improve the human resource base of the judicial sector through experimental programs, training, observational visits, and support to the Judicial School.

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Experimental Programs: While the Judicial Career Law was passed in 1980, it was not implemented until 1991 due to the lack of general political will. In the years between the passage and implementation of the Judicial Career Law, however, a special justice of the peace experimental program was developed under the Project which embodied the principles of the Judicial Career Law. This program was directed at an area in which patronage was felt to be the greatest, i.e., at the level of the 325 justices of the peace. The program uses selective examinations to select justices with law degrees to replace politically-appointed, non-degreed (and sometimes illiterate) justices. Additionally, all justices (experimental and otherwise) were trained under the program. The selection and evaluation methodology for this program (as well as the two other experimental programs, public defenders and public prosecutors, discussed later), have acted as pilot programs for the larger Judicial Career Law implementation and demonstrated that the Court can resist the negative political reaction that merit appointments have elicited. Under the justice-of-the peace experimental program, from 1989-1991, USAID funded 81 justice-of-the peace positions. The Court has since integrated these positions into its permanent staffing pattern and budget and is planning to expand this program. In 1993, the Court will add 27 new positions with additional increases in upcoming years. By 1995 there will be 162 justices of the peace with law degrees (approximately one-half of the courts) which should be sufficient for efficient case management in all of the courts with heavy caseloads. This number represents an increase of 100% or 81 positions from 1992.

Training of Judicial Personnel: To increase the capabilities of judicial personnel, the SDI Project includes a number of training activities. In the first three years of the Project (1989-1992), approximately 845 of the Court's 1800 employees were trained in leadership and communication techniques, administrative procedures, organizational development, word processing, the Court's computerized accounting package, law related topics such as evidence and ethics, and specific legal areas such as property law.

Training for the following groups in the noted areas has been planned for 1992-1995: all (approximately 227) new public defenders, fiscales, and justices of the peace in Penal Law and Criminal Procedures; 1,125 law clerks and legal secretaries in administrative procedures and reporting requirements; the six inspectors in criminal investigation and administrative procedures; all (approximately 80) heads of police narcotics divisions, judges and prosecutors of first instance criminal courts, and narcotics prosecutors in the Attorney General's Office in the management of narcotics cases; and all 262 judges in the appellate and first instance courts in jurisprudence. Forty-one Court employees will participate in short-term participant training in the U.S. or a third world country. They will have the opportunity to study a number of topics in the countries visited, including procedural law, oral proceedings, case management, docketing, judicial decision-making, property registration systems, and the operations of inspector general, public defender and public prosecutor offices.

Training of Attorneys: To achieve professionalism with the judiciary requires that activities go beyond judicial personnel. Efforts must also be directed to practicing attorneys. Consequently, project activities also include assistance in 1994 and 1995 to the Honduran

Bar Association in its responsibility to provide continuing legal education to its members in specific areas relevant to Honduras. Beneficiaries would include practicing attorneys, government lawyers, judges, law professors, and students. By 1995, the Bar Association should have an active in-service training program financed through member contributions.

Constraint: Lack of Awareness and/or Lack of Application of a Code of Ethics for Judicial Personnel and Lawyers:

Ethical Conduct of Judicial Personnel: Since 1989, the SDI Project has supported the National Judicial Reform Commission by providing administrative support for its Executive Secretary and Secretary. One of the many accomplishments of this Commission has included the development of a code of ethics for the Court.

For compliance and enforcement of this needed Code, the Court recently expanded the role of the Inspector General's Office and hired five sub-inspectors to enforce it. This Office will be expected to identify corruption through regular inspection of case files and statistical patterns, and respond to public complaints and allegations against judicial personnel. The Project will support this Office by providing training for these inspectors in 1992 and technical assistance for one year by a resident U.S. expert who will work with the inspectors on a daily basis. The inspectors have already conducted a number of investigations and the President of the Court has shown himself to be highly supportive of the new Inspector General's efforts to identify and eliminate corruption. Formal charges levied against the two judges who released narco-traffickers in the North and the firing of a series of judges for corruption show that the Court is serious about cleaning up its own house. With the Inspector General's Office, the Court's ability to collect evidence with which to charge judicial personnel, lawyers, and citizens will be greatly improved. It is expected that by the end of 1993 the IG Office will be able to quickly respond to complaints with follow-up prosecution as appropriate.

Ethical Conduct of Lawyers: Again recognizing that corruption within the judiciary must be addressed both within and outside of the Court itself, assistance to the Honduran Bar Association will also support the Association in its responsibility to regulate the behavior of its members. An agreement will be made with the Association conditioning assistance in continuing education activities on the revision of the way in which complaints against attorneys are reviewed so that corruption, fraud, and subornment are effectively punished.

Constraint: Lack of Monitoring, Evaluation and Control Systems to Ensure Judicial Process and Individuals' Performance

One of the technical instruments developed in 1992 for implementation of the Judicial Career Law includes annual evaluations of judicial personnel. To facilitate the use of annual evaluations of judges, the Project includes the development of a case tracking system. This system will provide for a quick summary of each case, facilitate the monitoring of case progress (including compliance with the established deadlines for case processing), and assist the Court in evaluating judicial performance and identifying irregularities. It will also create

the data needed for the development of a management information system to plan and monitor the performance of the entire judicial system. Information available from such a system will include the number and kind of cases filed and disposed of and time taken in each stage of the case. This data is important to ascertain current caseloads in each court to determine whether judicial staffing is appropriate, as well as productivity of judges. To establish such a system requires training, commodities, and technical assistance which will be provided during 1993 and 1994.

Other Constraints Which Impede the Just Application of Law

Not all of the major constraints to the just application of law are related to the honesty and quality of judicial personnel. However honest a judge, lack of evidence may result in an incorrect decision. However qualified the judge, a lack of reference to higher court decisions may result in the overturning of sentences and costly appeal processes. However well-intended the system, the judges cannot act in defense of the accused. However honest the property registry judges, fraud will continue to flourish in this antiquated and inadequate system of property registration. Finally, the laws, to the extent that they are unclear and contradictory, even when not contributing to the confusion which covers up subornment, permit a randomness of results unsuitable to a civil law system.

Constraint: Lack of a Public Defender Program

Although the Constitution guarantees legal representation for indigents, prior to 1989, Honduras had no mechanism to provide it. As a result, during 1989-1991, the Project assisted the Court to establish a full-time, professional (law school graduate), free public defense program. The SDI Project has funded one year of salaries of 16 defenders and two years of salaries for 15 additional defenders, all of whom were hired based on merit and whose continued employment has been dependent upon performance. The Court has since incorporated the defenders into its permanent staffing pattern and budget and is planning to expand this program. Twenty new positions will be added in 1993, which represents an increase of 65% from 1992, which should be sufficient to provide legal defense for indigents accused of crimes in major cities and towns. This program upgrades the quality of legal defense, facilitates the progress of cases, and provides a cadre of professionals who monitor their clients' cases to insure impartial administration of justice.

Constraint: Faulty or Inadequate Development and Presentation of Evidence

USAID is addressing this deficiency by facilitating dialogue between the court and police, funding forensic medicine scholarships and the public prosecutor program, and providing support for the soon-to-be constructed Forensic Lab in San Pedro Sula. These activities are geared toward the development of good, solid evidence in cases, thereby reducing the "discretion" that the judge has in making a decision.

Police/Court Dialogue: USAID and the International Criminal Investigative Training Assistance Program (ICITAP) have been working toward building cooperation among judges, prosecutors, and police investigators. In 1991, USAID requested and received authority to include personnel in law enforcement agencies in certain limited activities. In 1992, this authority was extended so that USAID could support the Liaison Office, comprised of representatives of the police, Court, and Attorney General, whose role is to address day-to-day problems in the development of evidence. Under this authority, in 1991 and 1992, USAID sponsored and co-sponsored two conferences for court and police personnel to foster coordination in the collection and development of evidence. Similar workshops and conferences are being planned for 1993-1995. Additionally, in 1993, USAID has provided a limited amount of commodity support for the Liaison Office to facilitate its role in improved police/court relations.

Forensic Medicine Scholarships: There is an urgent need for the development of forensic capabilities in Honduras. Consequently, funding has been provided for two three-year scholarships in forensic medicine in Costa Rica. One recipient will finish his studies in 1994; the other in 1995.

Forensic Lab: Similarly, there is a desperate need for a facility in the North for autopsies and forensic examinations. The Court is constructing a medical forensic laboratory in San Pedro Sula using counterpart funds of the Honduran government. With the help of ICITAP, USAID has assisted the Court in designing and equipping the laboratory. Under the Project, USAID will also finance short-term training for technical laboratory staff at the laboratory in such areas as chemical analysis. Additionally, the Project will finance a small amount of equipment for the laboratory that cannot be purchased locally.

Public Prosecutor Program: The deficiency in prosecution and the need for a prosecutors' program became obvious as a result of a successful public defender program. Through the defender program, more and more of the accused were released due to the demonstration by the defenders that evidence was insufficient. As a result, since 1991, USAID and the Court have mutually programmed the use of counterpart funds of the Honduran government to establish a program of public prosecutors, designed to improve the initial handling of cases and reduce the average time to sentencing. These public prosecutors work closely with the police to insure the proper development of evidence. The Court is planning to expand this program from 18 to 44 in 1993 with additional increases in upcoming years. By 1995 there will be 38 public prosecutors which should be sufficient to efficiently prosecute cases in principal cities with major crime problems. This represents an increase of 111% or 20 positions since 1992.

Constraint: Land Registry System Vulnerable to Fraud

The Property Registry is the single biggest source of fraud and corruption in the judicial system. Public lands have been bought and sold as "private" property; inscriptions of deeds have been entered without being substantiated by other documents; various properties are

registered under the same number, while others are incorrectly included and registered with property to which they do not even remotely pertain. In the absence of substantive land registry documentation, there is ample opportunity for the judicial system to be co-opted by special interests and to decide such cases in an arbitrary fashion.

During 1993 and 1994, the Project will fund technical assistance and equipment to create a modern deed registry and retrieval system using Tegucigalpa/Comayagüela as the pilot area. The system will reconcile land records and computerize the consolidated records so that title searches, ownership, and transactions will be immediately accessible and information transparent. In a parallel effort, the Court will reform those registry procedures which contribute to fraud. This will be done by instituting systems requiring title searches and publicized surveys before registration of land transactions, changing the systems of annotation for partial plot sales, introducing statements of ownership which will permit prosecution for fraud, changing the responsibility of the registry with respect to verification and correction of errors, and amendments to the conflicting laws to both remove contradictions and improve the definitions of various types of fraud and associated punishments. While these efforts cannot entirely eliminate fraud, the goal is to make fraud much more difficult, much easier to detect, and much more risky in terms of punishment for the perpetrator.

Constraint: Lack of Easily Accessible Prior Court Decisions

Three cases similarly decided by the Supreme Court are recognized as binding precedent having the force of law. The problem in Honduras is that there has been no way to archive and retrieve similar cases so that they can be used this way. Under a pilot jurisprudence project in 1991 and 1992, computer commodities and technical assistance were provided to adapt and translate a full text search and retrieval system, produce manuals, and train persons in entering, editing, and researching Supreme Court decisions, using a small sample of various types of cases. Court personnel have begun to input recent Court decisions in a structured format and the Court has recently hired additional personnel to input older decisions. These decisions will be available to anyone with a personal computer and legal access to the CD ROM data base. The Court is expected to devise a licensing agreement with the Bar Association to provide access to the jurisprudence system. This agreement would involve a price for access which would be reasonable to members of the bar but would also finance the Court's cost of continued production and additional equipment.

During 1993-1995, copies of the jurisprudence data base will be distributed to the appellate courts and courts of first instance. The data base will be expanded to include all Honduran statutes and opinions keyed electronically to these statutes. This activity will allow judges and attorneys to find case precedents, thereby improving the quality and consistency of decisions in cases with similar facts. It will make it more difficult to justify decisions based on other than factual considerations.

Constraint: Existence of Contradictory, Unclear, and Obsolete Laws and Procedures

The National Judicial Commission has been engaged in a number of activities between 1985-1992. Examples include, *inter alia*, the production of the Manuals for the Courts of First Instance and for Justices of the Peace (which have proved a great success in orienting new judges and making their documentation consistent); supervision and evaluation of personnel in the highly successful three experimental programs (fiscals, defenders, and graduate justices of the peace); development of a code of ethics; implementation of studies to determine the causes of delay in the judicial process and for the reforms necessary for the pension law and the penitentiary system which have been proposed to the Congress; and the design and supervision of the Court's first system of collection of judicial statistics.

During the remaining years of the Project, the Commission's ability to address relevant legal, procedural, cultural, institutional, and financial obstacles to justice will be expanded by providing it with project funds to contract out the analyses and reports which are currently being done by the members themselves so as to increase the productivity of the Commission. These additional funds will also be used to support training in and enforcement of the new ethics code; actions leading to shortening of time to sentencing; reform of laws relating to property; review and possible reform of the legal time frame for each step in the judicial process; implementation of pilot oral proceedings and alternative dispute resolution systems; and reform of the commercial law code.

In closing, a complete reform of the judicial system cannot be expected overnight. Even with the best will in the world institutional change is a process of changing rewards and punishments and the gradual adaptation of all the players, internal and external, to the new set of rules. That change is possible has already been demonstrated by the achievements in the early years of the Project.

B

EXPANDED PROJECT DESCRIPTION

A. The Project

The Project goal is to strengthen democracy in Honduras. The Project purpose is to improve the capability of key democratic institutions (the Judiciary, the Congress, and the National Elections Tribunal/National Registry), develop local democratic leadership and increase the knowledge and participation of the Honduran populace in the democratic process.

Project funds will include an incremental USAID grant of up to \$21,300,000 and a contribution from the grantee of the local currency equivalent of \$18,906,000 including those costs borne on an in-kind basis.

B. Project Activities

The activities under this project with the Court, the Congress and the TNE/RNP will be set forth in detail within Memoranda of Understanding signed between USAID and the participating institutions. The activities with non-governmental organizations will be detailed in individual grant documents. The following represents summaries of the activities as they are expected to be implemented during the Life of Project.

B.1 Activity No. 1: Administration of Justice

The Administration of Justice component will strengthen the court system, the court's coordination with the police, the Public Ministry, public defense, the Honduran Bar Association and citizen groups working in support of improved judicial practices and procedures. The end result expected is the development of a transparent and ethical application of justice and a long-lasting strengthening of the integrity of the judicial system.

a. Judicial Career Service. Major progress in judicial reform can be achieved by attacking the structural aspects of the Court system which actively encourage corruption. The most important of these is the method of selection, promotion, and firing of judicial personnel. It is the moral quality, intelligence, and allegiance that determines whether an individual succumbs to corruption. Rooting out corruption must begin by addressing these basic personnel considerations.

The Hondurans understood this and took a major step toward reform with the passage of the Judicial Career Law in 1980. The Project has assisted the Court to achieve the full implementation of the Judicial Career Law by developing position descriptions, salary scales, selection, evaluation and termination procedures, grievance procedures, monitoring and reporting, and training of personnel in their rights and responsibilities under the Law.

In 1991 the Judicial Career Council was inaugurated and given the responsibility to implement the Judicial Career Law by approving all personnel policies and hearing personnel grievances. The amended Project will provide basic commodities for this Council funded from grant funds, and salaries for a secretary and Executive Secretary using counterpart funds.

b. Experimental Justice of the Peace Program. The Project will support the gradual upgrading of the first level of courts in the country by assuming part of the costs of replacing non-degreed Justices of the Peace in criminal and mixed lower courts with law school graduates. While initially the degreed justices will be placed as court openings occur, through the use of statistics on case loads, the Court will try to place the majority of the degreed justices in courts with average or greater than average case loads.

The Project will initially fund 81 positions (27 starting each of the first three years) for one year. The Court will then integrate the positions into its permanent staffing pattern and budget. All selection and appointment will be through competitive examination. In the second phase, beginning in 1992 the Court will use ESF local currency counterpart funds to add additional degreed justices of the peace and for other support costs of this activity.

c. Experimental Public Defender Program. The Project will assist the Court to establish a full-time, professional (law school graduate), free public defense system for the indigent. The Project will fund the first year of 16 defenders and the first and second year of 15 additional defenders. The Court will then incorporate the defenders positions into its permanent staffing pattern. The Court (or the Public Ministry) will use ESF local currency counterpart funds to add additional defenders and for other support costs of this activity. All selection and appointment will be by competitive examination.

d. The Public Ministry. The Court (or the Public Ministry) may use local currency counterpart funds to establish and expand a program of full-time criminal prosecutors designed to improve the initial handling of cases and thus reduce the average time to sentencing. Positions established using ESF local currency funds will be converted to permanent positions after the first year. All selection and appointment of personnel must be by competitive examination.

e. Court/Police Cooperation. To support the important work which ICITAP has begun in building cooperation among judges, prosecutors, and police investigators, USAID has sought to include the police under the Administration of Justice activities in the SDI Project. The Mission received authority under Section 534(b)(3)(b) and (c) to include law enforcement agencies personnel in certain limited activities under the AOJ component.

Under this authority, received in April 1991, the police can participate in four project activities: regularly scheduled courses of the Judicial School; courses designed principally for Court employees; and courses that could be sponsored by the Supreme Court aimed

specifically at problems of police/judicial cooperation; and as recipients of printed materials. Additionally, support for the Coordinating Commission and its operational dependencies or Liaison Office is authorized.

This Coordinating Commission, made up of high level members of the Court, the Attorney General, the Ministry of Government, and heads of the four main police branches, has been created to resolve institutional conflicts at the policy level. To address day-to-day problems in the development of evidence in criminal cases, representatives of the police, Court and Attorney General were also elected to participate in a newly developed Liaison Office.

Under the amended Project, and in cooperation with the ICITAP program, support will be provided to activities designed to foster better Court/Police cooperation through seminars, training and materials. Technical and material support (office equipment, per diems) will also be provided to the National Coordinating Commission Liaison Offices.

f. Administrative Improvement. The Project assists the judiciary in an administrative reorganization that will result in a more integrated and efficient organization. These administrative reforms comprise three major areas: reorganization, creation of basic administrative functions for the Court, and computerization. Reorganization consists of the creation of new administrative units, e.g., Chief Court Administrator; the creation of new functions for existing offices, e.g., ex-post auditing for the auditing department; and the assignment of offices within the organizational chart, e.g., statistics from the General Secretary's Office to the Budget and Planning Department.

At the inception of the project, the Court had no administrative systems and was being run in a manner which barely allowed it to keep track of its day to day operations. The project introduces systems which provide adequate controls and checks; developed guidelines for budget formulation, presentation, control and evaluation; establishes a method of fund accounting which, for the first time, incorporates the Generally Accepted Accounting Principles and the new internationally agreed to Generally Accepted Accounting Principles for Government; and fiscal procedures for payroll, paymaster, procurement, warehousing, property control, and auditing.

The systems developed by the project are being computerized under the project, with a commercially integrated government accounting software previously installed in Puerto Rico and the Dominican Republic and adapted to the Honduran system. Being an integrated system, MUNIS allows the data to be entered in one simple operation for all the necessary steps of verification, authorization, control and final accounting entry.

Under the project, all court administrative personnel in middle and top management receive formal and intensive on the job training in office automation, the functioning and computerization of the new systems, and regular visits of international consultants.

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These administrative improvements will improve the Court's capability to justify and receive an adequate budget and therefore allow the Court to function independently from the other branches in a way that gives it greater credibility among the public. To effect these administrative reforms, technical assistance, training, and commodities are included in the project from both project and counterpart funds.

g. Information Systems.

A. Jurisprudence

Three cases similarly decided by the Supreme Court are recognized as binding precedent having the force of law. The problem in Honduras is that there was no system of archiving or retrieving similar cases so that they could be used in this way. Under a pilot jurisprudence project in Phase I, international consultants working with the local Jurisprudence Committee adapted and translated a full text search and retrieval software (FOLIO), produced Manuals, and trained persons entering, editing, and researching Supreme Court decisions, using a small sample of various types of cases. Hardware, software, and training were provided to all Supreme Court Magistrates and their secretaries. Secretaries will now begin to input Court decisions for the last ten years in a structured format, unique to Honduras, and accepted by its legal community. This opinion will be electronically transferred to FOLIO and will be available to anyone with a personal computer and legal access to the CD ROM data base.

Under the Amendment, copies of the court opinion data base will be distributed to the appellate and general jurisdiction courts (cortes de letras). The court opinion data base will be expanded to include all Honduran statutes and opinions will be linked electronically to verbiage in these statutes. This will involve the purchase of additional equipment, technical assistance, and a comprehensive training program through the Judicial School for which project funds will be used. The employment of secretaries to input Court decisions and an editor to ensure quality of this input, will be financed with counterpart funds.

B. Docketing/Management Information System

A docket is a book or group of cards or other medium containing an entry in brief of all activity in a case, from its inception to its conclusion. A docketing system allows one to see at a glance the activity in an individual case. From this standpoint, it will assist the Court and Inspector General to identify irregularities. While in Honduras there exists clearly defined timetables for processing civil and criminal cases, it is difficult to track the progress of a case or monitor whether these deadlines are met without reading the whole case file (assuming that the file is complete).

The docketing system contemplated under the project will not only provide for a quick summary of each case, facilitate the monitoring of case progress, and assist the Court and Inspector General to identify irregularities, but will also create the data needed for the development of a management information system to plan and monitor the performance of the

entire judicial system. Information available from such as system include number and kind of cases filed and disposed of and time taken in each stage of the case. This data is important to determine current caseloads in each court to determine whether judicial staffing is appropriate, as well as productivity of the judges. To establish such a system will require training, commodities, technical assistance.

It should be noted that both the docketing and jurisprudence systems will use the same hardware.

h. **Property Registry.** The Property Registry has been included in the amendment to the project because it is, quite probably, the single biggest source of fraud and corruption in the judicial system. The amendment will establish a modern, transparent system to guard the right of investors in land.

Work under the amendment will consist of a pilot project to create an automated search and retrieval system for property deeds in Tegucigalpa and Comayagüela. This system will require microfilming all deeds of the cadastral offices in Tegucigalpa and inputting data in a computer of whole text used in registering land. Once this information is scanned onto an electronic tape or disk, then the process of indexing takes place. Funds allocated for the Land Registry activity come to approximately \$510,000 which includes technical assistance by a U.S. consultant, duplicating and microfilming images, scanning microfilm images onto electronic media, indexing all deeds, training and administrative support of personnel, and commodity purchase of hardware, software and other related materials.

i. **Inspector General.** The President of the Court has a serious interest in ridding the judicial system of corruption. This was demonstrated in the formal charges levied against two judges who unjustifiably released drug traffickers and by the series of firings of judges for corruption. To strengthen the integrity of the judiciary, the President has expanded the role of the Inspector General's Office. While historically this office was a one-man, inactive, political office, it is now being turned into a quick response unit to investigate allegations of judicial misconduct and carry out periodic reviews of cases in each court. Five subinspectors are being hired competitively to be located in the three offices in Tegucigalpa, San Pedro Sula, and La Ceiba. This office will enable the Court to collect evidence with which to charge not only judicial personnel, but also lawyers and citizens. To maximize the effectiveness of the office, the Court is planning widescale publicity campaigns to reinforce the importance of ethics and publicize the existence and function of the Office with a hot line number.

The Project assists this IG in terms of training and technical assistance. Short term assistance will be provided to identify laws to be enforced, develop and document operating procedures, and train inspectors. This training will include basic audit/investigative techniques, report writing, interviewing techniques, collection and preservation of evidence, human dignity (ethics/confidentiality), identification of areas of corruption/unethical practices, case management/reporting procedures, networking (use of established sources of information to

enhance investigative efforts), use of special prosecutors on major cases, and legal matters. Practical follow up of the training phase, using actual on-going case scenarios and on scene follow up of the investigation techniques taught will be included.

Long term assistance will also be provided to this office. This assistance will take the form of a one year personal services contract with an individual with considerable experience in the investigation of white collar crime. This individual will work with the IG in the implementation of the procedures developed and application of the training provided under the short term training. This individual will work with the inspectors on a daily basis to enable the IG to efficiently and effectively carry out its role in combatting corruption.

Counterpart funds will be used to provide: equipment and maintenance thereof for the IG, vehicles, transportation expenses, salaries for the subinspectors, rent and utilities for facilities, printing of Code of Ethics, petty cash fund, and publicity for the IG.

j. Medical Forensic Activity. There is an urgent need for the development of forensic capabilities in Honduras. There is only one expert in forensic medicine in the entire country; however, he was fired from his position in 1992 and no longer works in this field. The project finances two three-year scholarships in forensic medicine in Costa Rica. One recipient will finish his studies in 1994; the other in 1995.

Similarly, there is a desperate need for a facility in the North for autopsies and forensic examinations. Consequently, the Court is constructing a medical forensic laboratory in San Pedro Sula using counterpart funds. With the help of ICITAP, USAID has assisted the Court in the design of and equipment for the laboratory. Counterpart funds will finance the construction of and equipment for the building, staff salaries, utilities, purchase of vehicles, travel expenses, office equipment and supplies. The project will finance short term training for technical staff at the laboratory in such areas as fingerprinting and chemical analysis. Consideration is being given to utilizing as this short term training an internship program developed by ICITAP in which interns spend a period of three months in a host laboratory in the United States or Costa Rica learning procedures and how to use instruments. If funds remain after the necessary training is financed, USAID will use the remaining funds to purchase equipment for the laboratory which cannot be purchased locally.

k. National Judicial Reform Commission. The National Judicial Reform Commission was established with the encouragement of ILANUD and RAJO in 1985 as a mechanism to support and guide key institutions in the implementation of actions leading to the improvement of Justice activities. Its purpose was envisioned to determine national priorities and to demonstrate and nurture the political will of the country to affect reform; to have direct input from responsible officials; and to give national leaders a sense of personal stake in the project. RAJO expected that cooperation and coordination among organizations important to the operation of the justice sector would be fostered through the establishment of the Commission.

The Commission is chaired by a Magistrate of the Supreme Court and has appointed representatives of the Court, the Attorney General, the Bar Association, the Law School, the Ministry of Government and Justice, Ministry of Finance, and SECPLAN. The Commission acts as counterpart to USAID's bilateral activities as well as those of ILANUD and ICITAP and, in addition, pursues other issues raised by the GOH institutions. It meets religiously every week and has operated without a budget. Most of the project activities that have been developed originated in the Commission. The importance of the NJRC is recognized both in the agreement between ILANUD and the Supreme Court and the MOU of the bilateral project. In both of these documents, the parties indicate that the coordination of activities will be the responsibility of the NJRC Coordinator.

The Commission has demonstrated a strength of commitment and the potential to continue its work in the reform and evaluation of the judicial system. Examples of some activities in which the Commission has been engaged includes the revision of the Manual of Courts of First Instance; supervision and evaluation of personnel in the experimental programs; development of a judicial code of ethics; assistance to the Judicial School in resolving problems; coordination with donor projects; and implementation of studies to determine the causes of delays in the judicial process, for the reform of the pension law and penitentiary system; review of the Law of Protection and the Agrarian tribunals project, and the collection of judicial statistics.

There are contradictory laws, contradictions between laws and implementing regulations, obsolete procedures for case development and evidence collection. The Commission could be instrumental in the reform of these laws and procedures. Under the Amendment, the Commission's ability would be expanded to address relevant legal, procedural, cultural, institutional, or financial obstacles to justice over the near term by providing it with a budget to carry out the analyses and reports which are currently being done by the members themselves in whatever free time they have and which, therefore, take a long time to execute. These additional funds would permit such activities as review of specific sets of laws to replace them with a unified, meaningful, consistent and realistic laws, e.g. property registry; review and possible reform of the legal time frame for each step in the judicial process; public dissemination of the ethics code and enforcement within the Court (with the Judicial Council and Inspector General's Office); improved information exchange between the institutions represented on the Commission; study of the feasibility of oral proceedings and alternative dispute resolution; and reform of the commercial law code. The Commission has developed a number of projects it would like to implement. Proposed projects include the creation of a post degree in procedural law in the University, a basic library for the Attorney General, training in the development of narco-trafficking cases, and information system for the Law School. Under the Amendment, the Commission and USAID will determine the most pressing needs in judicial reform which need to be addressed.

To strengthen the Commission in its role, technical assistance and administrative support, training, commodities, and observation travel to Reform Commissions in other countries will be provided using project funds. The salaries of the Executive Secretary and Secretary of the

Commission had been paid using project funds until 8/31/92; counterpart funds will be used thereafter.

l. Inter-American Bar Association. During the last few years, the Honduran Bar Association has made considerable progress in trying to fulfill the role of a modern bar association. This progress, however, has been hampered by its lack of institutional strength.

The project has activities to strengthen the Bar Association . It includes a grant to the Inter-American Bar Foundation to assist the Honduran Bar Association in its responsibility to provide continuing legal education to its members. In the past, under other board of directors of the Honduran Bar, the Foundation helped considerably in this type of program. Beneficiaries of the legal education program would include practicing attorneys, government lawyers, judges, law professors, and students.

Members of the legal profession will become acquainted with new developments in different fields of the law. Exchange of opinions to improve the administration of justice, the legal education, and the legislative process would take place. Subjects would include alternative dispute resolution methods, specific aspects of procedural, criminal, commercial law and other topics relevant to Honduras.

m. Citizen Legal Reform Groups and Public Information. The project will provide grants to indigenous, non-profit organizations for activities oriented toward education of the population about the legal system and/or for activities focused on monitoring, evaluation, and reform of the legal system.

n. Training. In addition to training in support of the above activities, the project will support the development of new entry training to orient new employees about administrative procedures, the Judicial Career Law, ethics, and other specific themes relating to judicial reform. As appropriate special training will be provided in areas identified as particular problems in the administration of justice, for example the management of narcotics cases.

o. Observational Travel. U.S. and third-country observational travel may be financed by the project in support of the above activities or other activities relating to the reform of the justice sector.

B.2. Activity No. 2: Legislative Enhancement

The objective of this component is to improve the effectiveness of the Honduran Congress in formulating and passing laws.

a. Establish the Center for Legislative Research and Studies (CIEL). The CIEL has been created by Decree No. 239-89 to provide legislators with the information and data necessary to permit the National Congress to successfully discharge its responsibilities and tasks within the framework of its constitutional and legal jurisdictions. The project will support the development and startup of the CIEL, providing technical support in the design of the information systems and commodity support for the computers and workplace of the CIEL. The Congress will provide space for the CIEL and will cover the costs of personnel.

b. Strengthen the Congressional Administrative Systems. The project will support improvements in the administration and management of the legal processes of the Congress and in the administration of the Congress itself (payroll, personnel, etc.).

B.3 Activity No. 3: Voter Registration/Elections Improvement

The objective of this Component is to assist in the improvement and the professionalization of the National Elections Tribunal (TNE) and the National Registry of Persons (RNP) enhancing their ability to manage an effective registration process and guaranteeing universal suffrage.

a. Updating, Microfilming and Computerization of the Civilian Registry. The project will support the updating, verifying and microfilming of all documents linked to the Civilian Registration process from 1880-1983.

b. Election Support. The project will finance necessary training and commodity support to enable the TNE to conduct effectively the 1989 and 1993 National Elections. The project will also support public information campaigns for the 1989 elections and international observers for the 1989 and 1993 elections.

B.4 Activity No. 4: Democratic Leadership Training

a. Non-governmental Organizations. The project will continue to fund AIFLD's program for civic and economic education of labor leaders, and encourage the congressional Women's Committee that promotes equal treatment of women and minorities, while also extending the project to include grant funds for civic education through an adult education program and for NGOs working as watchdog groups. By assisting these indigenous non-profit groups it is anticipated that their advocacy role and their ability to inform and educate a greater number of citizens about the importance and rewards of a democratic system will increase.

Funds under the amendment will continue in support of AIFLD's activities in economic and civic education. AIFLD has carried out seminars to improve the capability of the Honduran trade unions by developing local leadership and increasing its participation in the national political process. A continuation of courses on basic economic principles were given to participants so as to better understand the implications of the austere economic measures that the GOH is implementing. The civic education program is expected to encourage active participation in the election process by both the leadership and rank and file of the unions, thus they will be better represented in the political arena. Topics under these seminars covered from Political Theory to Central American Economic Integration to Voter Education Techniques.

Funds will support AIFLD's programs of civic and economic education of labor leaders; mobilization of non-profit, non-governmental groups to expand their activities to include civic education, "watchdog groups", and groups supporting the equal treatment of minorities including women.

Fundación Democracia y Desarrollo, a non-partisan public interest foundation, may fulfil the role of watchdog and advocate for the public interest. This foundation is in the process of being established and will include influential, honest, and respected Hondurans and other donor organizations. The objectives of Fundación Democracia y Desarrollo are to promote a democratic and representative system as well as provide a free and efficient market system that fosters private investment and social and economic development. As watchdog and advocate for the public interest, the foundation would oversee areas of public concerns some of which are the functioning of the judicial system, government corruption and its prosecution, support for fair elections, good governance, both at the national and local level, institutions and processes.

The Women's Committee is a permanent Congressional Committee for the Defense of Women that reviews draft and current legislation impacting women, proposes corrective legislation, and uses its political clout to conduct workshops on women's rights for the Court and Congress. This activity, while only indirectly benefitting from the Project, supports the court component by making laws more just, demonstrating to other congressional committees the effectiveness with which committees can and should function.

b. Civic Education curriculum and materials development for Adult Basic Education. This activity will supplement the social science modules already planned for the Ministry of Education's adult basic education curriculum. A pilot adult basic education program with the Ministry of Education (MOE) is currently underway through a centrally funded contract with Learn Tech. The pilot project will serve 600 adults in the Department of San Francisco Morazán. With a minimal investment of TA for self-instruction module and materials development, the Mission can ensure that civic instruction on participation in a democratic society is included in the adult

education curriculum as the Ministry expands the program nation-wide over the next ten years. Additional funding for extra materials for the adult education program expansion.

The Adult Basic Education curriculum was selected as the focus for this activity because, given the limited funding available, it maximizes the potential for an adult Honduran population to be trained in the importance of participating in a democracy. This assumes that adults already educated beyond the basic level either have received some sort of civics in their formal education, or, at least have the reading ability to learn about it on their own. Reaching children in the schools is no longer proposed because the impact of such instruction cannot be tangibly enough measured, nor can the benefits be closely enough connected to the accomplishment of other Mission objectives, to justify the large expenditure such an activity would require.

c. Implementation Arrangements

C.1 Project Administration

The project will work with two separate branches of government: the Congress and the Judiciary; and with the TNE/RNP. Separate Memoranda of Understanding (MOU) between the implementing institutions and USAID, as noted in Article 2 of the main body of this Agreement will define implementation processes and responsibilities. Direct grants will be used to implement activities with non-governmental institutions.

C.2. Responsibility of Implementing Institutions

The Ministry of Finance and Public Credit, in representation of the GOH, is responsible for assuring that counterpart resources are available.

A Memorandum of Understanding (MOU) or grant agreement will be signed with each participating institutions as above specified. Each MOU or grant will constitute the implementation agreement specific to that particular component or grant, including the conditions precedent, covenants and the budget. The standard provisions accompanying this Agreement will be made a part of each of the MOUs/grants. MOUs and grants will be signed by the respective institution's representative and will be subject to all the terms and conditions of this Agreement.

The MOUs/grants will identify the individual or individuals within the cooperating institution who will oversee project implementation and interface with USAID and any institutional or personal services contractors. Each cooperating institution will assign appropriate staff to fulfill the implementing, monitoring and reporting requirements under the terms of the agreement. Requirements for implementation plans will be specified in the MOUs/grants.

C.3. Role and Responsibility of USAID

USAID will be responsible for the contracting of technical assistance and commodities for the cooperating GOH institutions. Non-governmental grant recipients will manage their own contracting and purchase processes. In the case of the National Judicial Reform Commission, contracting arrangements will be specified in a subsequent Project Implementation Letter.

All disbursements for direct USAID contracts will be made by USAID in accordance with the terms of the contract.

C.4 Evaluation and Audit Plan

MOUs/grants will specify the requirements for evaluation and audit for each institution.

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SUMMARY FINANCIAL PLAN
Thousands US \$

<u>Project Component</u>	<u>Previous</u>			<u>Amendment</u>			<u>LIFE OF PROJECT</u>		
	<u>USAID</u>	<u>GOH</u>	<u>TOTAL</u>	<u>USAID</u>	<u>GOH</u>	<u>TOTAL</u>	<u>USAID</u>	<u>GOH</u>	<u>TOTAL</u>
Administration of Justice	2,649	6,400	9,049	3,944	5,337	9,281	6,593	11,737	18,330
Elections Support	5,900	5,111	11,011	336	2,038	2,374	6,236	7,149	13,385
Legislative Enhancement	1,897	0	1,897	0	0	0	1,897	0	1,897
Democratic Leadership	325	0	325	550	0	550	875	0	875
Project Management	5,729	20	5,749	470	0	470	6,199	20	6,219
TOTAL	16,500	11,531	28,031	5,300	7,375	12,675	21,800	18,906	40,706

09/25/92

ANNEX K.2

A.I.D. Project No. 522-0296
 Strengthening Democratic Leadership
 Project Amendment

ILLUSTRATIVE SUMMARY OF PROJECT COSTS BY EXPENSE CATEGORY AND SOURCE OF FUNDING
 (IN \$000 \$)

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	PREVIOUSLY OBLIGATED			THIS OBLIGATION			LIFE OF PROJECT FUNDING		
	AID Grant			AID Grant			AID Grant		
	Total	FX	Local	Total	FX	Local	Total	FX	Local
Program Output 5.1: Greater information usage in developing laws and more efficient tracking of law-making and administrative processes.	\$1,830	\$1,708	\$130	\$0	\$0	\$0	\$1,830	\$1,708	\$130
Program Output 5.2: Better qualified and more ethical and efficient judges, attorneys, and admin. in judicial institutions	\$2,640	\$1,510	\$1,130	\$2,406	\$1,082	\$784	\$5,114	\$3,192	\$1,922
Program Output 5.3: Framework institutionalized for ongoing legal and administrative reforms in the judicial system.	\$0	\$0	\$0	\$1,478	\$759	\$720	\$1,478	\$759	\$720
Program Output 5.5 Greater number of Hondurans exposed to and trained in democratic values	\$324	\$79	\$245	\$550	\$225	\$325	\$874	\$304	\$570
Program Output 5.7: More Accurate electoral registry and voting systems	\$5,400	\$3,850	\$1,550	\$338	\$25	\$311	\$5,738	\$3,875	\$1,861
Project Management	\$5,720	\$5,000	\$850	\$470	\$310	\$160	\$6,130	\$5,390	\$810
Total Project	\$18,000	\$12,287	\$3,713	\$5,300	\$3,000	\$2,300	\$21,300 1/	\$15,288	\$6,812

Note: Amounts are rounded to the nearest thousand.

1/ This is the total obligated under the bilateral Grant Agreement and does not include an additional \$500,000 which were authorized, obligated, and expended for a contractor claim.

Breakdown by year

	1993			1994			1995		
	AID	GOB CONTRIBUTION CASH	IN-KIND	AID	GOB CONTRIBUTION CASH	IN-KIND	AID	GOB CONTRIBUTION CASH	IN-KIND
ADMINISTRATION OF JUSTICE (AOJ)									

Technical Assistance/Admin Support									
Oral Proceedings				923,220					
Inspector General	110,000	337,000	134,000		187,000	234,000		187,000	234,000
Commercial Law Code				27,369					
Oficina de Solace			12,000			12,000			12,000
Procedural Law	20,602								
Desarrollo Organizacional		317,500			317,500			317,500	
Forensic Dept.			1,127,000			1,127,000			1,127,000
Experimental Programs		5,613,800	2,642,445		697,000	4,758,000		697,000	897,000
Judicial Council	2,012			2,012			92,013		
Docketing				238,358					
Jurisprudence	57,200	333,000			73,000				
Nat. Judicial Reform Comm.	50,000			50,725		67,000	50,000		67,000
Land Registry		188,000		288,385	323,000			188,000	
Subtotal	239,814	8,787,300	3,915,445	635,987	1,797,500	6,198,000	52,013	1,587,500	2,337,000
Commodities									
Computer System, Courts	728,684								
Computers, Teguc Registry				188,253					
Jurisprudence Software	17,700								
Judicial Council	15,000								
Oficinas de Solace	20,000	100,000		20,000	123,000		20,000	100,000	
Printing Ethics	10,000								
Petty Cash		218,000			218,000			218,000	
Librarian	30,900								
Forensic Lab	110,000	2,700,000							
Subtotal	932,284	3,018,000	0	208,253	339,000	0	20,000	318,000	
Training									
New entry	13,850			13,850			13,850		
Administrative Training	63,000	1,000,000	200,000	23,825	700,000	500,000	23,825	418,000	784,000
Inspector General	3,150						0		
NJRC: Narcotrainning	25,000			20,300			0		
Docketing				255,005			0		
Jurisprudence	123,700						0		
Property Registry	33,600						0		
Forensic Lab	42,000						0		
Subtotal	384,300	1,000,000	200,000	313,580	700,000	500,000	37,475	418,000	784,000
Observational Travel									
NJRC Projects	5,792			12,728					
Oral Proceedings				25,568					
Regional NJRC NTGS	20,000			17,365					
U.S. Observation	15,000			15,000			15,000		
PD and Fiscals, CanAmor	4,616								
Inspector General	40,872								
Subtotal	86,280	0	0	70,593	0	0	15,000	0	
Base Line Studies									
Public Opinion Polls	25,000						25,000		
Citizen Legal Reform Groups	10,000			15,000			10,000		
Public Information	20,000			80,000			16,000		
Bar Association	50,000			25,000			25,000		
Contractor OH & fee	190,000								
Audits	437,342								
Sub-Total	25,000			35,000			40,000		
Sub-Total	757,342	0	0	155,000	0	0	118,000	0	

TOTAL AOJ	32,320,000 L.	10,803,300 L.	4,115,445	81,303,413 L.	2,838,500 L.	6,898,000	3240,587 L.	2,319,500 L.	3,121.

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ANNEX F IMPLEMENTATION SCHEDULE

The following implementation schedule indicates targeted dates for actions during the first year of the amendment.

<u>ACTION</u>	<u>DATE</u>	<u>ACTION BODY</u>
1. Project Documentation		
Project Authorization	9/92	USAID
Grant Agreement Signed	9/92	USAID/GOH
Initial Conditions Met	10/92	GOH
Memos of Understanding	10/92	USAID/GOH
2. Contracting Actions		
a. GU Contract Extended		
	9/92	USAID/GU
b. Jurisprudence Activity		
PIO/T signed	11/92	USAID/GOH
Contract Executed	2/93	USAID
Contractor in Place	3/93	USAID/GOH
Purc/Commods by USAID	10/92 - 2/93	USAID
c. Docketing/Statistics/Land Registry		
PIO/T signed	12/92	USAID/GOH
Proposals reviewed	4/93	USAID
Contract Executed	5/93	USAID
Contractor in Place	6/93	USAID/GOH
Purc/Commods by USAID	12/92 - 2/93	USAID
d. Grant to IABF		
	10/92	USAID
e. Extension of AIFLD Grant		
	9/92	USAID
f. Buy-in to EDC project		
Purchase Order	7/92	USAID
Buy-in	9/92	AID/W
g. Procurement of election commodities by USAID		
	9/92 - 7/93	USAID
h. Procurement of Training services for poll workers		
PIO/T	2/93	USAID
Proposals reviewed	4/93	CAPEL/USAID
Contract Awarded	5/93	USAID
Contractor in place	6/93	USAID
3. Election observers		
	6/93	USAID

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PROCUREMENT PLAN

Commodity Service	Description	Estimated Cost U.S. Dollars (000's)	Source	Origin	Type of Procurement	First Delivery Date (months)	Lead Time (months)	Purchase Agent	Waiver Approval Required	Buy America Implications
Y.A. & Admin Supp/Trng/Proc Agent Lead Registry & Doctating/Stat. Jurisprudence Y.A. & Admin. Support	AID Direct Contract (Various)	\$1,212 \$243 \$945	000/CACH	000/CACH	Competitive 1/ Solo Source 17% Competitive	Various	Various	USAID/H	Yes Yes No	None None None
Commodities	Court/AID	\$1,170	000/CACH	000/935	Competitive	Various	Various	USAID/H	None	Exempt under MB 10 of MA guidance
Training	Short Courses	\$452	000/CACH	000/CACH	Competitive	Various	Various	USAID/H	None Yes	MA does not apply; exempted under Section 10 of guidance
S-T Participant Training	Various	\$172	000/CACH	000/CACH	N/A	Various	Various	USAID/H	None	Exempt Sect. 10 of MB 10
Project Management Assist. Proj. Officers(2) Program Assistant Secretary	USPSC USPSC USPSC	\$310 \$40 \$20	000 HC HC	000 HC HC	Competitive Competitive Competitive	1.0 1.0 1.0	0 0 0	USAID/H USAID/H USAID/H	Blanket waiver None None	None Sect. 9 of MA guidance applies only to contracts above \$250,000
Evaluation Audits	IQC Contract IQC Contract	\$100 \$100	000 000/CACH	000 000/CACH	Competitive Competitive	18.0 12.0	0.0 3.0	AID/H USAID/H	None None	None None
Studies: Public Opinion Polls Focus Group Studies	AID Direct Contract AID Direct Contract	\$71 \$100	HC HC	HC HC	Competitive Competitive	12.0 12.0	3.0 0	USAID/H USAID/H	None None	None None
Grants: Inter-American Bar Found. PWA/BOOs Training groups	AID Direct Grant AID Direct Grants AID Direct Grants	\$190 \$446 \$320	000/CACH 000/HC HC		Non-competitive Non-competitive Non-competitive	4.0 Various Various	4.0 Various Various	USAID/H USAID/H USAID/H	None None None	1/ 13 Source, origin policy applies 2/ 13 Source, origin policy applies; 3/ does not apply
Total		\$5,300								
Total U.S.		\$4,055								
Total Non-U.S. 2/		\$1,245								

1/ Solo source will be applied to procure services for the activity of Jurisprudence

2/ Of the total non-U.S. procurement, approximately \$512,000 is budgeted for training and short-term participant training