



U.S. AGENCY FOR  
INTERNATIONAL  
DEVELOPMENT

ENTERED  
SEP 3 0 1993  
Section

SEP 3 1993

Ms. Staci Sticht  
International Republican Institute  
1212 New York Avenue, N.W.  
Suite 850  
Washington, D.C. 20005

Subject: Grant No. LAG-0591-G-00-3029-00

Dear Ms. Sticht:

Pursuant to the authority contained in the Foreign Assistance Act of 1961 and the Federal Grant and Cooperative Agreement Act of 1982, as amended, the Agency for International Development (hereinafter referred to as "A.I.D.") hereby provides to International Republican Institute (hereinafter referred to as "IRI" or "Grantee") the sum set forth in Section 1C.2. of Attachment 1 of this Grant to provide financial support for the program described in Attachment 2 of this Grant entitled "Program Description."

This Grant is effective as of the date of this letter and funds obligated hereunder shall be used to reimburse the Grantee for allowable program expenditures for the period set forth in Section 1B. of Attachment 1 of this Grant.

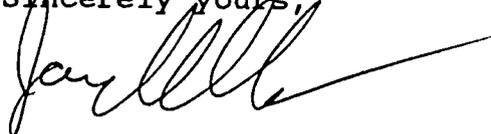
This Grant is made to the Grantee on the condition that the funds will be administered in accordance with the terms and conditions as set forth in the attachments listed under my signature below, which together constitute the entire Grant document and have been agreed to by your organization.

PC:GRANTFMT/VS:8100n  
Rev:06/28/93(TM13:61+Lobbying/TM1B:87)  
9788n

Please acknowledge receipt and acceptance of this Grant by signing all copies of this Cover Letter, retaining one copy for your files, and returning the remaining copies to the undersigned.

If you have any questions, please contact Kathie Frascella of my staff at (703) 875-1220.

Sincerely yours,



Jay M. Bergman  
Grant Officer  
Chief, LA Branch  
Division B  
Office of Procurement

Attachments:

1. Schedule
2. Program Description
- ~~3. Standard Provisions~~
- ~~4. Special Provision entitled "Restrictions on Lobbying".~~

ACKNOWLEDGED:

INTERNATIONAL REPUBLICAN INSTITUTE

BY:  \_\_\_\_\_

TYPED NAME: R BRUCE MCCOLM

TITLE: PRESIDENT

DATE: SEPTEMBER 13, 1993

FISCAL DATA

A. GENERAL

- A.1. Total Estimated A.I.D. Amount: \$111,440
- A.2. Total Obligated A.I.D. Amount: \$111,440
- A.3. Cost-Sharing Amount (Non-Federal): N/A
- A.4. Other Contributions (Federal): N/A
- A.5. Project No.: 598-0591
- A.6. A.I.D. Project Office: LAC/DI, J. Mendelson
- A.7. Funding Source: A.I.D./W
- A.8. Tax I.D. No.: 52-1340267
- A.9. CEC No.: 12-752-041K
- A.10. LOC No.: 72-00-1629

B. SPECIFIC

- B.1.(a) PIO/T No.: 598-0591-3-3652204
- B.1.(b) Appropriation: 72-113/41037
- B.1.(c) Allotment: 370-65-598-00-69-31
- B.1.(d) BPC: LES3-93-35598-KG12
- B.1.(e) Amount: \$111,440

ATTACHMENT 1

SCHEDULE

**1A. PURPOSE OF GRANT**

The purpose of this Grant is to provide financial support for the program described in Attachment 2 of this Grant entitled "Program Description."

**1B. PERIOD OF GRANT**

The effective date of this Grant is the date of the Cover Letter and the estimated completion date is September 29, 1994. Funds obligated hereunder (see Section 1C.2. below) shall be used to reimburse the Grantee for allowable program expenditures incurred by the Grantee in pursuit of program objectives during such period. Funds obligated hereunder are anticipated to be sufficient for completion by the Grantee of the program described in Attachment 2 of this Grant by the estimated completion date.

**1C. AMOUNT OF GRANT AND PAYMENT**

**1C.1.** The total estimated amount of this Grant for its full period, as set forth in Section 1B. above, is \$111,440.

**1C.2.** A.I.D. hereby obligates the amount of \$111,440 for the purposes of this Grant during the indicated period set forth in Section 1B. above, thereby fulfilling A.I.D.'s funding requirements. A.I.D. shall not be liable for reimbursing the Grantee for any costs in excess of the obligated amount, except as specified in paragraph (f) of the Standard Provision of this Grant entitled "Revision of Grant Budget."

**1C.3.** Payment shall be made to the Grantee in accordance with procedures set forth in the Standard Provision of this Grant entitled "Payment - Letter of Credit," as shown in Attachment 3.

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**1D. GRANT BUDGET**

**1D.1.** The following is the Budget for the total estimated amount of this Grant (see Section 1C.1. above) for its full period (see Section 1B. above). The Grantee may not exceed the total estimated amount or the obligated amount of this Grant, whichever is less (see Sections 1C.1. and 1C.2., respectively, above). Except as specified in the Standard Provision of this Grant entitled "Revision of Grant Budget," as shown in Attachment 3, the Grantee may adjust line item amounts as may be reasonably necessary for the attainment of program objectives. Revisions to the budget shall be in accordance with Section 1C. above and the Standard Provisions of this Grant entitled "Revision of Grant Budget" and, if applicable, "Cost Sharing (Matching)."

**1D.2. Budget**

Cost Element

Salary and Benefits	\$ 7,385
Supplies/Equipment	330
Communications	2,700
Travel/Perdiem	14,134
Other Direct Costs	300
Indirect Costs	8,324
Sub-Grants	<u>78,267</u>
Total	\$111,440

**1D.3.** Inclusion of any cost in the budget of this Grant does not obviate the requirement for prior approval by the Grant Officer of cost items designated as requiring prior approval by the applicable cost principles (see the Standard Provision of this Grant set forth in Attachment 3 entitled "Allowable Costs") and other terms and conditions of this Grant, unless specifically stated in Section 1I.2. below.

**1E. REPORTING**

**1E.1. Financial Reporting**

**1E.1.(a)** Financial reporting requirements shall be in accordance with the Standard Provision of this Grant entitled "Payment - Letter of Credit," as shown in Attachment 3. If a Standard Form 269 is required by the aforesaid Standard Provision, the "Long Form" of said form shall be used.

**1E.1.(b)** All financial reports shall be submitted to A.I.D., Office of Financial Management, FA/FM/CMPD/DCB, Room 700 SA-2, Washington, D.C. 20523-0209. In addition, three copies of all financial reports shall be submitted to the A.I.D. Project Office specified in the Cover Letter of this Grant, concurrently with submission of the Quarterly Technical Reports (See Section 1E.2. below).

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**1E.1.(c)** The frequency of financial reporting and the due dates of reports shall be as specified in the Standard Provision of this Grant referred to in Section 1E.1.(a) above.

**1E.2.** Program Performance Planning and Reporting

**1E.2.(a)** Quarterly Reports

The Grantee shall submit five (5) copies of brief quarterly program performance reports, which coincide with the financial reporting periods described in Section 1E.1. above, to the A.I.D. Project Office specified in the Cover Letter of this Grant. In addition, two copies shall be submitted to A.I.D., POL/CDIE/DI, Washington, DC 20523-1802. These reports shall be submitted within 30 days following the end of the reporting period, and shall briefly present the following information:

**1E.2.(a)(1)** A comparison of actual accomplishments with the goals established for the period, the findings of the investigator, or both. If the output of programs can be readily quantified, such quantitative data should be related to cost data for computation of unit costs.

**1E.2.(a)(2)** Reasons why established goals were not met, if applicable.

**1E.2.(a)(3)** Other pertinent information including the status of finances and expenditures and, when appropriate, analysis and explanation of cost overruns or high unit costs. See also Section 1I.4. of this Grant.

**1E.2.(b)** Special Reports

Between the required program performance reporting dates, events may occur that have significant impact upon the program. In such instances, the Grantee shall inform the A.I.D. Project Officer as soon as the following types of conditions become known:

**1E.2.(b)(1)** Problems, delays, or adverse conditions that will materially affect the ability to attain program objectives, prevent the meeting of time schedules and goals, or preclude the attainment of work units by established time periods. This disclosure shall be accompanied by a statement of the action taken, or contemplated, and any A.I.D. assistance needed to resolve the situation.

**1E.2.(b)(2)** Favorable developments or events that enable time schedules to be met sooner than anticipated or more work units to be produced than originally projected.

**1E.2.(b)(3)** If any performance review conducted by the Grantee discloses the need for change in the budget estimates in accordance with the criteria established in the Standard Provision of this Grant entitled "Revision of Grant Budget," the Grantee shall submit a request for budget revision to the Grant Officer and the A.I.D. Project Officer specified in the Cover Letter of this Grant.

**1E.2.(c)**            Environmental Impact

If it appears that outputs of this project will result in an adverse environmental impact, the Grantee shall notify the A.I.D. Project Officer prior to implementation, in order to allow for orderly preparation of an environmental impact statement. The Grantee shall assure that appropriate U.S. Government, A.I.D., and/or host country procedures are followed.

**1E.2.(d)**            Training Reports

**1E.2.(d)(1)** If the Grantee conducts participant training under this Grant, (see the Standard Provision entitled "Participant Training" for the definition of participant training), the Grantee shall comply with reporting and information requirements of the Standard Provision of this Grant entitled "Participant Training," as well as Chapters 5 and 24 of A.I.D. Handbook 10.

**1E.2.(d)(2)** The Grantee shall also provide five (5) copies of quarterly training reports to the A.I.D. Project Officer, covering this Grant. The report shall include the following information:

- Total number of new trainees during the period; and
- The following information for each LDC trainee:
  - name
  - citizenship
  - gender
  - training site
  - beginning and ending dates of training
  - purpose of training
  - type of training activities
  - source of funding

**1E.2.(d)(3)** The Grantee shall provide ten (10) copies of all training manuals produced under this Grant to the A.I.D. Project Officer.

**1E.2.(e) Technical and Research Reports and Publications**

The Grantee shall summarize technical and research activities of the project in reports, and distribute such reports to the appropriate USAID Missions, developing countries, and host country and international institutions in order to encourage use of the technology developed. Such reports will be completed within 60 days after completion of the activity. Journal articles and other publications are encouraged. See also the Standard Provision of this Grant entitled "Publications" (if the Grantee is a U.S. organization) or "Publications and Media Releases" (if the Grantee is a non-U.S. organization).

**1E.2.(f) Final Report**

Within 90 days following the estimated completion date of this Grant (see Section 1B. above), the Grantee shall submit five (5) copies of a final report to the A.I.D. Project Office specified in the cover letter of this Grant. In addition, two copies shall be submitted to A.I.D., POL/CDIE/DI, Washington, DC 20523-1802. It will cover the entire period of the Grant and include all information shown in this Section 1E.2., specifically including, but not necessarily limited to: (1) a summarization of the program's accomplishments or failings; (2) an overall description of the activities under the program during the period of this Grant; (3) a description of the methods of work used; (4) comments and recommendations regarding unfinished work and or program/continuation and direction; and 5) A fiscal report that describes in detail how the Grant (and any matching) funds were used.

**1F. TITLE TO PROPERTY**

Title to property acquired hereunder shall vest in the Grantee, subject to the requirements of the Standard Provision of this Grant entitled "Title To and Use of Property (Grantee Title)" regarding use, accountability, and disposition of such property, except to the extent that disposition of property may be specified in Section 1I. below.

**1G. PROCUREMENT AND (SUB) CONTRACTING**

**1G.1. Applicability**

This Section 1G. applies to the procurement of goods and services by the Grantee (i.e., contracts, purchase orders, etc.) from a supplier of goods and services (see the Standard Provisions of this Grant entitled "Air Travel and Transportation," "Ocean Shipment of Goods," "Procurement of Goods and Services," "AID Eligibility Rules for Goods and Services," and "Local Cost Financing"), and not to assistance provided by the Grantee (i.e., a subgrant or [sub]agreement) to a subrecipient (see the Standard Provision of this Grant entitled "Subagreements").

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**1G.2. Requirements**

**1G.2.(a)** In addition to other applicable provisions of this Grant, the Grantee shall comply with paragraph (b)(1) of the Standard Provision of this Grant entitled "AID Eligibility Rules for Goods and Services," concerning Grants funded under the Development Fund for Africa (DFA) and Grants with a total procurement value of less than \$250,000 under this Grant. However, paragraph (b)(1) of the Standard Provision entitled "AID Eligibility Rules for Goods and Services" does not apply to:

**1G.2.(a)(1)** The restricted goods listed in paragraph (a)(3) of the Standard Provision entitled "AID Eligibility Rules for Goods and Services," which must be specifically approved by the Grant Officer in all cases, except to the extent that such approval may be provided in Section 1I.3. below;

**1G.2.(a)(2)** Paragraph (d) of the Standard Provision entitled "AID Eligibility Rules for Goods and Services" pertaining to air and ocean transportation, to which the Standard Provisions entitled "Air Travel and Transportation" and "Ocean Shipment of Goods" apply, respectively;

**1G.2.(a)(3)** Paragraph (c) of the Standard Provision entitled "AID Eligibility Rules for Goods and Services;"

**1G.2.(a)(4)** Construction implemented by U.S. firms, regardless of dollar value, which requires that at least 50% of the supervisors and other specified key personnel working at the project site must be U.S. citizens or non-U.S. citizens lawfully admitted for permanent residence in the United States; and

**1G.2.(a)(5)** Engineering services, regardless of dollar value, which shall be limited to the United States (Geographic Code 000).

**1G.2.(b)** Paragraph (b)(2) of the Standard Provision entitled "AID Eligibility Rules for Goods and Services" does not apply.

**1G.3. Approvals**

Inclusion of costs in the budget of this Grant for the purchase of nonexpendable equipment obviates neither the requirement of Section J.13. of OMB Circular A-21 (for educational institutions) or Section 13 of Attachment B of OMB Circular A-122 (for nonprofit organizations other than educational institutions) for prior approval of such purchases by the Grant Officer, nor any other terms and conditions of this Grant, unless specifically stated in Section 1I.2. below.

**1G.4. Title to Property**

See Section 1F. above.

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**1H. INDIRECT COST RATES**

1H.1. Pursuant to the Standard Provision of this Grant entitled "Negotiated Indirect Cost Rates - Provisional (Nonprofits)," an indirect cost rate or rates shall be established for each of the Grantee's accounting periods which apply to this Grant. Pending establishment of final or revised provisional indirect cost rates, provisional payments on account of allowable indirect costs shall be made on the basis of the following negotiated provisional rate(s) applied to the base(s) which is (are) set forth below:

<u>Type</u>	<u>Rate</u>	<u>Base</u>
Home Office	33.5%	<u>1/</u>
Fringe Benefits	47.7%	<u>2/</u>

1/ Base of Application: Total direct costs, excluding equipment procurements and sub-grants and subcontracts.

2/ Base of Application: Total salaries excluding compensated absences.

**1I. SPECIAL PROVISIONS**

**1I.1. Limitations on Reimbursement of Costs of Compensation for Personal Services and Professional Service Costs**

**1I.1.(a) Employee Salaries**

Except as the Grant Officer may otherwise agree in writing, A.I.D. shall not be liable for reimbursing the Grantee for any costs allocable to the salary portion of direct compensation paid by the Grantee to its employees for personal services which exceed the highest salary level for a Foreign Service Officer, Class 1 (FS-1), as periodically amended.

**1I.1.(b) Consultant Fees**

Compensation for consultants retained by the Grantee hereunder shall not exceed, without specific approval of the rate by the Grant Officer: either the highest rate of annual compensation received by the consultant during any full year of the immediately preceding three years; or the maximum rate of a Foreign Service Officer, Class 1 (FS-1) (as periodically amended), whichever is less. A daily rate is derived by dividing the annual compensation by 2,087 and multiplying the result by 8.

**1I.2. Equipment Purchases**

**1I.2.(a) Requirement for Prior Approval**

Pursuant to Sections 1D.3. and 1G.3. above and the Standard Provisions of this Grant entitled "Allowable Costs" and "Revision of Grant Budget," and by extension, Section 13 of Attachment B of OMB Circular A-122, the Grantee must obtain A.I.D. Grant Officer approval for purchases of the following:

**1I.2.(a)(1) General Purpose Equipment**, which is defined as an article of nonexpendable tangible personal property which is usable for other than research, medical, scientific or technical activities, whether or not special modifications are needed to make them suitable for a particular purpose (e.g., office equipment and furnishings, air conditioning equipment, reproduction and printing equipment, motor vehicles, and automatic data processing equipment), having a useful life of more than two years and an acquisition cost of \$500 or more per unit); and

**1I.2.(a)(2) Special Purpose Equipment**, which is defined as an article of nonexpendable tangible personal property, which is used only for research, medical, scientific, or technical activities (e.g., microscopes, x-ray machines, surgical instruments, and spectrometers), and which has a useful life of more than two years and an acquisition cost of \$1,000 or more per unit).

**1I.2.(b) Approvals**

In furtherance of the foregoing, the Grant Officer does hereby provide approval for the following purchases, which shall not be construed as authorization to exceed the total estimated amount or the obligated amount of this Grant, whichever is less (see Section 1C. above):

N/A

**1I.2.(c) Exception for Automation Equipment**

Any approval for the purchase of automation equipment which may be provided in Section 1I.2.(b) above or subsequently provided by the Grant Officer is not valid if the total cost of purchases of automation equipment (e.g., computers, word processors, etc.), software, or related services made hereunder will exceed \$100,000. The Grantee must, under such circumstances, obtain the approval of the Grant Officer for the total planned system of any automation equipment, software, or related services.

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**1I.2.(d) Compliance with A.I.D. Eligibility Rules**

Any approvals provided in Section 1I.2.(b) above or subsequently provided by the Grant Officer shall not serve to waive the A.I.D. eligibility rules described in Section 1G. of this Grant, unless specifically stated.

**1I.3. Restricted Goods**

Pursuant to Section 1G. above and paragraph (a)(3) of the Standard Provision of this Grant entitled "AID Eligibility Rules for Goods and Services," the Grant Officer's approval is required for purchase of the restricted goods described therein. In furtherance thereof, the Grant Officer does hereby provide such approval to the extent set forth below. The Grant Officer's approval is required for purchases of such restricted goods if all of the conditions set forth below are not met by the Grantee. Any approval provided below or subsequently provided by the Grant Officer shall not serve to waive any terms and conditions of this Grant unless specifically stated.

**1I.3.(a) Agricultural Commodities**

agricultural commodities may be purchased provided that they are of U.S. source (generally, the country from which the commodities are shipped) and origin (generally, the country in which the commodities are mined, grown, or produced) and purchased from a U.S. supplier, except that wheat, rice, corn, soybeans, sorghums, flour, meal, beans, peas, tobacco, hides and skins, cotton, vegetable oils, and animal fats and oils cannot be purchased under any circumstances without the prior written approval of the Grant Officer. However, if this Grant is funded under the Development Fund for Africa (DFA) (see Section 1G.2.[b][4] above), procurement of agricultural commodities from Special Free World countries (Geographic Code 935) is authorized, except that procurement of agricultural commodities outside the United States must have the advance written approval of the Grant Officer when the domestic price of the commodity is less than parity, unless the commodity cannot reasonably be procured in the U.S. in order to meet the needs of the project

**1I.3.(b) Motor Vehicles**

Motor vehicles, if approved for purchase under Section 1I.2.(b) above or subsequently approved by the Grant Officer, must be of U.S. manufacture and must be of at least 51% U.S. componentry. The source of the motor vehicles, and the nationality of the supplier of the vehicles, must be in accordance with Section 1G.2. above. Motor vehicles are defined as self-propelled vehicles with passenger carriage capacity, such as highway trucks, passenger cars and busses, motorcycles, scooters,

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motorized bicycles, and utility vehicles. Excluded from this definition are industrial vehicles for materials handling and earthmoving, such as lift trucks, tractors, graders, scrapers, and off-the-highway trucks. However, if this Grant is funded under the Development Fund for Africa (DFA) (see Section 1G.2.[b][4] above), procurement of motor vehicles from Special Free World countries (Geographic Code 935) is authorized; provided, however, that procurement of non-U.S. vehicles shall be held to an absolute minimum.

**1I.3.(c)            Pharmaceuticals**

Pharmaceuticals may be purchased provided that all of the following conditions are met: (1) the pharmaceuticals must be safe and efficacious; (2) the pharmaceuticals must be of U.S. source and origin (see Section 1G. above); (3) the pharmaceuticals must be of at least 51% U.S. componentry (see Section 1G. above); (4) the pharmaceuticals must be purchased from a supplier whose nationality is in the U.S. (see Section 1G. above); (5) the pharmaceuticals must be in compliance with U.S. Food and Drug Administration (FDA) (or other controlling U.S. authority) regulations governing United States interstate shipment of pharmaceuticals; (6) the manufacturer of the pharmaceuticals must not infringe on U.S. patents; and (7) the pharmaceuticals must be competitively procured in accordance with the procurement policies and procedures of the Grantee and the Standard Provision of this Grant entitled "Procurement of Goods and Services."

**1I.3.(d)            Pesticides**

Pesticides may only be purchased if the purchase and/or use of such pesticides is for research or limited field evaluation by or under the supervision of project personnel. Pesticides are defined as substances or mixtures of substances: intended for preventing destroying, repelling, or mitigating any unwanted insects, rodents, nematodes, fungi, weeds, and other forms of plant or animal life or viruses, bacteria, or other micro-organisms (except viruses, bacteria, or other micro-organisms on or living in man or other living animals); or intended for use as a plant regulator, defoliant, or dessicant.

**1I.3.(e)            Rubber Compounding Chemicals and Plasticizers**

Rubber compounding chemicals and plasticizers may only be purchased with the prior written approval of the Grant Officer.

**1I.3.(f)            Used Equipment**

Used equipment may only be purchased with the prior written approval of the Grant Officer.

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**1I.3.(g)            Fertilizer**

Fertilizer may be purchased if it is either purchased in the U.S. and used in the U.S., or if it is purchased in the cooperating country with local currency for use in the cooperating country. Any fertilizer purchases which do not comply with these limitations must be approved in advance by the Grant Officer. However, if this Grant is funded under the Development Fund for Africa (DFA) (see Section 1G.2.[b][4] above), procurement of fertilizer from Special Free World countries (Geographic Code 935) is authorized; provided, however, that procurement of more than 5,000 tons of non-U.S. fertilizer must have the advance written approval of the Grant Officer.

**1I.4.            Limitation on Use of Funds**

**1I.4.(a)**            The Grantee shall not utilize funds provided by A.I.D. for any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference or training in connection with the growth or production in countries other than the United States of an agricultural commodity for export which would compete with a similar commodity grown or produced in the United States.

**1I.4.(b)**            The reports described in Section 1E.2. shall contain a statement indicating the projects or activities to which United States funds have been attributed, together with a brief description of the activities adequate to show that United States funds have not been used for the purpose in Section 1I.4.(a) above.

**1I.4.(c)**            The Grantee agrees to refund to A.I.D. upon request an amount equal to any United States funds used for the purposes prohibited by Section 1I.4.(a) above.

**1I.4.(d)**            No funds provided by A.I.D. under this Grant shall be used to provide assistance, either directly or indirectly, to any country ineligible to receive assistance pursuant to the Foreign Assistance Act as amended, related appropriations acts, or other statutes and Executive Orders of the United States (also see the Standard Provision of this Grant entitled "Ineligible Countries").

**1I.5.            Compliance With Federal Guidelines and Regulatory Procedures Pertaining to Recombinant DNA**

**1I.5.(a)**            The Grantee shall implement any research activities under this Grant which involve recombinant DNA in accordance with:

**1I.5.(a)(1)**        The National Institutes of Health Guidelines for Research Involving Recombinant DNA Molecules;

**1I.5.(a)(2)** Procedures issued by the U.S. Department of Agriculture (USDA), the Environmental Protection Agency (EPA), or other appropriate Federal agency;

**1I.5.(a)(3)** A.I.D.'s environmental procedures; and

**1I.5.(a)(4)** Such other Federal guidelines and procedures as may apply during the course of research.

**1I.5.(b)** The Grantee cannot commence testing in any foreign location until written approval for such testing is obtained from the A.I.D. Project Officer and the government of the country where testing is planned. Testing shall be conducted in accordance with all applicable regulations of that country.

**1I.5.(c)** In addition, and prior to commencement of any such testing, the Grantee shall make a judgement and communicate same to the A.I.D. Project Officer as to whether the regulations, procedures, or facilities of the country in question are adequate to ensure testing in an environmentally sound manner. In the event such judgement is that they are not, the Grantee and the A.I.D. Project Officer will consult and agree on the conditions to be applied to the testing which will have such environmental effect.

**1I.5.(d)** Reports submitted to A.I.D. under this Grant will address regulatory issues as noted above related to the activity.

**1J. RESOLUTION OF CONFLICTS**

Conflicts between any of the Attachments of this Grant shall be resolved by applying the following descending order of precedence:

- Attachment 1 - Schedule
- Attachment 3 - Standard Provisions
- Attachment 4 - Special Provision entitled "Restrictions on Lobbying"
- Attachment 2 - Program Description

**1K.        STANDARD PROVISIONS**

The Standard Provisions set forth as Attachment 3 of this Grant consist of the following Standard Provisions denoted by an "X" which are attached hereto and made a part of this Grant:

**1K.1.     Mandatory Standard Provisions For U.S.,  
Nongovernmental Grantees**

- ( X )     Allowable Costs (November 1985)
- ( X )     Accounting, Audit, and Records (August 1992)
- ( X )     Refunds (September 1990)
- ( X )     Revision of Grant Budget (November 1985)
- ( X )     Termination and Suspension (August 1992)
- ( X )     Disputes (August 1992)
- ( X )     Ineligible Countries (May 1986)
- ( X )     Debarment, Suspension, and Other Responsibility  
Matters (August 1992)
- ( X )     Nondiscrimination (May 1986)
- ( X )     U.S. Officials Not to Benefit (November 1985)
- ( X )     Nonliability (November 1985)
- ( X )     Amendment (November 1985)
- ( X )     Notices (November 1985)
- ( X )     Metric System of Measurement (August 1992)

**1K.2. Additional Standard Provisions For U.S.,  
Nongovernmental Grantees**

- ( X ) OMB Approval Under the Paperwork Reduction Act (August 1992)
- ( X ) Payment - Letter of Credit (August 1992)
- ( ) Payment - Periodic Advance (January 1988)
- ( ) Payment - Cost Reimbursement (August 1992)
- ( X ) Air Travel and Transportation (August 1992)
- ( X ) Ocean Shipment of Goods (August 1992)
- ( X ) Procurement of Goods and Services (November 1985)
- ( X ) AID Eligibility Rules for Goods and Services (June 1993)
- ( X ) Subagreements (August 1992)
- ( X ) Local Cost Financing (June 1993)
- ( X ) Patent Rights (August 1992)
- ( X ) Publications (August 1992)
- ( ) Negotiated Indirect Cost Rates - Predetermined (August 1992)
- ( X ) Negotiated Indirect Cost Rates - Provisional (Nonprofits) (August 1992)
- ( ) Negotiated Indirect Cost Rates - Provisional (For-Profits) (August 1992)
- ( X ) Regulations Governing Employees (August 1992)
- ( X ) Participant Training (August 1992)
- ( ) Voluntary Population Planning (June 1993)
- ( ) Protection of the Individual as a Research Subject (August 1992)
- ( ) Care of Laboratory Animals (November 1985)
- ( X ) Title To and Use of Property (Grantee Title) (November 1985)
- ( ) Title To and Care of Property (U.S. Government Title) (November 1985)
- ( ) Title To and Care of Property (Cooperating Country Title) (November 1985)
- ( ) Cost Sharing (Matching) (August 1992)
- ( X ) Use of Pouch Facilities (August 1992)
- ( X ) Conversion of United States Dollars to Local Currency (November 1985)
- ( X ) Public Notices (August 1992)
- ( X ) Rights in Data (August 1992)

ATTACHMENT 2

PROGRAM DESCRIPTION

The Grantee's proposal entitled "South American Regional Economic Training Program" is attached hereto as the Program Description (Attachment 2) and is made a part of this Grant.

## South America Regional Economic Training Program

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U.S. Grantee: The International Republican Institute

Foreign Subrecipient: Fundacion America para la Capacitacion Politica

Duration of Project: June 1, 1992 - May 31, 1994

Total Amount Requested: \$200,000.00  
(FY92: \$100,000.00)  
(FY93: \$100,000.00)

### I. Project Summary:

The International Republican Institute (IRI) proposes to launch a two-year, region-wide South America program to work with democratic political parties to encourage greater economic liberalization, emphasizing the role of the Enterprise for the Americas Initiative in the agenda for regional economic reform.

A regional training initiative will be implemented through the Fundacion America para la Capacitacion Politica (FA) based in Argentina. The program will bring political and economic experts from Latin America and the U.S. together in South America to provide free market economic training to and through political parties. This will be done through a series of seminars and debates to be held during the first year. Follow-up workshops and advising are planned for the second year. This work will be supported by a series of publications, quarterly newsletters, and other articles of opinion and analysis produced by Fundacion America.

The Fundacion America, an independent, non-partisan political training institute is headed by economist and IRI-grantee Martin Krause. The FA is currently running its programs with the support of the National Endowment for Democracy through the IRI.

### II. Background:

Latin America's transition to democracy is taking hold -- politically and economically. Military dictatorships in power only a decade ago have given way to freely-elected governments. Voters are rejecting the old paternalistic and mercantilistic economic policies that have sent Latin America into one of its deepest crisis of no growth, high inflation, and huge foreign debt. In most Latin countries, this crisis has pushed governments to shift from

## **AID Program Proposal - Revision**

Page 2

these state interventionist and regulatory policies toward more open markets, privatization and redefinition of the role of government in society.

However, these nascent democracies are still fragile. The new demands of the population are not easily met and consequently there is a high turnover of public administrators throughout the region. Initial enthusiasm and euphoria shown during early elections have been replaced by growing lack of confidence and discontent with politicians, political parties, and the economic situation.

This demise has left the political parties in a difficult position between a growing gap of demands of the population and the abilities of the political leadership to meet these demands. For many years, Latin political leaders had only one aim: democracy. Little thought was devoted to the consequences of this objective, or its maintenance once achieved. This lack of foresight is manifested clearly in many parties' inability to adapt to the demands for new changes resulting from the move towards greater pluralistic participation. Therefore, political parties are currently faced with widespread constituent apathy and ineffective leadership.

It is critical that the parties are trained and modernized in order to close this ever-widening gap. Having a pivotal role in democracy, the parties must be transformed into credible representative institutions in order to foster new confidence in political leadership and greater understanding of the importance of political, economic, and social reform.

Strengthened and enlightened political parties are crucial for economic reform. Political leaders will have better success in implementing the necessary changes for growth when they are supported by effective and modernized parties which have economic platforms dedicated to market-oriented policies.

### **III. Project Objectives:**

The objectives for this program include:

1. To foster regional market-oriented economic integration by providing forums for free-market debates to political leaders in South America and training to political parties so they can better incorporate these reforms into public policies and platforms.
2. To assist the growth and modernization of the democratic political parties in Bolivia, Colombia, Chile, Ecuador, Argentina, Paraguay, Uruguay, Brazil, Venezuela, and Peru through economic and free market education.

**IV. Project Activities:**

The program will envelope two phases, the initial phase taking place during the first year, and the second phase of the program developing during the following year.

The first phase will involve the organization and execution of a series of seminars by the FA. To ensure the participation of an array of political parties, the seminars will be organized by the FA in conjunction with a variety of party-affiliated institutes from across the political spectrum, economic centers, and other foundations throughout the region.

It is anticipated that these seminars will result in the identification of the individuals in various parties responsible for economic issues. During the second phase of this program, the FA will maintain contact with these individuals to determine which parties require specific technical assistance in revising their economic principles. Small workshops will be given to ensure the information and training received in the initial seminars will reach these particular parties and thus broaden the base of knowledge and consensus.

Specifically, the following details the plan for implementation of this program:

1. The FA is currently working to develop a base of contacts with the various political party-affiliated institutes and other related foundations to introduce the program and begin cooperation. Attachment A lists those foundations already contacted and have expressed interest in participating in the program.

Additionally, the FA plans to involve other institutes, foundations, and groups from outside the region. (See Attachment A)

2. Once the co-hosting organizations are ascertained in each country, topics and agendas will then be developed in coordination with the host institutes. Topics to be included are listed in Attachment B.

The co-hosting organizations will be responsible for the invitations to attendees. The variety of organizations and party-affiliated institutes involved should ensure that a broad array of political representatives participate in the program.

3. Based on the themes and agendas set for the seminars, the FA will then be responsible for obtaining the consultants who will be invited to participate in these meetings. These consultants/trainers will be drawn upon from a cadre of known experts with whom the IRI has contracted for past Latin American and Caribbean programs. The FA hopes to build upon this list of known trainers to eventually have at its disposal a broadly-based group of experts and trainers that can be called upon to meet specific and individual needs of different groups. See Attachment C for a list of potential trainers.

## **AID Program Proposal - Revision**

Page 4

4. The FA is currently planning the schedule for the seminars. The trainers will travel to three countries to give two day seminars in each country. Given the immensity of Brazil however, it is planned that three seminars will be given there alone; in Rio de Janerio, Brasilia, and Sao Paulo.

A possible schedule for seminars includes the following:

July 1992:	Brazil
September 1992:	Colombia, Venezuela, Peru
November 1992:	Chile, Argentina, Uruguay
February 1993:	Bolivia, Ecuador, Paraguay

5. The above information outlines the anticipated implementation plan for the first phase of the program. The second phase of more intense contact and workshops with individual parties will be developed throughout the course of the first phase of seminars. The specific detail of the second year activities, such as the number of workshops and advisory missions, depend on the development of the first year program, therefore only this broad outline can be given at this time.

### **V. Evaluation Plan:**

Close monitoring and constant evaluation of the program will be made by Fundacion America. Assessments by participants directly following each seminar and workshop will determine strengths and areas of improvements in the organization, content, and execution of these meetings. Fundacion America will in turn evaluate the program by the level of success achieved by the parties to implement the techniques and tactics taught at the seminars. Indicators of success will include membership growth, the increased participation of women and youth, and better results in local elections.

Additional indicators of success for this program will include the extent to which voter confidence is raised in the effectiveness of political leaders and the ability of the political parties to meet the demands of the voters. Success in this can be measured by increased participation of voters in elections, and a lower turnover rate of public administrators.

**VI. Organizational Background:**

The Fundacion America para la Capacitacion Politica has been founded specifically to carry out the goals of this project. Fully chartered under the laws of Argentina, it is a private and independent foundation dedicated to strengthening the links between political leaders of the hemisphere, through promoting and organizing the exchange and training of young political leaders who have the responsibility to guide the Latin American countries towards a common goal based in democracy, freedom, and hemispheric integration.

The Fundacion America has drawn together intellectuals, politicians, business leaders, and university representatives who collectively have the same goals to improve the democratic stability of Latin America. The Board of Directors is comprised of: Horacio Martin Ochoa, former President of UPAU, a university political group, Alberto Garcia Carmona, a lawyer and writer, Jose Manny Lalor, a former Representative in the Chamber of Deputies, and Jorge Sagasti, Vice President of the public relations firm, RADUX.

Additionally, the Fundacion plans to integrate an Advisory Council, formed by respected leaders and former Presidents of the participating countries. The members of the council will participate in the activities of the program and will meet periodically throughout the duration of the project.

The Executive Director of Fundacion America will be Martin Krause, currently the Executive Director of the IRI-grantee Fundacion Libertad y Democracia. Mr. Krause has a degree in Business Administration and has been affiliated with the IRI since 1988. He was first Program Director for the Institute for Social Market Economy, and in 1989 became Executive Director of LID. Mr. Krause also served as the in-country Program Director of the joint NDI/IRI Nicaraguan Democratic Development program during the elections of 1990. Mr. Krause's extensive experience in international political development activities with the IRI makes him well qualified to administer and carry out the IRI-sponsored Fundacion America program.

**VII. Budget:**

See Attachment D

## **Attachment A**

Public policy and economic education foundations, party affiliated institutes, and civic organizations that have been contacted and will coordinate with Fundacion America in the organization of seminars.

### **ARGENTINA**

Fundacion Republica  
Conciencia

### **BOLIVIA**

Camara de Industria y Comercio de Santa Cruz de la Sierra  
Foundation for Democratic Training (FUNDEMOS)  
PRODEMOS

### **BRAZIL**

Instituto Liberal do Rio de Janeiro  
Instituto Liberal do Parana  
Instituto Liberal do Sao Paulo

### **CHILE**

Instituto Libertad  
Instituto Libertad y Desarrollo

### **COLOMBIA**

Fundacion Simon Bolivar  
Instituto de Ciencia Politica  
Centro Latinoamericano para la Privatizacion

### **ECUADOR**

Fundacion Adam Smith  
Fundacion Jacinto Jijon

### **PARAGUAY**

Centro Paraguayo de Estudios Sociologicos  
Centro Paraguayo para la Promocion de la Libertad Economica  
y la Justicia Social

### **PERU**

Centro de Investigacion y Estudios Legales  
Ama-gi  
Habitat Peru

URUGUAY

Centro de Estudios para la Democracia Uruguay  
Centro de Estudios sobre la Realidad Social (CERES)  
Instituto Manuel Oriba

VENEZUELA

Instituto de Estudios Superiores de Administracion  
Centro de Divulgacion del Conocimiento Economico.

2. Potential participating institutions from outside the region:

Universidad Francisco Marroquin  
Guatemala

U.S. Global Strategy Council  
Washington, D.C.

Center for International Private Enterprise  
Washington, D.C.

International Center for Economic Growth  
California

Institute for the Americas  
University of San Diego, California

North-South Center  
University of Miami, Florida

## **Attachment B**

Specific topics and agendas will be determined by the FA and the cooperating institutions. Each seminar will place a special emphasis on aspects of the Enterprise for the Americas Initiative and each country's individual relation and agenda to this policy initiative. Overall themes and areas of interest which have already been determined include:

- \* The Social Costs of Economic Reforms: Their Impact in the Future of Democratic Institutions
- \* Shock Therapy and the High Cost of Economic Overhaul
- \* The Path Toward Free Trade and Foreign Investment in Latin America
- \* The Environment and Sustainable Economic Development
- \* Privatization at the Local Level
- \* Development of Capital Markets
- \* The Viability of Debt/Nature Swaps in Latin America

### Attachment C

The FA and the IRI will obtain the economic and political experts to bring to the seminars and workshops by drawing upon a known cadre with whom the IRI has worked throughout Latin America. The following list represents a spectrum of consultants used in the past by the IRI in its Latin American programs. The actual consultants used for this program will not necessarily be limited to those listed below.

- \* Carlos Montelieu - Director of Latin America programs, U.S. Department of Commerce.
- \* Steven Antosh - Director, Interamerican Program, Francisco Marroquin University, Guatemala.
- \* Thomas Fuentes, Chairman, Republican Party of Orange County, California.
- \* William Harris - Harris and Associates. Political consultant. Washington, D.C.
- \* Juan Daniel Aleman - Assistant General Secretary, Secretariat for Central American Integration, Guatemala.
- \* Guillermo Fernandez de Soto - Special Advisor to the Foreign Ministry, former Coordinator of the Rio Group, Colombia.
- \* Leony Yu Way - Foundation for National Development, Honduras. Economist and Director of Organization, National Party.
- \* Gary Clark, PhD. - President, the Clark Council, Inc. Professor of Political Science, University of New Orleans
- \* Courtney Cunningham - Senior Congressional Liaison Officer, U.S. Department of Labor.
- \* Rodrigo Ubilla - Executive Director, Instituto Libertad, Chile.

AGENCY FOR INTERNATIONAL DEVELOPMENT  
PROJECT IMPLEMENTATION ORDER/TECHNICAL SERVICES (PIO/T)\*

*Kathie*

1. Cooperating Country LAC Regional	2. PIO/T No. 598-0591-3-3652204	3. PIO/T Amend No. Original
4. Project/Activity No. and Title Human Rights Initiative: International Republican Institute, 598-0591	5. Appropriation Symbol(s) 72-113/41037 (370-65-598-00-69-31)	
	6. Budget Plan Code(s) LES393-35598-KG12	
7. Pro Ag No. or Project Authorization Date January 25, 1993	8. Obligation Status <input checked="" type="checkbox"/> Administrative Reservation <input type="checkbox"/> Implementing Document	
9. Project Assistance Completion Date (Month, Day, Year) December 31, 1993	10. Authorized Agent FA/OP/B/LAC	
11. Type of Action and Governing A.I.D. Handbook  A. A.I.D. Contract (HB14)                      C. PASA/RSSA (HB 12) B. A.I.D. Grant or Cooperative Agreement (HB 13)                      D. Other	[B]	12. Contract/Grant/Cooperative Agreement/ Reference Number (if this PIO/T is for an order or a modification to an award)

13. A.I.D. Funding (Attach a detailed budget in support of column (2) as Attachment A.)				
	(1) Previous Total	(2) Increase	(3) Decrease	(4) Total to Date
A. Dollars	0	\$112,000 (ESF)	0	\$ 112,000
B. U.S.-Owned Local Currency				

14. Mission References

15. Instructions to Authorized Agent FA/OP/B/LAC is requested to negotiate a grant with the International Republican Institute to support a one year project for activities described in the attached proposal. The total estimated cost of this grant will be \$ 112,000 over one year.

*AS - 598-0591-3-3652204 - 00*  
*2786n*

**OFFICE OF FINANCIAL MANAGEMENT**

ACTION: Reserved

DATE: 6/4/93 INITIALED akh

16. Address of Voucher Paying Office FA/FM/CMP/CGLC, Room 703 SA -2

17. Clearances - Include typed name, office symbol, and date for all clearances

A. The Project Officer certifies (1) that the specifications in the statement of work or program description are technically adequate, and (2) that (for contract actions only) all program personnel who are defined as procurement officials under 41 U.S.C 423 have signed the Procurement Integrity Certification (OF-333).

Signature: <i>Johanna Mendelson</i> Johanna Mendelson/Ken Schofield	Date: 10 Feb. 1993 Phone No: 647-4380
B. The statement of work or program description lies within the purview of the initiating office and approved agency programs. Signature: Susan Bugg, LAC/DR <i>SB</i> Date: *3-17-93	C. <i>PIS</i> Signature: Peter Sellar Date: 10 Feb 1993
D. Funds for the services requested are available Signature: * Date: *	E. <i>CH NPE</i> Signature: C. Stradford/R. Meehan Date: * 6/2/93

18. For the Cooperating Country: The terms and conditions set forth herein are hereby agreed to:

Signature: \* Title: \* Date: \*

19. For the Agency for International Development:  
Signature: *Ken Schofield* Title: Director, LAC/DI Date: \* 6/3/93

**FOR CONTRACT ACTIONS ONLY: SOURCE SELECTION INFORMATION--SEE FAR 3.104. THIS DOCUMENT, OR PORTIONS THEREOF, CONTAINS PROPRIETARY OR SOURCE SELECTION INFORMATION RELATED TO THE CONDUCT OF A FEDERAL AGENCY ACQUISITION, THE DISCLOSURE OF WHICH IS RESTRICTED BY LAW (41 U.S.C. 423). UNAUTHORIZED DISCLOSURE OF THIS INFORMATION MAY SUBJECT BOTH THE DISCLOSURER AND RECIPIENT TO CONTRACTUAL, CIVIL, AND/OR CRIMINAL PENALTIES AS PROVIDED BY LAW.**  
**FOR OTHER ACTIONS: UNAUTHORIZED DISCLOSURE OF PROPRIETARY OR SOURCE SELECTION INFORMATION MAY SUBJECT AN EMPLOYEE TO DISCIPLINARY ACTION.**

Agency for International Development  
Washington, D.C. 20523

Jan. 28 1993

ACTION MEMORANDUM FOR THE ACTING ASSISTANT ADMINISTRATOR, LAC

FROM: LAC/DI, Kenneth Schofield

SUBJECT: Authorization of the LAC Regional Human Rights  
Initiatives Project: International Republican  
Institute (598-0591)

ACTION REQUESTED: That you authorize \$136,440 under the LAC Regional Human Rights Initiative Project to support the first year of a two-year South American region-wide project for the International Republican Institute (IRI) to work with democratic political parties to encourage greater economic liberalization, emphasizing the role of the Enterprise for the Americas Initiative (EAI) in the agenda for regional economic reform.

BACKGROUND: IRI has worked throughout the region to promote political participation and political party development. As the region enters a new age of democratic consolidation, the Institute has identified a need to support training and education on economic issues crucial to the sustaining of democratic governments in the region. In particular, the Institute has sought to enhance political party comprehension of how the new economics of privatization and the decline of statist economies can be used to enhance political participation in a democratic society.

IRI created a foundation in Argentina, Fundacion America para la Capacitacion Politica (FA), to carry out the goals of its programs to strengthen links between political leaders of the hemisphere, through promoting and organizing the exchange and training of young political leaders who have the responsibility to guide the Latin American countries toward a common goal based in democracy, freedom, and hemispheric integration. FA will be the implementing organization along with IRI for the proposed project.

Political parties are entities which aggregate interests in any democratic society. The ability for parties to translate economic reforms and programs such as the EAI into concrete public policy goals is crucial to the success of democratic governance. As part of an effort to modernize and educate the party leaders, this program, though a modest first effort, seeks to begin the dialogue about economic reform and the creation of economic platforms dedicated to market-oriented policies.

**PROJECT DESCRIPTION:** Two immediate objectives of the project are: to assist the growth and modernization of the democratic political parties in South America and to foster regional market-oriented economic integration by providing forums for free-market debates to political leaders in South America and training to political parties so they can better incorporate these reforms into public policies and platforms.

To achieve these objectives the program will be implemented in two phases. Year one will involve the organization and execution of a series of seminars by Fundacion America in conjunction with a variety of party-affiliated institutes from across the political spectrum, economic centers and other foundations throughout the region. These seminars will produce a core group of individuals in various parties responsible for economic issues development.

Year two of the project will include FA maintaining contact with the individuals identified in year one, and working together with these individuals to prepare specific technical assistance programs in revising the economic principles in various parties. Small workshops will be given to ensure the information and training received in the initial seminars will reach these particular parties, thus broadening the base of knowledge and consensus about economic issues. After the successful completion of the first year's activities and the presentation of a revised work plan for activities in year two, including budget projections, the project will be amended to incorporate the second year's activities. IRI has requested \$111,440 of LAC Regional funding to support their proposal. An additional \$25,000 is being authorized for evaluation and audit purposes.

An informal review by LAC/DI, LAC/DR, and LAC/SAM addressed the following issues/concerns:

(1) Mission concurrence and project's fit with Mission strategic objectives: A.I.D. Missions were polled regarding their wish to participate and support this project. The consensus among the six missions that responded was favorable and in particular responses from USAID Argentina/Uruguay and Brazil, the three foci of this project, were particularly supportive of the work of IRI in this area. Any work performed by IRI in LAC will be agreed to by the Mission and LAC/DI.

Operational Guidelines established in August 1992 by POL and OPS require that regional and central activities which are operational in nature fit within the scope of focus as defined by the Mission and endorsed by the relevant regional bureau. This project fits within the Bureau's strategic objective to support the evolution of stable, participatory democratic societies. While the project also supports the objectives of those Missions having a similar strategic objective, not all LAC Missions in which project activities are planned have an objective related to democratic initiatives. However, it is important that the Bureau

be able to undertake activities on a regional basis that, while not directly supporting Mission objectives, do support Bureau and Agency democratic initiative objectives. Often Missions don't have the resources (financial or human) to undertake small activities, but which implemented on a regional basis and managed from AID/W, are important to achieving the Bureau's objectives.

(2) Evaluation plan: IRI has developed an evaluation plan to assess the success of the seminars and programs that FA develops. IRI will work together with the staff of the Office of Democratic Initiatives to refine the evaluation plan to address specific interests and to develop appropriate indicators of success.

(3) Registration: A.I.D. has determined that IRI is a PVO and must be registered with A.I.D. in order to receive additional grant funds. IRI has been notified of this and provided registration materials by FHA/PVC. FHA/PVC has agreed to give priority to review of IRI's materials once received. IRI may object to the requirement to register. None of the funds to be authorized will be granted to IRI until it registers, or until A.I.D. subsequently determines that registration is not required.

Non-competitive Selection of Assistance Recipient: The project is based upon an unsolicited proposal from the International Republican Institute. LAC/DI has determined that IRI has predominant capability according to the criteria set forth in Handbook 13, Chapter 2, Paragraph 3, Exceptions, and has prepared a memorandum of justification to support that determination.

Waivers: No waivers are anticipated at this time. All procurement of goods and services will be in accordance with A.I.D. Handbook 1B, Section 16B1b, and with the Agency's Buy-America policies.

Environmental Aspects: The LAC Environmental Officer has approved a recommendation for categorical exclusion of the project under 22 CFR 216.2(c) as the actions supported under the project will not have a significant effect on the environment.

Congressional Notification: Notification to Congress is not required for this project since the proposed funding level is within the amount shown in the FY-93 Congressional Presentation.

Authority: Existing Delegations of Authority empower the Assistant Administrator for Latin America and the Caribbean to authorize a project if the project does not present significant policy issues or does not require issuance of waivers that may only be approved by the Administrator.

RECOMMENDATION: That by signing the attached Authorization you authorize the \$136,440 LAC Regional Human Rights Initiative: International Republican Institute project.

**Attachments:**

1. Authorization
2. Justification for Non-competitive Award
3. IRI Proposal

**Clearances:**

LAC/DR:PBloom	<i>PB</i>	Date	<u>1/22/93</u>
LAC/DPP:JElliott		Date	
LAC/DPP:JStepanek	<i>J</i>	Date	<u>1/22/93</u>
LAC/SAM:BBlackman	<i>BB</i>	Date	<u>1-15-93</u>
GC/LAC:RMeighan	<i>RM</i>	Date	<u>1/22/93</u>
SA-AA/LAC:KHarbert		Date	
A-DAA/LAC:WRhodes	<i>WR</i>	Date	<u>1/25/93</u>

*JM* LAC/DI:JMendelson/*BB* LAC/DR:BBugg:1/14/93:LAC PUB\DOCS\REPUBLIC.AUT

PROJECT AUTHORIZATION

**Name of Country:** LAC Regional

**Name of Project:** Human Rights Initiatives:  
International Republican  
Institute

**Number of Project:** 598-0591  
(Sub-project 598-0591.IRI)

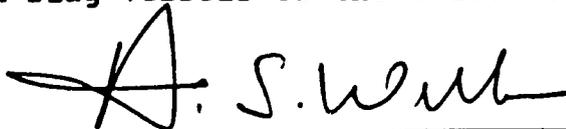
1. Pursuant to Section 531 of the Foreign Assistance Act of 1961, as amended, I hereby authorize the Human Rights Initiatives: International Republican Institute Project for the Latin America and the Caribbean Region involving planned obligations of not to exceed \$136,440 in grant funds over a one year period from the date of authorization, subject to the availability of funds in accordance with the A.I.D. OYB process, to help in financing the foreign exchange and local currency costs for the project. This brings the total amount authorized under the LAC Regional Human Rights Initiatives Project to \$30,736,000. The planned life of the project is one year from the date of initial obligation.

2. The purposes of the project are to assist the growth and modernization of the democratic political parties in South America and to foster regional market-oriented economic integration by providing forums for free-market debates to political leaders in South America and training to political parties so they can better incorporate these reforms into public policies and platforms. Project activities will involve the organization and execution of a series of seminars by Fundacion America in conjunction with a variety of party-affiliated instituites from across the political spectrum, economic centers and other foundations throughout the region.

3. The Agreement(s) which may be negotiated and executed by the officer to whom such authority is delegated in accordance with A.I.D. regulations and Delegations of Authority shall be subject to the following essential terms and covenants and major conditions as A.I.D. may deem appropriate:

a. Source and Origin of Commodities, Nationality of Services: Commodities and services financed by A.I.D. under the project shall have their source, origin and nationality as prescribed in A.I.D. Handbook 1B, Section 16B1b, except as A.I.D. may otherwise agree in writing. Procurement of local goods and services shall be in accordance with the Agency's Buy-America policy.

b. Ocean Shipping: Ocean shipping financed by A.I.D. under the project shall, except as A.I.D. may otherwise agree in writing, be financed only on flag vessels of the United States.



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Acting Assistant Administrator  
Bureau for Latin America and the Caribbean

1/29/93

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Date

Agency for International Development  
Washington, D.C. 20523

January 13, 1993

TO: Jay Bergman, FA/OP/B/LA  
FROM: Ken Schofield, Director, LAC/DI  
SUBJECT: Justification for Non-Competitive Award to the  
International Republican Institute

Handbook 13, Chapter 2, Paragraph 3, Exceptions, states that competition in the award of a grant is not required in cases where the technical office has determined that the recipient has "exclusive or predominant capability based on experience, specialized facilities or technical competence, or based on an existing relationship with the cooperating country or beneficiaries." On the basis that the intended grantee meets this criteria, LAC proposes a \$111,440 non-competitive grant to IRI in support of their training program on regional-market-oriented economic integration through the education of Latin American political leaders.

The International Republican Institute (IRI) is a quasi-governmental organization whose goal is to provide support for democratic governance and political party development abroad. Like its counterpart, the National Democratic Institute, these organizations were created with the goal of supporting democracy in regions of the world where the movement toward greater freedom, political participation and thus, party growth, could be fostered through such international support. Though an arm of a partisan organization, the international activities consist of non-partisan support for political party development, electoral assistance and other governance related programs. IRI offers programs throughout the world. This request relates to activities in the Latin American region.

To our knowledge, there is no other organization with the same national and international experience in the area of political party development and economic reform. By providing forums for free-market debates to political leaders in South America and training to political parties so they can better incorporate these reforms into public policies and platforms, IRI can assist in fostering regional market-oriented economic integration.

Additionally, IRI has a unique feature of reaching out to Latin American parties through its non-partisan foundation, Fundacion America, located in Buenos Aires, Argentina. This relationship affords a rare opportunity to reach out to a wide array of political actors in Latin America. It also reinforces the project's goal of improving economic education of party leaders by bringing them in contact with regional think tanks as a way of promoting free market economic policies in a variety of Latin

American countries. Furthermore, this institutional arrangement through the Fundacion America, makes it more attractive for AID financing in countries in which resources to facilitate programs on economic education and political development are limited. IRI has demonstrated a track record in Latin America as a responsible organization which has convened programs on local government, civic-education, and party leader training.

The above facts support a non-competitive award to IRI for a training program on regional-market-oriented economic integration through the education of Latin American political leaders.

\docs\johanna\noncompe.iri\



**INTERNATIONAL  
REPUBLICAN  
INSTITUTE**

1212 New York Avenue, N.W.  
Suite 900  
Washington, D.C. 20005  
Telephone: (202) 408-9450  
Telex: 5106000161 (IRI)  
FAX: (202) 408-9462

16 September 1992

Ms. Johanna Mendelson-Forman  
Office of Democratic Initiatives, LA/C  
U.S. Agency for International  
Development  
Washington, D.C.

Dear Johanna:

Per our conversation last week, I am sending you the revised budget for our "South America Regional Economic Training Program" proposal. As you will see, the total amount requested for FY92 has been changed to \$111,440.00 from the original amount of \$100,000.00 due to the addition of indirect costs.

USIA, IRI cognizant auditor, recently completed an audit for the fiscal years 1988-90. As a result of that audit, IRI has been required to implement an indirect cost system beginning with FY 1993, the first fiscal year following the conclusion of the audit. IRI has prepared an indirect cost submission and submitted to USIA. The rates used in this proposal are the rates submitted to USIA. We expect to have a negotiated rate within the next month and would notify you with a copy of the agreement at that time. If additional information is needed prior to our negotiation with USIA, we would be more than happy to provide you with a copy of our submission.

If you have questions regarding the enclosed budget, I would be glad to answer them. Margaret Bartel, IRI's Chief Financial Officer, is also available to answer questions regarding IRI's indirect cost rate. A joint meeting could be arranged if needed.

Thanks for your help in moving this along Johanna. We'll be in touch soon.

Sincerely,

Staci Sticht  
Program Officer

**IRI  
FUNDACION AMERICA  
PROPOSED BUDGET**

<b>COST CATEGORY</b>	<b>ANNUAL RATE</b>	<b>MONTHLY RATE</b>	<b>MONTHS</b>	<b>AMOUNT</b>	<b>TOTAL COST</b>
<b>SALARIES</b>					
PROGRAM OFFICER		2,500	2	5,000	
			<u>2</u>	<u>5,000</u>	
FRINGE BENEFITS @ 42.19%					2,110
SUPPLIES AND EQUIPMENT					500
SUPPLIES			500		
COMMUNICATIONS					3,000
TELEPHONE AND FAX					2,500
POSTAGE AND DELIVERY				500	
TRAVEL AND PERDIEM					15,269
AIRFARE (RT'S FROM DC)					11,000
A. BRAZIL, 1 RT @ \$3,500		3,500			
B. COLO-VENEZ-PERU, 1 RT		2,500			
C. CHILE-ARG-URUG, 1 RT		2,500			
D. BOL-ECUAD-PARA, 1 RT		2,500			
PER DIEM					4,269
A. 3 x (105+107+134)		1,038			
B. 3 x (157+119+148)		1,272			
C. 3 x (128+160+105)		1,179			
D. 3 x (85+82+93)		780			
OTHER DIRECT COSTS					300
MEETINGS					300
SUB-GRANTS					300
TOTAL DIRECT COSTS				75,931	
				<u>102,110</u>	102,110

BEST AVAILABLE COPY

BEST AVAILABLE COPY

IRI  
FUNDACION AMERICA  
PROPOSED BUDGET

COST CATEGORY	ANNUAL RATE	MONTHLY RATE	MONTHS	AMOUNT	TOTAL COST
LESS COSTS EXCLUDED FROM OVERHEAD					
SUB-GRANTS				75,931	
				<u>75,931</u>	
COSTS ON WHICH OVERHEAD IS APPLIED				26,179	
OVERHEAD @	35.64%				9,330
TOTAL PROJECT COSTS					<u>111,440</u>

Agency for International Development  
Washington, D.C. 20523

Office of the  
General Counsel

May 26, 1993

MEMORANDUM

TO: DAA/FHA/PVC, Louis Stamberg (Acting)

FROM: GC/FHA, Renee R. Matalon *RRM*

SUBJECT: NDI and IRI

As you requested, I have reviewed the opinion letter provided by legal counsel for the National Democratic Institute for International Affairs (NDI) addressing whether NDI and its counterpart organization, the International Republican Institute (IRI), are private and voluntary organizations (PVOs) and subject to the requirements applicable to PVOs. That letter, dated May 6, 1993, and accompanied by a supporting letter from counsel to IRI, concludes that NDI and IRI are not PVOs and should not be subject to registration and other conditions that PVOs must meet to be eligible for most A.I.D. assistance.

The foreign assistance and related appropriations acts do not contain a definition of a PVO. A.I.D. also does not have a formal definition of that term, although the first five conditions of registration in Regulation 3 generally are considered to describe the features of a nongovernmental organization (NGO) that qualify it as a PVO. These are very broad standards that were developed before the recent proliferation in the kinds of NGOs participating in international development. As a result, this loose PVO definition may be inadequate to properly distinguish the kinds of grass roots, people-to-people organizations that Congress and A.I.D. originally intended to qualify for the special A.I.D.-PVO assistance relationship from other NGOs that serve equally important, but different functions in development assistance.

Counsel for NDI and IRI do not believe that institutes established by the major political parties and created for the purpose of promoting democracy in foreign countries under the National Endowment for Democracy Act (NEDA) are the kinds of NGOs that are or should be considered PVOs. Operating units in A.I.D.'s LAC, EUR, and AFR bureaus have supported the programs of NDI and IRI for several years without considering them to be PVOs. Since there is no statutory or formal Agency definition of

a PVO, and under the circumstances of the creation and operation of NDI and IRI as well as Agency assistance to them, we agree with the consensus which has developed that they are not PVOs.

As explained by NDI's counsel, the legislative history of NEDA supports the position of NDI and IRI. Although these institutes are privately incorporated and not instrumentalities of the U.S. Government, they are government-sponsored and are not private organizations in the same sense as A.I.D. traditionally has considered PVOs. Unlike PVOs, these institutes do not have their origins in grassroots charitable initiative; nor are they intended as organs of support and participation by the general public. Rather, they are legislatively-driven vehicles for bipartisan involvement by the U.S. political establishment in the promotion of democracy in other countries.

The hallmark of a PVO is its people-to-people character and reach. PVO recipients of grant assistance are independent from the government in their origins, domestic constituents, support and operation, as well as in their privately-funded overseas charitable or developmental work.

Although NDI and IRI are not part of the government, they are instrumentalities of the two major political parties from which most of the policy levels of the U.S. Government are drawn. The institutes are twice removed from the government, but they exist only because Congress would not permit funding for NEDA purposes to flow through the political parties themselves, to remove any partisan imprint from their activities. As counsel for NDI noted, Congress took the further step in appropriating funds for USIA to make the institutes ineligible for NEDA or any other USIA funding unless they agreed to bar officers or employees of the Republican or Democratic National Committees from being officers or directors of the institutes.

Neither Congress nor A.I.D. attempts to control the leadership of PVOs in this way. For this reason, and the others outlined above, we agree with counsel for NDI that NDI and IRI are not PVOs. As a follow-up to this discussion, we also believe that the Agency should undertake to review the kinds of nonprofit NGOs considered to be PVOs with an eye toward refining and formalizing this definition. Such a process should include identification of the objectives the Agency and Congress expect

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<sup>1</sup> See Departments of Commerce, Justice, and State, the Judiciary and Related Agency Appropriation Act, 1986, Pub. L. No. 99-180, Sec. 501, 1985 U.S. Code Cong. & Admin. News (99 Stat.) 1168.

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PVOs to accomplish and the kind of organizations that are likely to accomplish those objectives.

Memo to DAA/FHA/PVC, Louis C. Stamberg, p. 3

*R. Matalon*  
GC/FHA:RRMatalon:bmj:5/24/93:647-8416:NDINRI.MEM

Clearance:  
GC/FHA:SRTisa(draft)

cc: GC, JEMullen (Acting)  
DGC, RMeighan (Acting)  
GC/LP, RMLester  
GC/ASIA, GBisson  
GC/CCM, KEFries  
GC/R&D, GMWinter  
GC/AFR, ESpriggs  
GC/EUR, HEMorris  
GC/NIS, TGeiger  
LAC/DI, KSchofield ✓



**INTERNATIONAL  
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28 October 1992

Ms. Johanna Mendelson-Forman  
Office of Democratic Initiatives, IAC  
U.S. Agency for International  
Development  
Washington, DC

Dear Johanna:

Per our conversation, this letter will give you a more detailed schedule of activities for the proposed regional South America Economic Training program. The following are activities are currently being developed, however, specific conditions in each country may change and lead us to modify topics given current realities. Additionally, new and interesting ideas are continually being proposed through our network of contacts and we may consider some of them as better alternatives to fulfill to objectives of our program.

**ARGENTINA**

\* A seminar on regional integration is being planned in coordination with the research and educational institute, Fundacion Libertad of Rosario. Rosario is the second largest city in Argentina and close to the Uruguayan and Brazilian borders. It will surely become a center of economic activity after the Mercosur is implemented. The goal of the Fundacion America will be to bring to Rosario a serious debate on the Mercosur and the Enterprise for the Americas Initiative as most of this type of activity is traditionally centered in the capital of Buenos Aires and not in the rest of the country. This seminar is planned to take place after the September 1993 Congressional elections in order to target the newly elected officials.

**BOLIVIA**

\* A seminar on privatization, deregulation and reform of the state sector is tentatively scheduled with the cooperation of the Santa Cruz Chamber of Commerce. This idea follows discussions between the President of the Fundacion America and USAID/DI Bolivia. The seminar hopes to foster debate and bring to Bolivia the experiences of other countries in the region such as Argentina and Chile. Additionally, the Confederation of Private Enterprise of Bolivia is interested in co-sponsoring a seminar on the specific policy issue of reform of the pension system.

**CHILE**

\* The Fundacion America will organize a seminar on the NAFTA, a US-Chile Free Trade

Agreement and further steps towards economic integration. It is expected that the effort will be coordinated with the U.S. Chamber of Commerce in Chile, and a local research institute. This seminar is planned to occur early in 1993, to provide timely information as the impending negotiations for a FTA with Chile proceed.

**BRAZIL**

\* Another seminar on free trade and the relationship between Mercosur and the EAI, and the coordination between the Mercosur countries is planned for Brazil. Seminars will be held in Sao Paulo and other Brazilian cities in coordination with ADEBIM, Asociacao de Empresarios Brasileiros en Mercosur.

**COLOMBIA**

\* A seminar is planned on privatization and deregulation with the local coordination of the Latin American Center for Privatization in Bogota.

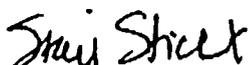
**ECUADOR**

\* The Fundacion America, in cooperation with the Ecuadoran Institute of Economic Policy will plan a seminar on the issue of economic reform and small venture business in low income sectors.

This shows the composition of the first year of the Fundacion's activities. It is expected that seminars for the second year will be scheduled in Paraguay, Uruguay, Venezuela, and Peru, depending on the political situations in these last two countries.

If you have any further questions, please call me.

Sincerely,

  
Staci Sticht  
Program Officer  
Latin America and the Caribbean



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16 September 1992

Ms. Johanna Mendelson-Forman  
Office of Democratic Initiatives, LA/C  
U.S. Agency for International  
Development  
Washington, D.C.

Dear Johanna:

Per our conversation last week, I am sending you the revised budget for our "South America Regional Economic Training Program" proposal. As you will see, the total amount requested for FY92 has been changed to \$111,440.00 from the original amount of \$100,000.00 due to the addition of indirect costs.

USIA, IRI cognizant auditor, recently completed an audit for the fiscal years 1988-90. As a result of that audit, IRI has been required to implement an indirect cost system beginning with FY 1993, the first fiscal year following the conclusion of the audit. IRI has prepared an indirect cost submission and submitted to USIA. The rates used in this proposal are the rates submitted to USIA. We expect to have a negotiated rate within the next month and would notify you with a copy of the agreement at that time. If additional information is needed prior to our negotiation with USIA, we would be more than happy to provide you with a copy of our submission.

If you have questions regarding the enclosed budget, I would be glad to answer them. Margaret Bartel, IRI's Chief Financial Officer, is also available to answer questions regarding IRI's indirect cost rate. A joint meeting could be arranged if needed.

Thanks for your help in moving this along Johanna. We'll be in touch soon.

Sincerely,

Staci Sticht  
Program Officer

**IRI  
FUNDACION AMERICA  
PROPOSED BUDGET**

COST CATEGORY	ANNUAL RATE	MONTHLY RATE	MONTHS	AMOUNT	TOTAL COST
<b>SALARIES</b>					
PROGRAM OFFICER		2,500	2	5,000	
			<u>2</u>	<u>5,000</u>	
FRINGE BENEFITS @ 42.19%				2,110	
SUPPLIES AND EQUIPMENT				500	
SUPPLIES			500		
COMMUNICATIONS				3,000	
TELEPHONE AND FAX			2,500		
POSTAGE AND DELIVERY			500		
TRAVEL AND PERDIEM				15,269	
AIRFARE (RT'S FROM DC)			11,000		
A. BRAZIL, 1 RT @ \$3,500		3,500			
B. COLO-VENEZ-PERU, 1 RT		2,500			
C. CHILE-ARG-URUG, 1 RT		2,500			
D. BOL-ECUAD-PARA, 1 RT		2,500			
PER DIEM			4,269		
A. 3 x (105+107+134)		1,038			
B. 3 x (157+119+148)		1,272			
C. 3 x (128+160+105)		1,179			
D. 3 x (85+82+93)		780			
OTHER DIRECT COSTS				300	
MEETINGS			300		
SUB-GRANTS				75,931	
TOTAL DIRECT COSTS				<u>102,110</u>	102,110

IRI  
FUNDACION AMERICA  
PROPOSED BUDGET

COST CATEGORY	ANNUAL RATE	MONTHLY RATE	MONTHS	AMOUNT	TOTAL COST
=====					
LESS COSTS EXCLUDED FROM OVERHEAD					
SUB-GRANTS				75,931	
				<u>75,931</u>	
COSTS ON WHICH OVERHEAD IS APPLIED				26,179	
OVERHEAD @	35.64%				9,330
TOTAL PROJECT COSTS					<u>111,440</u>

## South America Regional Economic Training Program

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U.S. Grantee:	The International Republican Institute
Foreign Subrecipient:	Fundacion America para la Capacitacion Politica
Duration of Project:	June 1, 1992 - May 31, 1994
Total Amount Requested:	\$200,000.00 (FY92: \$100,000.00) (FY93: \$100,000.00)

### I. Project Summary:

The International Republican Institute (IRI) proposes to launch a two-year, region-wide South America program to work with democratic political parties to encourage greater economic liberalization, emphasizing the role of the Enterprise for the Americas Initiative in the agenda for regional economic reform.

A regional training initiative will be implemented through the Fundacion America para la Capacitacion Politica (FA) based in Argentina. The program will bring political and economic experts from Latin America and the U.S. together in South America to provide free market economic training to and through political parties. This will be done through a series of seminars and debates to be held during the first year. Follow-up workshops and advising are planned for the second year. This work will be supported by a series of publications, quarterly newsletters, and other articles of opinion and analysis produced by Fundacion America.

The Fundacion America, an independent, non-partisan political training institute is headed by economist and IRI-grantee Martin Krause. The FA is currently running its programs with the support of the National Endowment for Democracy through the IRI.

### II. Background:

Latin America's transition to democracy is taking hold -- politically and economically. Military dictatorships in power only a decade ago have given way to freely-elected governments. Voters are rejecting the old paternalistic and mercantilistic economic policies that have sent Latin America into one of its deepest crisis of no growth, high inflation, and huge foreign debt. In most Latin countries, this crisis has pushed governments to shift from

these state interventionist and regulatory policies toward more open markets, privatization and redefinition of the role of government in society.

However, these nascent democracies are still fragile. The new demands of the population are not easily met and consequently there is a high turnover of public administrators throughout the region. Initial enthusiasm and euphoria shown during early elections have been replaced by growing lack of confidence and discontent with politicians, political parties, and the economic situation.

This demise has left the political parties in a difficult position between a growing gap of demands of the population and the abilities of the political leadership to meet these demands. For many years, Latin political leaders had only one aim: democracy. Little thought was devoted to the consequences of this objective, or its maintenance once achieved. This lack of foresight is manifested clearly in many parties' inability to adapt to the demands for new changes resulting from the move towards greater pluralistic participation. Therefore, political parties are currently faced with widespread constituent apathy and ineffective leadership.

It is critical that the parties are trained and modernized in order to close this ever-widening gap. Having a pivotal role in democracy, the parties must be transformed into credible representative institutions in order to foster new confidence in political leadership and greater understanding of the importance of political, economic, and social reform.

Strengthened and enlightened political parties are crucial for economic reform. Political leaders will have better success in implementing the necessary changes for growth when they are supported by effective and modernized parties which have economic platforms dedicated to market-oriented policies.

### **III. Project Objectives:**

The objectives for this program include:

1. To foster regional market-oriented economic integration by providing forums for free-market debates to political leaders in South America and training to political parties so they can better incorporate these reforms into public policies and platforms.
2. To assist the growth and modernization of the democratic political parties in - Bolivia, Colombia, Chile, Ecuador, Argentina, Paraguay, Uruguay, Brazil, Venezuela, and Peru through economic and free market education.

**IV. Project Activities:**

The program will envelope two phases, the initial phase taking place during the first year, and the second phase of the program developing during the following year.

The first phase will involve the organization and execution of a series of seminars by the FA. To ensure the participation of an array of political parties, the seminars will be organized by the FA in conjunction with a variety of party-affiliated institutes from across the political spectrum, economic centers, and other foundations throughout the region.

It is anticipated that these seminars will result in the identification of the individuals in various parties responsible for economic issues. During the second phase of this program, the FA will maintain contact with these individuals to determine which parties require specific technical assistance in revising their economic principles. Small workshops will be given to ensure the information and training received in the initial seminars will reach these particular parties and thus broaden the base of knowledge and consensus.

Specifically, the following details the plan for implementation of this program:

1. The FA is currently working to develop a base of contacts with the various political party-affiliated institutes and other related foundations to introduce the program and begin cooperation. Attachment A lists those foundations already contacted and have expressed interest in participating in the program.

Additionally, the FA plans to involve other institutes, foundations, and groups from outside the region. (See Attachment A)

2. Once the co-hosting organizations are ascertained in each country, topics and agendas will then be developed in coordination with the host institutes. Topics to be included are listed in Attachment B.

The co-hosting organizations will be responsible for the invitations to attendees. The variety of organizations and party-affiliated institutes involved should ensure that a broad array of political representatives participate in the program.

3. Based on the themes and agendas set for the seminars, the FA will then be responsible for obtaining the consultants who will be invited to participate in these meetings. These consultants/trainers will be drawn upon from a cadre of known experts with whom the IRI has contracted for past Latin American and Caribbean programs. The FA hopes to build upon this list of known trainers to eventually have at its disposable a broadly-based group of experts and trainers that can be called upon to meet specific and individual needs of different groups. See Attachment C for a list of potential trainers.

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4. The FA is currently planning the schedule for the seminars. The trainers will travel to three countries to give two day seminars in each country. Given the immensity of Brazil however, it is planned that three seminars will be given there alone; in Rio de Janerio, Brasilia, and Sao Paulo.

A possible schedule for seminars includes the following:

- July 1992: Brazil
- September 1992: Colombia, Venezuela, Peru
- November 1992: Chile, Argentina, Uruguay
- February 1993: Bolivia, Ecuador, Paraguay

5. The above information outlines the anticipated implementation plan for the first phase of the program. The second phase of more intense contact and workshops with individual parties will be developed throughout the course of the first phase of seminars. The specific detail of the second year activities, such as the number of workshops and advisory missions, depend on the development of the first year program, therefore only this broad outline can be given at this time.

V. Evaluation Plan:

Close monitoring and constant evaluation of the program will be made by Fundacion America. Assessments by participants directly following each seminar and workshop will determine strengths and areas of improvements in the organization, content, and execution of these meetings. Fundacion America will in turn evaluate the program by the level of success achieved by the parties to implement the techniques and tactics taught at the seminars. Indicators of success will include membership growth, the increased participation of women and youth, and better results in local elections.

Additional indicators of success for this program will include the extent to which voter confidence is raised in the effectiveness of political leaders and the ability of the political parties to meet the demands of the voters. Success in this can be measured by increased participation of voters in elections, and a lower turnover rate of public administrators.

much too ambitious objectives for the small project

- What do they mean by "better results"? What does "increased participation" mean? "youth" how to do with program objectives?  
Do we really think

## **VI. Organizational Background:**

The Fundacion America para la Capacitacion Politica has been founded specifically to carry out the goals of this project. Fully chartered under the laws of Argentina, it is a private and independent foundation dedicated to strengthening the links between political leaders of the hemisphere, through promoting and organizing the exchange and training of young political leaders who have the responsibility to guide the Latin American countries towards a common goal based in democracy, freedom, and hemispheric integration.

The Fundacion America has drawn together intellectuals, politicians, business leaders, and university representatives who collectively have the same goals to improve the democratic stability of Latin America. The Board of Directors is comprised of: Horacio Martin Ochoa, former President of UPAU, a university political group, Alberto Garcia Carmona, a lawyer and writer, Jose Manny Lalor, a former Representative in the Chamber of Deputies, and Jorge Sagasti, Vice President of the public relations firm, RADUX.

Additionally, the Fundacion plans to integrate an Advisory Council, formed by respected leaders and former Presidents of the participating countries. The members of the council will participate in the activities of the program and will meet periodically throughout the duration of the project.

The Executive Director of Fundacion America will be Martin Krause, currently the Executive Director of the IRI-grantee Fundacion Libertad y Democracia. Mr. Krause has a degree in Business Administration and has been affiliated with the IRI since 1988. He was first Program Director for the Institute for Social Market Economy, and in 1989 became Executive Director of LID. Mr. Krause also served as the in-country Program Director of the joint NDI/IRI Nicaraguan Democratic Development program during the elections of 1990. Mr. Krause's extensive experience in international political development activities with the IRI makes him well qualified to administer and carry out the IRI-sponsored Fundacion America program.

## **VII. Budget:**

See Attachment D

**URUGUAY**

Centro de Estudios para la Democracia Uruguay  
Centro de Estudios sobre la Realidad Social (CERES)  
Instituto Manuel Oriba

**VENEZUELA**

Instituto de Estudios Superiores de Administracion  
Centro de Divulgacion del Conocimiento Economico.

**2. Potential participating institutions from outside the region:**

Universidad Francisco Marroquin  
Guatemala

U.S. Global Strategy Council  
Washington, D.C.

Center for International Private Enterprise  
Washington, D.C.

International Center for Economic Growth  
California

Institute for the Americas  
University of San Diego, California

North-South Center  
University of Miami, Florida

H

## **Attachment B**

Specific topics and agendas will be determined by the FA and the cooperating institutions. Each seminar will place a special emphasis on aspects of the Enterprise for the Americas Initiative and each country's individual relation and agenda to this policy initiative. Overall themes and areas of interest which have already been determined include:

- \* **The Social Costs of Economic Reforms: Their Impact in the Future of Democratic Institutions**
- \* **Shock Therapy and the High Cost of Economic Overhaul**
- \* **The Path Toward Free Trade and Foreign Investment in Latin America**
- \* **The Environment and Sustainable Economic Development**
- \* **Privatization at the Local Level**
- \* **Development of Capital Markets**
- \* **The Viability of Debt/Nature Swaps in Latin America**
- \*

### **Attachment C**

The FA and the IRI will obtain the economic and political experts to bring to the seminars and workshops by drawing upon a known cadre with whom the IRI has worked throughout Latin America. The following list represents a spectrum of consultants used in the past by the IRI in its Latin American programs. The actual consultants used for this program will not necessarily be limited to those listed below.

- \* Carlos Montelieu - Director of Latin America programs, U.S. Department of Commerce.
- \* Steven Antosh - Director, Interamerican Program, Francisco Marroquin University, Guatemala.
- \* Thomas Fuentes, Chairman, Republican Party of Orange County, California.
- \* William Harris - Harris and Associates. Political consultant. Washington, D.C.
- \* Juan Daniel Aleman - Assistant General Secretary, Secretariat for Central American Integration, Guatemala.
- \* Guillermo Fernandez de Soto - Special Advisor to the Foreign Ministry, former Coordinator of the Rio Group, Colombia.
- \* Leony Yu Way - Foundation for National Development, Honduras. Economist and Director of Organization, National Party.
- \* Gary Clark, PhD. - President, the Clark Council, Inc. Professor of Political Science, University of New Orleans
- \* Courtney Cunningham - Senior Congressional Liaison Officer, U.S. Department of Labor.
- \* Rodrigo Ubilla - Executive Director, Instituto Libertad, Chile.