

PD ABJ-534

PLEASE

MOZAMBIQUE

DEMOCRATIC INITIATIVES

PROJECT

(656-0227)

PP AMENDMENT I

BEST AVAILABLE COPY

SEPTEMBER 3, 1993

AGENCY FOR INTERNATIONAL DEVELOPMENT PROJECT DATA SHEET		1. TRANSACTION CODE <input checked="" type="checkbox"/> C A = Add C = Change D = Delete	Amendment Number 1	DOCUMENT CODE 3
2. COUNTRY/ENTITY Mozambique		3. PROJECT NUMBER 656-0227		
4. BUREAU/OFFICE USAID/Maputo		5. PROJECT TITLE (maximum 60 characters) Democratic Initiatives Project		
6. PROJECT ASSISTANCE COMPLETION DATE (PACD) MM DD YY 1 2 3 1 9 6		7. ESTIMATED DATE OF OBLIGATION (Under "B." below, enter 1, 2, 3, or 4) A. Initial FY 9 1 B. Quarter 4 C. Final FY 9 4		

8. COSTS (\$000 OR EQUIVALENT \$1 =)						
A. FUNDING SOURCE	FIRST FY 91			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total	3,000		3,000	17,000		17,000
(Grant)	(3,000)	()	(3,000)	(17,000)	()	(17,000)
(Loan)	()	()	()	()	()	()
Other U.S.	1.					
	2.					
Host Country						
Other Donor(s)						
TOTALS	3,000		3,000	17,000		17,000

9. SCHEDULE OF AID FUNDING (\$000)									
A. APPRO- PRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) DFA				4,000		11,000		15,000	
(2) ESF				0		2,000		2,000	
(5)									
(4)									
TOTALS				4,000		13,000		17,000	

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)	11. SECONDARY PURPOSE CODE
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12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)
A. Code
B. Amount

13. PROJECT PURPOSE (maximum 480 characters)

To support Mozambican initiatives to establish a foundation for a stable democratic society.

14. SCHEDULED EVALUATIONS	15. SOURCE/ORIGIN OF GOODS AND SERVICES
Interim MM YY MM YY Final MM YY 1 2 9 4 1 2 9 5	<input type="checkbox"/> 000 <input type="checkbox"/> 941 <input type="checkbox"/> Local <input type="checkbox"/> Other (Specify) 935

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

This amendment increases the LOP funding by \$8 million and changes the project purpose to enable the project to support the implementation of multi-party elections. The PACD is also extended to December 31, 1996.

17. APPROVED BY	Signature  Roger Carlson	Date Signed MM DD YY 10 8 20 9 3	18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION MM DD YY 10 9 03 9 3
	Title Mission Director		

ACTION MEMORANDUM FOR THE DIRECTOR, USAID/MOZAMBIQUE

Date: July 21, 1993

From: *MC*
Charles North, PRM

Subject: Amendment of the Democratic Initiatives Project
Paper and Authorization

Problem: Your approval is required to: a) increase the Life of Project (LOP) funding level for the DIP from \$4.0 million to \$17.0 million; b) extend the PACD from December 31, 1994 to December 31, 1996; c) amend the project purpose to enable the project to provide implementation support for multiparty elections; and d) waive the AID-marking requirement for civic education materials produced with project funds.

Background: The Democratic Initiatives Project (DIP) was authorized with a LOP funding level of \$4.0 million and a PACD of December 31, 1993. The PACD was extended to December 31, 1994 by means of Project Grant Agreement Amendment No.1, dated August 31, 1992. The project purpose was to facilitate increased Mozambican understanding of strategic options and related implementation requirements for democratic initiatives in the areas of multi-party elections, the institutionalization of an independent judiciary, and the decentralization of government.

Given the rapidly changing political and social environment in Mozambique following the October 1992 Peace Accord, it is no longer sufficient for the DIP to focus solely on analyses of options for strengthening democratic structures and processes. As originally designed, the DIP was prohibited from financing the implementation of multi-party elections, because there was too much political uncertainty and too little was known about the timing and financial requirements. Implementation of elections is now a political imperative to ensure a lasting peace and the peace process provides a unique window of opportunity for establishing a base for democracy in Mozambique. The peace process also opens up new opportunities and greater need for implementation of activities under the other project components as well. Civil society, which previously was considered to be a minor sub-component of the project, requires additional emphasis to prepare for the post-election period.

LOP funding: To finance the additional activities planned for elections and expanded other components LOP funding must be increased by \$13.0 million. \$8.0 million of this additional funding will be obligated in FY 93 and will be used to finance portions of the electoral process. The remaining \$5.0 million

will be obligated in FY 94, increasing funding for all components.

PACD extension: While the elections are expected to take place prior to the current PACD of December 31, 1994, an additional twenty-four months will be required to complete activities under the other components. The additional time is needed due to the expansion of the activities under these components and to delays in initiating work in these areas as a result of the need to focus on the electoral process.

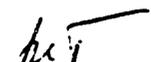
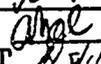
Project Purpose: The new proposed project purpose is: "To support Mozambican initiatives to establish a foundation for a stable democratic society." This new purpose statement gives the project more flexibility in implementing activities, whether related to the elections component or not, that will strengthen democracy in Mozambique.

Waiver of AID marking requirements: In accordance with HB 1B, Chapter 22, all civic education materials produced by the project must be "suitably marked" with the AID emblem. Attached hereto for your signature is a proposed waiver of this requirement requested because AID markings may create adverse reactions in the the country, including voter confusion.

Authority: Under Delegation of Authority 551, Section 4 (A), the Mission Director has authority to authorize amendment of projects provided that the amendment does not increase life-of-project funding to a level greater than \$30 million or extend the life of the project beyond 10 years and further provided that there are no significant policy issues, deviations from the original project purpose or waivers requiring Washington concurrence. This amendment meets all of the criteria for field authorization except that the project purpose has been altered. Accordingly, pursuant to DOA 553, concurrence in the changed purpose and ad hoc authority to amend were sought from Acting Assistant Administrator for the Africa Bureau and transmitted in 93 STATE 198829, June 30, 1993. The cable reflects appropriate consultation with the State Department to permit use of the authority of FAA Sec. 116(e) to the extent that appropriated project funds will finance election-related activities.

Recommendation: That you approve a) an increase the LOP funding level for the DIP by \$13.0 million to \$17.0 million; b) an extension of the PACD to December 31, 1996; c) an amendment of the project purpose to include implementation support for multiparty elections; and d) a waiver of the AID-marking requirement for civic education materials produced with project funds. Please indicate your approval by signing below and signing the waiver of AID marking requirements, the Amended Project Authorization and the Project Grant Agreement No. 2.

Approved 
Disapproved _____
Date 8-20-93

Clear:
JMTurner, DIP 
CMcCarthy, PRM 
SDuster, A/CONT 8/24/93
MAlexander, RIA (Draft 7/22/93)
JMiller, DDIR  8/20/93

Sx

Waiver of AID Marking Requirements

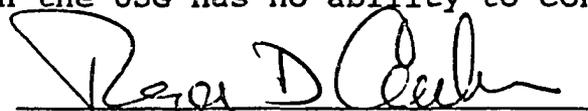
Cooperating Country: Mozambique

Project: Democratic Initiative Project

Project No.: 656-0227

Pursuant to the Mission Director's authority in AID Handbook 1B, chapter 22(D), I hereby waive the marking requirements for election-related materials (pamphlets, voting equipment and supplies and the like) to be supplied under the Democratic Initiative Project, as the appearance of AID emblems could produce adverse reactions in the recipient country.

I have made the finding that the use of AID emblems in the context of national elections would create confusion on the part of Mozambican voters as to the authorities holding the election and risk associating the United States Government with election practices or policies which may be the subject of controversy and which the USG has no ability to control.



Roger D. Carlson
Director
USAID/Mozambique

Cleared: JMiller, DD 8/20/93
C McCarthy, PRM DRAFT mt
C North, PRM DRAFT mt
JMTurner, PRM mt

Drafted: MAlexander, RLA 7/22/93

PROJECT AUTHORIZATION AMENDMENT

Cooperating Country: MOZAMBIQUE
Project Title: Democratic Initiatives Project
Project Number: 656-0227

1) Pursuant to Sections 116(e) and 496 of the Foreign Assistance Act of 1961, as amended (FAA), the Foreign Operations, Export Financing, and Related Appropriations Act, 1991, Africa Bureau Delegation of Authority No. 551, as amended, and the authority delegated under 91 STATE 321134, the Democratic Initiatives Project (Project) for the Republic of Mozambique (Grantee) was authorized on September 27, 1991. That authorization is hereby amended as follows:

a. Paragraph 1 is amended to read in its entirety:

"Pursuant to Sections 116(e), 496 and 531 of the Foreign Assistance Act of 1961, as amended (FAA), the Foreign Operations, Export Financing, and Related Appropriations Act, 1991, Africa Bureau Delegations of Authority Nos. 551 and 553, as amended, and the authority delegated under 91 STATE 321134 and 93 STATE 198829, I hereby authorize the Democratic Initiatives Project (Project) for the Republic of Mozambique (Grantee), involving planned obligations of not to exceed Seventeen Million United States Dollars (US\$17,000,000) in grant funds over a five year period from the date of authorization, subject to the availability of funds in accordance with the A.I.D. OYB/allotment process, to help in financing foreign exchange and local currency costs for the Project. Except as A.I.D. may otherwise agree in writing, the planned life of the Project (PACD) is sixty-three months from the date of initial obligation."

b. Paragraph 2 is amended to read in its entirety:

"The Project is designed to support Mozambican initiatives to establish a foundation for a stable democratic society. The Project will finance technical assistance, training, commodities, evaluation, audits and other goods, services and activities in support of the Project objectives."

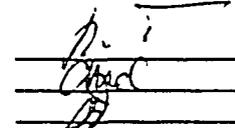
2) The authorization cited above remains in full force and effect except as hereby amended.


Roger D. Carlson
Director, USAID/Mozambique

656-0227
Project Authorization
Amendment

Drafted: CNorth, PRM 7/8/93

Cleared: JMTurner, PRM
CMcCarthy, PRM
HShropshire, A/CONT
MAlexander, RLA
JMiller, DDIR



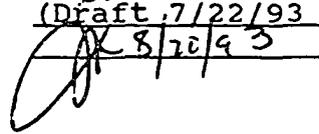
(Draft 7/22/93 as revised)
 8/20/93

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I. Objective

The objective of this amendment is to change the project purpose to enable the project to support election implementation and to increase the authorized life-of-project funding level by \$13 million (\$11 million DFA and \$2 million ESF) to \$17 million. This amendment also extends the project's PACD from December 31, 1994 to December 31, 1996. Additional adjustments ensure that the project reflects current understanding of local conditions and needs for assistance to support the development of democracy.

II. Background

The Democratic Initiatives Project (DIP) was authorized on September 27, 1991 with a life of project funding level of \$4.0 million. The project was designed to facilitate Mozambican understanding of strategic and implementation options for the development of democracy in three areas: multi-party elections, an independent judiciary, and government decentralization. In each of these areas, it was intended that a needs assessment be conducted, to be followed by technical assistance, training and some commodity assistance. Funds were also set aside to support the development of civil society. However, civil society was not included as one of the principal components of the project as it was unclear how best to support Mozambique's nascent civil society and how much funding civil organizations could absorb.

At the time that the DIP was designed, it was anticipated that the project would have to be amended or a new project designed to provide support for the implementation of multi-party elections, once a peace accord was signed. The Peace Accord between the Government of the Republic of Mozambique (GRM) and the Mozambican National Resistance Movement (RENAMO) was signed on October 4, 1992 and called for elections to be held within one year of the signing. This target date was overly ambitious. Two critical elements of the peace process, mobilization of the United Nations (UN) peacekeeping force and initiation of the demobilization of the warring armies, quickly fell behind the schedule for their implementation in the Peace Accord. In addition, the electoral process has been delayed by delays in the convening of a multiparty conference to review the draft electoral law.

Under the terms of the Peace Accord, the electoral process is to be organized and directed by an independent National Electoral Commission (CNE). The establishment of the CNE is tied to the promulgation of an electoral law, which will determine, *inter alia*, the composition and responsibility of the Commission. A draft law was prepared by the GRM and presented to the other political parties in April 1993. However, RENAMO concerns that insufficient time was given to

review the document and demands by RENAMO and the other political parties for logistical support led to a boycott of the multi-party conference to review the draft law.

The multiparty conference to discuss the draft law is now scheduled for July 27, 1993. Under DIP financing, the National Democratic Institute for International Affairs (NDI) is providing non-partisan technical assistance to the political parties in their review and analysis of the draft law in preparation for the conference. An election by October 1994 is possible, provided the signatories to the Peace Accord, the GRM and RENAMO, maintain their commitment, as expressed in oral statements at the June 8-9, 1993 Donor's Conference, to moving the peace process forward.

Until the CNE is established, an Inter-Ministerial Commission chaired by the Minister of Justice is responsible for the organization of the elections. The Commission is aided in this effort by two advisors from the Ministry of Justice, one of whom is the Coordinator for an informal electoral secretariat (STAE). The staff of the secretariat, drawn from various ministries on a part-time basis, were selected for their technical qualifications rather than their political affiliations. The STAE is assisted by four EC-funded full-time advisors.¹ Once the electoral law is enacted and the CNE established, the STAE will be established as a permanent body reporting to the commission during the electoral process.

III. Project Goal, Purpose and Outputs

A. Goal and Purpose

Revised Project Goal: Stimulate long-term sustainable economic growth.

The project goal has been changed to more clearly link democracy with social and political stability, and in turn, with long-term economic growth. At the time the project was designed, such a goal of long-term economic growth would not have been realistic as the civil war was still ongoing. Since the cessation of hostilities, there has already been a marked increase in travel and commerce throughout the country. With the accomplishment of the elements of the project purpose, the political and social environment will become more conducive, and in fact will stimulate, long-term economic growth.

Revised Project Purpose: To support Mozambican initiatives to establish a foundation for a stable democratic society.

¹This same team worked under EC financing with the STAE in November, 1992, to draw up the electoral budget.

This amendment is a recognition that, given the rapidly changing political and social environment in Mozambique following the October 1992 Peace Accord, it is no longer sufficient for the DIP to focus solely on analyses of options for strengthening democratic structures and processes. As originally designed, the DIP was prohibited from financing the implementation of multi-party elections, because there was too much political uncertainty and too little was known about the timing and financial requirements for elections. Implementation of elections is now a political imperative to ensure a lasting peace and the peace process provides a unique window of opportunity for establishing a base for democracy in Mozambique.

Elections alone will not ensure the growth and sustainability of democracy. The growth of civil society, the decentralization of government and the rule of law are critical factors to ensure that the democratic process doesn't stop with the elections. The window of opportunity afforded by the peace process is also important to these components of the project. Freer movement of people and political liberalization allow for an increase in the sharing of ideas and stimulate the establishment of countervailing forces to government and the need for an effective legal system. Each of these is a long-term process that must be initiated now to set the stage for the post-election period.

The revised project purpose also reflects the operating premise that sustainable democratic processes and democratic institutions cannot be imposed or created by external assistance. Rather, initiatives for the creation and development of democracy, in Mozambique as elsewhere, must come from the people. In each of the project components, therefore, the objective is to respond to Mozambican interests and needs for assistance.

B. Project Outputs

1. Conditions for free and fair elections created.
2. An independent judiciary strengthened.
3. The role of traditional authorities clarified.
4. Public understanding of civil rights and responsibilities increased and selected organizations strengthened.

IV. Project Description

A. Project Components

Since the objective of this amendment is to modify the project to allow assistance to be given for election implementation, the focus of this section is on the elections component. For the other components (an independent judiciary, decentralization of government and civil society), this section provides an update on their status and discusses changes in their conception. The less attention paid to these non-election components does not suggest that they are not important. On the contrary, these components are equally critical for the long-term sustainability of democracy in Mozambique. Implementation of elections, however, is an immediate concern that must be addressed for assistance in these other areas to make a difference.

1. Multi-party Elections

As noted earlier, elections are expected to take place by October 1994. To achieve that goal, the STAE, with technical assistance from the EC and UN, prepared an electoral budget of approximately \$78 million. Preliminary implementation plans, that will have to be approved by the CNE, anticipate three phases for the electoral process: preparation, registration, and polling.

Funds provided through this amendment will be used to finance a national civic education campaign, election officer training, and logistical air transportation as well as monitoring, administrative and special activity costs.

a. Civic Education

The DIP will finance a national civic education campaign under the direction and with the approval of the CNE. The civic education campaign has several objectives: to educate the electorate about the mechanics of registration and voting; to educate and inform the electorate about the issues of the campaign; and to prepare the political parties and the electorate for post-election period.

Research and Monitoring of Voter Attitudes. Focus group research methods will be used to determine the level of understanding of democratic and electoral principles and processes and to identify voter concerns and factors that would affect participation in the electoral process. These surveys will be conducted periodically in conjunction with each phase of the process to tailor the civic education message to the needs of the electorate and monitor voter attitudes². The information gained through this research will be shared with the CNE/STAE, GRM, political parties, donors and other interested organizations.

²The first of these, funded by the National Endowment for Democracy, was conducted in June 1993.

Design and Production of Materials. Based on the focus group research, written, audio and video materials in Portuguese and local languages will be designed to educate voters about the general electoral process, registration, political campaigning and voting. These materials will be developed in consultation with various groups, including the STAE, political parties, and non-governmental organizations. Final designs will require CNE approval before they can be produced and disseminated.

Radio Campaign. With approximately 650,000 radios (1989) in Mozambique and limited literacy, a strong radio campaign is an essential part of the civic education campaign. An education campaign for nationwide radio will be designed and implemented in collaboration with NGOs, journalists and entertainers. The broadcasts will be made in Portuguese and national languages and will include public service messages as well as current affairs programs addressing campaign issues and the importance of citizen participation.

Technical Assistance to Non-Governmental Organizations and Political Parties. Technical assistance will be provided to selected non-governmental organizations and political parties to assist them with the development and implementation of community-based civic education campaigns. Training and technical assistance will also be provided to non-governmental organizations, including religious and political organizations, to educate them on the electoral law, the role of the CNE, and their roles in the electoral process and in a democratic society. Materials provided to these organizations will be principally those approved by the CNE for the civic education campaign. While some expatriate trainers and consultants will be required, it will be necessary for most of this training to be conducted by Mozambicans.

Study and Observation Tours. Study and observation tours will be financed for individuals from government, registered political parties and non-governmental organizations, as appropriate, to learn about the electoral process and how democratic governments functions in other countries.

b. Election Officer Training

The success of the civic education campaign and the registration and polling processes is heavily dependent on the people implementing them. For the election officers, the training they receive will govern their actions as they register voters, manage the polls, and supervise each phase. Others will be trained to serve as civic education agents of the CNE to educate the electorate about the electoral process in general and the registration and balloting processes in particular.

Current projections, as prepared by the EC-funded advisors and

dependent on CNE approval, call for over 70,000 people to be trained. It is yet to be determined who these election officers will be and how they will be recruited. To train this many people in the short time available, a cascade approach to training is envisioned, whereby some of the participants in the national and provincial-level programs will in turn implement the training at the district level. The training will be conducted under the auspices and supervision of the CNE and STAE. The DIP will finance these training costs, including public transportation, where available, per diem, educational materials and technical assistance.

The tentative schedule for the training is as follows³:

Phase 1: Preparation for the Electoral Process
(July/August, 1993)

Target Participants: Election Officials at the national, provincial (85) and district (640) levels; civic education agents (88). Total: 813

Phase 2: Voter Registration
(January/March, 1994)
Target Participants:

A. Civic Education: Officials, agents and trainers at the national (33), provincial (330), and district (1,600) levels. Total: 1,963

B. Registration: Provincial officials and trainers (86); district officials and trainers (847); and district-level registration agents (8,500). Total: 9,433

Phase 3: Preparation for Elections
(June/September, 1994)

A. Civic Education: Provincial officials and trainers (33); District officials, some agents, and trainers (330); civic education agents (1,600). Total: 1,963

B. Elections: Provincial electoral officials and trainers (55); District electoral officials and trainers (726); and poll station officers (56,000). Total: 56,781

c. Logistical Support -- Air Transportation

³ The schedule assumes that the CNE would convene in July 1993. As that is unlikely, the schedule will have to be revised somewhat once the CNE does convene.

Logistical support is critical for the implementation of elections. Given the size of the country, the poor condition of the road network (including many mined roads), and the time constraints for implementing elections, air transportation will be particularly important to reach towns, villages and remote areas not easily accessible by road. The principal use of aircraft will be to move personnel, equipment and materials from provincial capitals to districts, towns and villages and back to the provincial capitals during each of the three phases of the electoral process. The aircraft will also facilitate communication and supervision of all phases of the electoral process. This aircraft support will complement plans for vehicles to provide ground transport.

The budget (pending CNE approval) for air transportation is \$9.6 million, of which \$2.1 million is for small fixed-wing aircraft, \$6.2 million is for helicopters and the rest is for jet fuel. This budget has been reduced from the \$14 million level originally proposed in December 1992. The reduction is due to the elimination of cargo planes from the budget and a reduction in the number of small aircraft and helicopters required, particularly in the preparation phase of the electoral process. The cargo planes, intended primarily to position jet fuel for use by the other aircraft, were found not to be necessary once assurances were received from Petromoc (parastatal petroleum distributor) and British Petroleum that jet fuel would be available at the principal airports. Reductions in the use of small planes was possible through increased reliance on commercial transportation between provincial capitals.

Using Economic Support Funds (ESF), the DIP will finance aircraft leases to meet most of the small fixed-wing aircraft requirement. It is necessary to use ESF for this activity as the Africa Bureau has determined that this is an inappropriate use of DFA.

Aircraft requirements as planned are as follows⁴:

Phase 1 (July - December 1993):

- distribution of civic education materials
- transportation of election officer trainees and training materials

Aircraft requirements: 2 small planes and 1 helicopter
Placement: Beira and Nampula

Phase 2 (January - July 1994):

- continued support for civic education campaign

⁴ The schedule assumes that the CNE would convene in July 1993. As that is unlikely, the schedule will have to be revised somewhat once the CNE does convene.

- implementation of the registration process

Aircraft requirements: 3 small planes and 6 helicopters
Placement: Maputo, Beira and Nampula

Phase 3 (July - October, 1994):

Part A (July - September):

- collection of materials and equipment used during the registration process
- continued support for the civic education campaign
- support for the training of polling station workers

Aircraft requirements: 2 small planes and 3 helicopters
Placement: Beira and Nampula

Part B (October):

- distribution of personnel, equipment and materials to polling stations shortly before the voting days
- collection of ballot boxes in a timely manner following the closure of polling stations
- collection of personnel, equipment and materials

Aircraft requirements: 6 small planes full month,
6 small planes half of the month and 20 helicopters
Placement: Small planes in Maputo, Beira and Nampula;
2 helicopters in each provincial capital

d. Monitoring, Administrative, and Special Activity Costs

Administrative costs associated with an anticipated grant to UNDP and the costs associated with monitoring the performance and impact of the electoral assistance are provided for in the budget. In addition, it is anticipated that there will be needs for short-term technical assistance and for study tours for Mozambicans to observe elections and electoral processes in other countries at various times during the electoral process. Provision has been made in the budget for these expenses.

2. An Effective Legal System

In May-June, 1992, the DIP financed an assessment of the legal sector which concluded that while the 1990 Constitution provides for an independent court system and an autonomous Attorney General, implementation of these provisions was left to future legislation and a small, overworked and sometimes minimally educated professional, legal and paralegal staff. The assessment found, for example, that of the 120 district judgeships, none are filled by qualified lawyers and most of the 100 judges in place have only a ninth-grade education. In addition, the majority of existing legislation and legislative methods currently in use in Mozambique date back to the Portuguese colonial era. The present legislation regulating

Portuguese colonial era. The present legislation regulating the country's national and international commerce, for example, was enacted in 1889.

To date, donor support for the judicial sector has been limited, with some training, technical assistance and equipment provided by Portugal, Sweden, Denmark, and the U.S. In 1992, using 116(e) funds, the U.S. supported a basic legal training course for provincial judges, and, through USIS, some limited observation and study trips to the U.S. Under the World Bank's government-wide Capacity Building Project, considerably more resources will be channelled into training and technical assistance for the legal sector. The assistance to be provided by the DIP is intended to complement the World Bank's activities.

Through a contract to be awarded competitively to a U.S. contractor, the DIP will provide technical assistance to help establish a Center for Judicial Education (CEJ) in the Ministry of Justice. The contractor will work with Mozambican counterparts to develop curricula and train a core group of trainers in the areas of judicial ethics, administration, and personnel management, and will update their knowledge of criminal, civil, labor, commercial and family law. The contractor will also advise and assist the CEJ to design outreach activities to inform provincial and district-level courts of changes in codes and procedures and develop administrative systems for the CEJ. Selected training activities will be directed at the needs of legal court staff at the district level.

Technical assistance will also be provided for the updating and redrafting of selected legal codes and procedures. The Ministry of Justice's priorities in this area are to update and redraft the commercial code, penal code, penal procedures, civil code, and civil procedures, and conduct background research on and draft a family law.

3. Enhanced Role for Traditional Authorities

As originally designed, the DIP was intended to address broad strategic and implementation issues of decentralization of government. However, soon after project implementation began, it was apparent that there was substantial duplication and overlap between the DIP and planned assistance from the World Bank and other donors. Therefore, the decentralization component of the project was more narrowly defined to focus on the role of traditional political authorities in a democratic society, an area not covered by other donors. Assistance in this area thus far has been provided under a limited scope grant agreement that pre-dated the authorization of the DIP. Under this agreement, USAID financed preliminary research on the role of traditional authorities and technical assistance to the Ministry of State Administration's working group on local government. With financing from the Ford Foundation, a

convened in April 1993 to review the findings.

The third phase of this research will be financed by the DIP. In addition to more extensive research, this phase will also include workshops for traditional authorities and a national conference, in 1995, to discuss their role in society. The workshops will focus on discussions with the traditional authorities about Mozambique's movement toward democracy and how they see their role in a democratic society. It is anticipated that the research, workshops and conference will lead to the issuance of an official policy paper on the role of traditional leaders.

4. Strengthened Civil Society

A survey financed under the project, June - August, 1992, concluded that there were over 120 Mozambican NGOs in the country. Most of these were found to be at a very nascent stage in their development and only a half dozen had activities that were directly related to objectives of the three principal DIP components: legal sector, decentralization and elections. A larger number of the NGOs, including professional associations, were found to have the potential for becoming involved in DIP-related activities, but did not yet have plans to do so. None of these NGOs are believed to have adequate financial management systems to make them grant-worthy, and most don't have the absorptive capacity to handle grants of any significant amount.

Based on these findings and recognition of the management burden on project staff and Mission staff of managing numerous small grants, it was concluded that the DIP should not emphasize institutional development grants. Rather, the DIP civil society component should finance activities such as popular education that promote the development and understanding of civil society. Some funding will still be retained for grants/sub-grants to selected organizations, when appropriate, whose activities are important to the sustainable growth of civil society. As the project progresses, attention will be given to taking advantage of the overlaps and synergies between the various project components (particularly an independent judiciary, an enhanced role for traditional authorities and civil society) to enhance the role and capacity of civil society and increase community participation in local governance.

B. Project Implementation

1. Project Management

The original project paper called for a project management team consisting of a project manager, a political science advisor, and a secretary. In the early stages of project

advisor, and a secretary. In the early stages of project implementation, however, it was concluded that it would not be necessary to have both a project manager and a political science advisor (particularly with the recent arrival of two new Political Officers at the Embassy). Instead, a single individual was sought and hired who had strengths in both areas. Subsequently, it became apparent that, given the complexity of the project, the implementation workload is greater than one person can handle. The project is now in the process of recruiting an Assistant Project Manager and a secretary.

2. Elections

The bulk of the financing for the elections will be provided through a grant to the UNDP's electoral support project, which funds are to be administered by UNDP on behalf of the CNE. USAID's assistance will be granted through a cost-sharing mechanism to simplify and enhance the UNDP's coordination of various donors' contributions. UNDP will administer the funds following UNDP's procurement and audit regulations. This mechanism will be used for implementing the election officer training, the air transportation and the production and some of the dissemination costs of the CNE-approved civic education materials. Periodic reviews of the UNDP grant will be held to ensure that it is on track and progressing smoothly.

The civic education campaign, excluding items just noted, will be implemented through a cooperative agreement. The grantee will conduct voter opinion survey research, design materials, design and implement a radio campaign, provide technical assistance to NGOs and arrange study and observation tours. These activities will be implemented in collaboration with the STAE and the approval of the CNE. The grantee's relationship to the CNE and STAE will be governed by a memorandum of understanding between the grantee, CNE and USAID. The grantee will also be expected to coordinate and collaborate with the STAE and UN and donor-funded programs in civic education to ensure that programs are not duplicative or contradictory and all civic education requirements are covered. As with the grant to the UNDP, periodic reviews will be held with the grantee to review progress in implementation.

3. Legal Sector

As discussed above, the work envisioned under this component will be implemented by a U.S. contractor (possibly a contracting firm-law faculty combination). Due to the rapidly changing political environment in Mozambique and current demands on Ministry of Justice staff, implementation of the World Bank's support has been delayed. Since this component of the DIP is very closely tied to the World Bank's assistance, an RFP is not expected to be issued until January 1994.

4. Traditional Authorities

This component will also be implemented through a cooperative agreement based on an unsolicited proposal from the African-American Institute (AAI). AAI is now finalizing the proposal based on Mission comments. Barring unforeseen circumstances, AAI should be able to begin work in September or October 1993. The cooperative agreement will run for approximately 18 months, concluding with a national conference on the role of traditional authorities.

5. Civil Society

Based on unsolicited proposals received, it is anticipated that cooperative agreements will be issued to Catholic Relief Services/Caritas and AAI to support civil society development. CRS/Caritas proposes to use the Catholic Church's extensive network to distribute materials and conduct educational activities, on a non-sectarian basis, related to civil society and civic rights and responsibilities. AAI has proposed to administer a fund to provide grants to organizations whose objectives and activities are important to the growth and development of civil society.

6. Implementation Schedule

The PACD for the project will be extended from December 31, 1994 to December 31, 1996. An implementation schedule for the project is included in Annex C.

C. Monitoring and Evaluation Plan

Monitoring of the electoral process, and the activities to be financed by the DIP in particular, will be done principally by the Project Manager (along with other USAID and Embassy staff) through informal contacts and through the more formal donors' Aid-for-Democracy Group. It is expected that the Aid-for-Democracy Group will meet on a regular basis (once every four to six weeks) once the electoral process gets under way. The Project Manager will also chair a USG inter-agency task force on elections in Mozambique.

For the civic education activities, the Project Manager will meet on a regular basis (at least twice a month) with grantee staff to review progress and the senior member of the grantee's team may be asked to attend periodic elections task force meetings. The cooperative agreement will include funding for periodic focus group exercises to determine whether the grantee needs to make adjustments in the material design and presentation to meet the electorate's needs. In addition, a third-party review of the grantee's work will be conducted following the registration phase of the electoral process.

The Evaluation Plan has been modified to take into account changes in timing and targets to be measured. As recommended in the original project paper, a mid-term evaluation will take place following the elections, anticipated for October 1994. This evaluation will measure the achievement of output and purpose-level indicators, with particular attention to the elections. A final evaluation will take place prior to the PACD to review the first years of experience under a popularly elected government in Mozambique and the role the DIP played.

VI. Analytical Considerations

A. Socio-Political Feasibility

The greatest potential constraint to the peace process and the timely implementation of the elections is a lack of demonstrated commitment on the part of the political parties to keeping the process moving and on track. For the DIP to be successful, the U.S., in coordination with the rest of the international community, must continue to pressure on all sides to achieve elections by October 1994. The U.S. can also strengthen the electoral process and begin preparations for the post-election period by: a) emphasizing the authority and independence of the CNE; b) educating the political parties about their roles in the post-election period; and c) assisting to develop a strong and dynamic civil society.

B. Institutional Capability

It is not as yet possible to fully assess the capabilities of the various organizations involved in the elections. The primary institutions involved in the implementation of elections in Mozambique, the CNE and the STAE, do not yet officially exist. The STAE has been operating but only as an unofficial body with a small part-time staff and four international consultants. With the exception of broad guidelines laid down in the Peace Accord, both institutions are dependent on the enactment of an electoral law to determine their composition, structure, responsibilities and authority. A draft electoral law is currently under discussion by the political parties.

Other organizations that will be involved in the implementation of the elections include the United Nations and the organization to be selected to implement the DIP-funded civic education campaign. The UN involvement is through several organizational units: a) the UNOMOZ Elections Division, with assistance from the UNOMOZ Political Division, monitors and verifies the integrity of the entire elections process; and b) the UN Department for Development Support and Management Services, working through the Resident Representative of UNDP, serves as the implementing agency for the UN electoral support project to coordinate donor

assistance and provide technical assistance to the STAE. While these units exist they are far from being fully staffed. The Elections Division has yet to establish anticipated regional and provincial offices and UNDP funding of its project personnel must await the approval of the CNE.

C. Prospects for Legislative Action

Section 611(a)(2) of the FAA states that no agreement or grant in excess of \$500,000 may be entered into: "if such agreement or grant requires legislative action within the recipient country, unless such legislative action may reasonably be anticipated to be completed in time to permit the orderly accomplishment of the purpose of such agreement or grant."

As discussed earlier, the CNE will be responsible for approving and over-seeing all election plans and activities. For the CNE to be established, an electoral law determining its composition, powers and responsibilities must be promulgated by the Mozambican National Assembly. Such legislative action is expected to take place in the coming months, and in time to implement elections by October 1994. While it is not impossible that the schedule may slide, the Mission is reasonably confident that the necessary enabling legislation will be promulgated within a time frame acceptable to the project. This prediction is based on: a) the existence of a Peace Accord signed by the GRM and RENAMO and other declarations of commitment to the holding of elections on a timely basis; b) the current schedule for a multiparty conference to review the law beginning July 27, 1993; c) assurances that once the draft electoral law is reviewed by the political parties the National Assembly will convene an extraordinary session to enact the law; and d) the commitment to the peace process by the international community as evidenced by the large UN presence in the country.

VII. Environmental Threshold Decision

The Bureau Environmental Officer has approved a categorical exclusion for the project. (See Annex A)

VIII. Estimated Cost and Method of Financing

Additional project funds will be obligated to the GRM through an amendment to the Project Grant Agreement. Under this agreement amendment, a grant will be issued to the UNDP's Electoral Project for Mozambique, through a cost-sharing mechanism, to finance the production of civic education materials, election officer training, and logistical support. In administering these funds, UNDP will abide by UN procurement procedures and audit requirements.

A separate cooperative agreement will be executed for designing and developing civic education materials and to providing technical assistance to assist international and national NGOs in designing and implementing their own civic education programs.

The cost estimates for the electoral activities to be funded by the DIP appear to be reasonable. The production cost estimates for civic education materials are based on local costs where the quality of production is adequate; otherwise the estimates are based on production costs by firms in South Africa.

The hourly rate used in calculating the cost of small fixed-wing aircraft services is \$500. This rate is based on a review of rates charged by local aircraft charter services. This compares favorably with rates charged by AirServ, not the least cost local provider, for similar type of aircraft. AirServ charges \$395/hour at USAID's privileged rate and \$570/hour at full cost.

Per diem and travel costs are the principal cost items in the election officer training. The per diem rates are not based on GRM or USG standard per diem rates, but instead on a survey of local costs in Maputo and other provincial capitals by the UNDP technical advisors. Travel costs are based on rates for commercial transportation.

A. Revised Illustrative Financial Plan

SOURCE SELECTION INFORMATION
See FAR 3.104

Summary Illustrative Financial Plan (US \$)

<u>ITEM</u>	<u>Previous Project Budget **</u>	<u>Supplemental Budget</u>	<u>Total Project Budget</u>
1. Technical Assistance*	\$1,556,476	\$12,050,176	\$13,606,652
2. Training	\$391,540	(\$191,540)	\$200,000
3. Commodities	\$195,000	(\$195,000)	\$0
4. Non-Governmental Sector	\$300,000	\$1,600,000	\$1,900,000
5. Project Management	\$993,348	\$100,000	\$1,093,348
6. Evaluation and Audit	\$200,000	\$0	\$200,000
7. Contingency	<u>\$363,636</u>	<u>(\$363,636)</u>	<u>\$0</u>
TOTAL	<u>\$4,000,000</u>	<u>\$13,000,000</u>	<u>\$17,000,000</u>

* In the original Project Paper, Technical Assistance was defined as support for analytical studies of the electoral process, legal sector reform, research on the relationship of traditional political authorities to local government structures within the context of a national decentralization program, and strengthening civil society through assistance to civic associations and other Non-Governmental Organizations. In Project Paper Amendment No. 1, Technical Assistance also will include support for air logistics, training of Mozambican elections officers, and design and production of civic education materials.

** Per Project Agreement No.1, dated 31, 1992

656-0227, PP Amendment No. 1

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ANNEX A

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SUBJECT: MOZAMBIQUE - DEMOCRATIC INITIATIVES PROJECT
 (656-0227) - PROJECT AMENDMENT/PROGRAM CONCURRENCE

REFS: A. STATE 173343 B. MAPUTO 2848 C. MAPUTO 1068
 D. STATE 052103 E. MAPUTO 0065 F. CN FOR THE
 DEMOCRATIC INITIATIVES PROJECT

1. PROGRAM CONCURRENCE IS HEREBY PROVIDED FOR DEVELOPMENT OF THE SUBJECT PROJECT AMENDMENT, BASED ON PROJECT AMENDMENT DESCRIPTIONS SUBMITTED REFTELS. REFTELS WERE REVIEWED IN AID/W AND NO OBJECTIONS WERE RAISED TO THE MISSION'S PROPOSED AMENDMENT.

2. IN ACCORDANCE WITH DOA 553, A-AA/AFR HEREBY DELEGATES AUTHORITY TO THE MISSION DIRECTOR, USAID/MOZAMBIQUE, OR TO THE PERSON ACTING IN THAT CAPACITY, TO APPROVE AND AUTHORIZE AN AMENDMENT TO THE DEMOCRATIC INITIATIVES PROJECT (656-0227) IN THE AMOUNT OF DOLS 13 MILLION, WHICH INCREASES THE AUTHORIZED LCP TO DOLS 17 MILLION, AS WELL AS MODIFIES THE PROJECT PURPOSE TO INCLUDE SUPPORT FOR THE IMPLEMENTATION OF ELECTIONS. THIS AD EOC DELEGATION OF AUTHORITY SHALL BE EXERCISED UNDER THE OTHER TERMS AND CONDITIONS OF DOA 551.

SUPPORT FOR THE IMPLEMENTATION OF ELECTIONS WILL INCLUDE TECHNICAL ASSISTANCE FOR CIVIC EDUCATION, ELECTION OFFICER TRAINING (INCLUDING MATERIALS AND TECHNICAL ASSISTANCE) AND LOGISTICAL AIR TRANSPORT (TO BE FUNDED WITH DOLS 2.0 MILLION OF ESF RESOURCES). THIS AMENDMENT WOULD BE AUTHORIZED UNDER SEC. 551 (FOR ESF) AND JOINTLY UNDER SFC. 496 AND 116(E) FOR THE REMAINDER. AFR/SA HAS CONSULTED WITH STATE/HA CONCERNING USE OF 116(E) AUTHORITY.

3. IEE. THE ORIGINAL PROJECT RECEIVED A CATEGORICAL EXCLUSION AND THE ADDITIONAL COMPONENT WILL SUPPORT IMPLEMENTATION OF ELECTIONS, THUS NO SIGNIFICANT ENVIRONMENTAL IMPACTS ARE EXPECTED. THE BUREAU ENVIRONMENTAL OFFICER THEREFORE APPROVES A CATEGORICAL EXCLUSION FOR THIS PROJECT.

PRM
 [Handwritten notes and signatures on a routing slip]

Activities:	Inputs/Resources:		(Activity to Output)
1.1 Train election officers.	(\$000) Technical Assistance: \$14,107 Training: \$200	1.1 UNDP Election Project reporting at Aid-for-Democracy Group Meetings; UNDP accounting reports.	1.1 National political conditions conducive to holding elections.
1.2 Lease fixed-wing aircraft.	Civil Society: \$1,500	1.2 Same as 1.1	1.2 Other donors and GRM cover rest of electoral budget.
1.3 Design, develop and produce non-partisan civic education materials.	Project Management: \$993 Evaluation and Audit: \$200	1.3 Periodic grantee financial reports; same as 1.1	1.3 Road access to a significant portion of the rural population is constrained.
1.4 Assist Mozambican and international NGOs with their civic ed. programs		1.4 Periodic grantee financial reports	
2.1 Develop Center for Judicial Education's administrative systems and training staff.		2.1 Contractor progress and financial reports	2.1 Other donor participation clarified.
2.2 Revise commercial, civil and penal codes and procedures.			2.2 Sufficient number of trainees identified
2.3 Research and draft a new family Law.			2.3 MOJ staff available to work on codes and procedures.
			2.4 Enforceable laws and contracts are necessary for a stable democratic society.
3.1 Research existing traditional political authority structures		3.1 Grantee financial reports.	3.1 Political process does not intervene.
3.2 Conduct workshops for traditional authorities			
3.3 Convene a national conference on the role of Mozambican traditional authorities			
4.1 Conduct local-level popular education activities on civil society		4.1 Grantee financial and progress reports	4.1 Mozambican NGOs have capacity to absorb assistance.
4.2 Provide grants to selected Mozambican NGOs			

Annex D

Socio-Political Analysis

The purpose of the Democratic Initiatives Project, as amended, is support Mozambican initiatives to establish a foundation for a stable democratic society. The political viability of achieving that purpose is dependent on the commitment of Mozambique's leadership--political, military, and non-governmental--to the democratic process and their ability to instill that commitment and trust in the Mozambican people. After sixteen years of civil war (following a fifteen year war for independence), misguided economic and social policies and unfulfilled promises, gaining that commitment may be a tall order. It is less of a question of whether the combatants will return to hostilities than whether they have the will to see the peace process through.

The peace process, initiated with the signing of the Rome Peace Accord in October 1992, is expected to lead to multi-party parliamentary and presidential elections by October 1994. Fifteen political parties, of which only nine are registered, have formed to compete in the elections. As the signatories to the Peace Accord, RENAMO's and the GRM's commitment to the electoral process is critical.

In any discussion of elections in Mozambique, the specter of a repeat of the Angolan experience looms. The elections in Angola were deemed by international observers to be free, fair and a technical success. As a political resolution to seventeen years of civil war and transition to democratic government, the elections were an abysmal failure. There are two factors that are most often cited for the failure of the Angolan elections: UNITA assumed it would win and assumed that the only explanation for losing would be fraud; and the failure to complete the demobilization of the two armies prior to the election. The electoral process was also marred by a) multiple, poorly coordinated civic education campaigns that undermined the authority of the electoral commission; b) a compressed time frame for implementation of the entire process; and c) the slowness of the electoral commission to make decisions.

Despite parallels in Mozambique's and Angola's histories, and as a result of lessons learned from Angola, a repeat of the Angolan experience in Mozambique, while possible, is unlikely. Unlike Angola, neither the GRM nor RENAMO have the financial support to re-engage a war that neither side has the ability to win. Political changes in South Africa and economic and political reform by the GRM have dampened financial support for RENAMO. On the GRM's side, the collapse of the Soviet Union and the consequent end to large Soviet military loans for the GRM have undermined the government's ability to pay its soldiers, let alone finance a protracted war of attrition.

Again, unlike Angola, the GRM and RENAMO leadership and the international community have stated their commitment to completing demobilization of the two armies and the formation of a new integrated force prior to the holding of elections. The demobilization process fell far behind the schedule put forth in the Peace Accord, principally due to the time required to create the assembly areas and deploy UN forces, but also to new conditions imposed by RENAMO. With UN troops now in place and the assembly areas ready to receive demobilizing troops, the prospects are hopeful for keeping to the revised schedule of complete demobilization and the formation of a new army prior to voter registration.

A return to organized armed struggle may not be likely, but in the absence of an inclusive governing system the potential for continued instability and insecurity exists. Thus, a more troubling scenario for Mozambique than the potential for a renewed civil war is that the political parties view the elections as a zero-sum game. Under such a scenario, none of the parties has an incentive to accept defeat and strive to serve as a loyal opposition. Likewise, the ruling party has little incentive to strive for national reconciliation or to maintain an open, pluralistic society.

Prior to the elections, a "winner take all" mind set can only breed suspicion and mistrust, undermining the parties' and the electorate's confidence and commitment to the electoral process and its outcome. It gives all sides an incentive to maximize their immediate and personal economic standing, and delay the electoral process.

The review of the draft electoral law illustrates this case. The GRM, abiding strictly by the terms of the Peace Accord, drafted an electoral law and presented it to the political parties, although four months late. The political parties, given only a few weeks to review the draft law, boycotted the multiparty conference to discuss the document because the GRM had not met their logistical and financial needs. RENAMO, which had already pulled its personnel out of Maputo to protest the lack of financial assistance they had received, said they needed more time to review the document.

The GRM is correct that it followed the letter of the Peace Accord. But, the delay in making the document public, the lack of consultation with RENAMO during the drafting and the short time provided to the parties to review the law, exacerbated the parties' mistrust of the GRM. The smaller parties used their role in the electoral law review to press the GRM for more financial and logistical support. RENAMO's demands and conditions for participating in the process continue to escalate and delay various aspects of the peace process.

The implications of the "winner take all" scenario for the

Democratic Initiatives Project and USG policy are clear. First, the international community must exert continual pressure on all sides to keep the peace process--demobilization, new army formation, and elections--moving forward towards elections by October 1994. As one of the largest bilateral donors to the peace process, the U.S. can and has been very clear and forceful on this position. Other donors have also taken this position and efforts should continue to be made to present a united international community position on this subject.

Second, all actors involved in the electoral process need to underscore the authority and independence of the National Electoral Commission (CNE). Support for the CNE ensures that the elections are a Mozambican process, verified but not imposed by the international community, and that the electorate does not receive multiple, contradictory civic education messages.

Third, efforts must be made to educate the political parties about their role, win or lose, in governing the country in the post-election period.

Fourth, work must begin now to develop a civil society that can serve as a countervailing force to the government and political parties in the post-election period. This involves educating the Mozambican people about their rights and responsibilities under the Constitution, and supporting the growth of democratic, non-governmental organizations and institutions.

ANNEX E

Institutional Analysis

Elections

The organizations with primary responsibility for implementing activities under the elections component are the National Electoral Commission (CNE), the Technical Secretariat for the Administration of Elections (STAE), and the United Nations (UN).

National Electoral Commission

An analysis of the National Electoral Commission's ability to execute its role in implementing the election activities envisioned would normally focus on its mandated authority; managerial, administrative and technical capacity; leadership; financial resources; and organizational structure. A comprehensive review of these factors is not possible because the CNE has yet to be established. Before the CNE convenes a series of steps must be completed: an electoral law must be reviewed, and agreed upon, by the principal political parties; the National Assembly must promulgate the electoral law; and the members of the commission must be appointed.

In the absence of an electoral law, the protocols and the Peace Accord provide the only guidelines for understanding the role and mandate of the commission. Protocol III vests the National Electoral Commission with the authority and responsibility to organize and direct the electoral process. The CNE will be autonomous from the GRM and all political parties. Protocol III stipulates that the members of the commission, one-third of whom will be nominated by RENAMO, must have a professional and personal demeanor that will guarantee balance, objectivity and independence in relation to all political parties. Beyond these guidelines, Protocol III defines the CNE's authorities and responsibilities only in general terms, leaving the details to the electoral law.

Based on the draft electoral law, as presented by the GRM in April 1993, some aspects of the CNE can be projected. (However, as the draft electoral law, in mid-August, 1993 continues to be the subject of discussion and debate at the multi-party consultative conference convened by the Government, it could be subject to significant modification so the following discussion must be considered to be highly speculative.) At the national level, the CNE will serve as an apolitical decision-making body working in consultation with the political parties. It is expected that the CNE will be comprised of twenty-one members under the leadership of a president, who will be a justice of the Supreme Court and who

will be elected to serve on the commission by the Superior Council of Judicial Magistrates. The vice president of the CNE will be an Administrative Court judge appointed by the President of the Administrative Court. Other reserved positions include representatives from the media and the Ministry of Foreign Affairs and the General Director of the STAE. The remaining sixteen positions, including the seven to be nominated by RENAMO, will be appointed by the President of the Republic.

The ability of this group to make decisions will be dependent on the decision-making process agreed to in the electoral law, the members' understanding of the issues they must address, the members' willingness to seek compromise solutions where necessary, and the leadership of the CNE's president. The draft electoral law proposes that decisions be made by consensus, but leaves open the alternative of majority rule or whatever system the CNE decides to follow. Although the CNE will be an autonomous body, the ability to compromise will be heavily influenced by the willingness of the principal political parties to make the electoral process work. Understanding of the issues and leadership will depend to a large extent on the individuals appointed.

Subsidiary commissions at the provincial and district levels will also be formed, thereby decentralizing the decision-making process to address local concerns. These commissions will be charged with implementation of the electoral law at the local level, ensuring that rights under the Constitution are observed, aggregating vote tallies and reporting them to the CNE, and receiving complaints about the electoral process and forwarding them to the CNE. The composition of these groups can be expected to mirror that of the national commission.

Under the direction of the CNE will be a technical secretariat for election administration (STAE) with responsibility for implementing the decisions of the commission, for providing administrative support to the CNE and for supporting the CNE's decision-making process, through the provision of information and the development of proposals.

The Technical Secretariat for Election Administration (STAE)

Again, in the absence of an electoral law and the CNE, the STAE's composition, roles, authority, and structure are speculative. However, it is useful to review the evolution of the STAE and current thinking on what it will look like.

In anticipation of the elections, prior to Peace Accord, the GRM established an inter-ministerial commission on elections, chaired by the Minister of Justice and including the ministers of state administration, labor, finance, interior and information. There are two advisors to this Commission from the Ministry of Justice, one of whom, Dr. Abdul Carimo Issa

serves as the Coordinator of the STAE.

The STAE is currently an unofficial governmental body with a small staff seconded, on a part-time basis, from various government ministries and four full-time international advisors funded by the EC. The draft electoral law states that the role, structure, authority and responsibilities of the STAE will be determined by a decree of the Council of Ministers. It is expected that this decree will establish the STAE as a permanent governmental body comprised of technicians responsible for organizing and administering elections in Mozambique. While the CNE is standing, the STAE will report to and support the decisions of the CNE.

The STAE will have provincial- and district-level subsidiaries to support the provincial and district commissions and to administer the electoral process. The STAE will be headed by a director general, appointed by the President of the Republic, who will serve as a member of the CNE. The STAE will have a full-time staff of approximately 50-60, selected for their technical qualifications. Twenty-three national and international consultants are provided for in the electoral budget to assist the STAE with technical and administrative needs. In addition, approximately 60,000 to 70,000 people will be needed to serve as registration agents, civic education agents and polling stations officials. Many of these technicians are expected to be seconded from the GRM ministries, however political considerations will probably dictate the addition of other staff unconnected to the GRM. To fill the civic education agent positions, in particular, teachers and students will be recruited to the extent possible.

As the secretariat to the CNE, the STAE will have responsibility for administering the financing of the elections. In this area, the STAE is expected to be weak as it will not have the time or resources to institute comprehensive financial management systems. The STAE may be reliant on the Ministry of Finance for support in this area, which may raise questions the CNE's autonomy. To address this potential weakness, the DIP and other donor financing for the elections will either be administered directly by the donors or through an intermediary, such as the UNDP's electoral support project.

Of the total electoral budget of \$78 million, pledges to date amount to over \$34 million. This includes \$3 million from the GRM for the salaries and support of STAE personnel. While less than half of the total budget has been pledged, this is expected to rise once the CNE is in place and there are clear signs that the electoral process is moving forward.

The United Nations

The mandate of the United Nations Operation in Mozambique

35x

(UNOMOZ) in the electoral process, as charged by the UN Security Council, is "to provide technical assistance and monitor the entire electoral process." More specifically, the UN's role is:

- a) Verify the impartiality of the CNE and its organs in all aspects and stages of the electoral process;
- b) Verify that political parties enjoy complete freedom of organization, movement, assembly and expression, without hindrance;
- c) Verify that political parties have fair access to State mass media;
- d) Verify that the electoral rolls are properly drawn up;
- e) Report to the electoral authorities on complaints, irregularities and interferences reported or observed, request electoral authorities to take action to rectify or resolve them and conduct its own independent investigation;
- f) Observe all activities related to the registration of voters, organization of the poll, the electoral campaign, the poll itself and the counting, computation and announcement of the results;
- g) Participate in the electoral education campaign; and
- h) Prepare periodic reports on the electoral process for the UN Secretary General.

To fulfill this mandate, UNOMOZ has created an Elections Division that will be staffed with up to 148 election officers, supported by UN Volunteers and support staff. These staff will be distributed between the Director's Office in Maputo, three regional offices, and ten provincial offices. During the polling, the Election Division will require an additional 1,200 international observers to be drawn, to the extent possible, from the international community in Mozambique and observers from regional organizations, governments and non-governmental organizations. The Elections Division will work closely with and be supported by the UN Department for Development Support and Management Services (UNDDSMS), the UN Electoral Assistance Unit, the Political Affairs Division of UNOMOZ and the Office of the UNDP Resident Representative.

The UN has developed a project in support of elections that is intended to coordinate and integrate donor assistance and provide technical assistance to the STAE. The executing agency is the UNDDSMS, operating through the UNDP Resident Representative and with periodic reviews by the UN Electoral Assistance Unit. The project will provide a conduit for and administer donor contributions in support of the overall electoral project, through either trust fund or cost-sharing

mechanisms. Those contributions will be administered in accordance with established UN procurement and audit regulations.

Through donor contributions to this project, the UN will finance a technical assistance team under the direction of a Chief Technical Advisor (CTA). The CTA, Bruno Soares, and a portion of the advisory team is already working with the unofficial STAE, however, they are still being financed directly by the EC (or other financing in the case of the program officer) as the UN project will not take effect until it is approved by the CNE. The current team includes the CTA, a training advisor, a civic education coordinator, a logistics coordinator and a program officer. The program officer works in UNDP and provides administrative support and serves as a liaison between the advisory team and the UN.

As part of its coordination role, UNDP chairs the Aid-for-Democracy donor working group.

Legal Sector

The institutional constraints to the effective implementation and sustainability of activities in the legal sector have not changed significantly since the original analysis was done. The assessment of the legal sector conducted in May-June 1992, while providing considerably more detail on the sector's strengths and weaknesses, does not alter the original finding that the Ministry of Justice suffers from an acute shortage of qualified personnel. The project's planned activities to assist with the establishment of a judicial education center have been designed to address this constraint, through the development of administrative systems, training for the center's permanent staff and the use of judges from the court system as the core training staff. These activities will be implemented through a direct contract with a U.S. institution.

Decentralization

As with the legal sector, the institutional constraints in the Ministry of State Administration (MAE) remain the same. However, the activity envisioned for this component, traditional authority research, will be conducted under a cooperative agreement with an NGO that will be expected to maintain a collaborative relationship with the principal individuals in MAE concerned with these issues. By working through an NGO, the MAE's constraints are avoided while keeping key policy makers involved and ensuring political objectivity.

Civil Society

The survey financed by the DIP of all Mozambican NGOs and a

smaller survey, under the PVO Support Project, of Mozambican NGOs collaborating with US PVOs both point to a lack of planning and financial management capacity. The task of addressing these weaknesses are to be addressed through the PVO Support Project and the Human Resources and Development Assistance Project. For the DIP, the internal weaknesses of the Mozambican NGOs limits the type of activities that can be undertaken in the civil society component. For this reason, emphasis is put on popular education activities to raise Mozambicans' awareness and understanding of their rights and responsibilities in a democratic society. Grants or sub-grants will be given to strengthen organizations critical to civil society development when possible and appropriate. These activities will be implemented either directly by USAID or through cooperative agreements with grant-worthy NGOs.

5C(1) - COUNTRY CHECKLIST

Listed below are statutory criteria applicable to the eligibility of countries to receive the following categories of assistance: (A) both Development Assistance and Economic Support Funds; (B) Development Assistance funds only; or (C) Economic Support Funds only.

A. COUNTRY ELIGIBILITY CRITERIA APPLICABLE TO BOTH DEVELOPMENT ASSISTANCE AND ECONOMIC SUPPORT FUND ASSISTANCE

1. Narcotics Certification

(FAA Sec. 490): (This provision applies to assistance provided by grant, sale, loan, lease, credit, guaranty, or insurance, except assistance relating to international narcotics control, disaster and refugee relief assistance, narcotics related assistance, or the provision of food (including the monetization of food) or medicine, and the provision of non-agricultural commodities under P.L. 480. This provision also does not apply to assistance for child survival and AIDS programs which can, under section 542 of the FY 1993 Appropriations Act, be made available notwithstanding any provision of law that restricts assistance to foreign countries.) If the recipient is a "major illicit drug producing country" (defined as a country producing during a fiscal year at least five metric tons of opium or 500 metric tons of coca or marijuana) or a "major drug-transit country" (defined as a country that is a significant direct source of illicit drugs significantly affecting the United States, through which such drugs are transported, or through which significant sums of drug-related profits are laundered with the knowledge or complicity of the government):

Mozambique has not been defined a "major illicit drug producing country" or as a "major drug transit country."

(1) has the President in the April 1 International Narcotics Control Strategy Report (INSCR) determined and certified to the Congress (without Congressional enactment, within 45 calendar days, of a resolution disapproving such a certification), that (a) during the previous

NA

year the country has cooperated fully with the United States or taken adequate steps on its own to satisfy the goals and objectives established by the U.N. Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, or that (b) the vital national interests of the United States require the provision of such assistance?

(2) with regard to a major illicit drug producing or drug-transit country for which the President has not certified on April 1, has the President determined and certified to Congress on any other date (with enactment by Congress of a resolution approving such certification) that the vital national interests of the United States require the provision of assistance, and has also certified that (a) the country has undergone a fundamental change in government, or (b) there has been a fundamental change in the conditions that were the reason why the President had not made a "fully cooperating" certification.

NA

2. **Indebtedness to U.S. citizens** (FAA Sec. 620(c): If assistance is to a government, is the government indebted to any U.S. citizen for goods or services furnished or ordered where: (a) such citizen has exhausted available legal remedies, (b) the debt is not denied or contested by such government, or (c) the indebtedness arises under an unconditional guaranty of payment given by such government or controlled entity?

No.

3. **Seizure of U.S. Property** (FAA Sec. 620(e)(1)): If assistance is to a government, has it (including any government agencies or subdivisions) taken any action which has the effect of nationalizing, expropriating, or otherwise seizing ownership or control of property of U.S. citizens or entities beneficially owned by them without taking steps to discharge its obligations toward such citizens or entities?

No.

4. **Communist countries** (FAA Secs.

620(a), 620(f), 620D; FY 1993
Appropriations Act Secs. 512, 543): Is
recipient country a Communist country?
If so, has the President: (a)
determined that assistance to the
country is vital to the security of the
United States, that the recipient
country is not controlled by the
international Communist conspiracy, and
that such assistance will further
promote the independence of the
recipient country from international
communism, or (b) removed a country from
applicable restrictions on assistance to
communist countries upon a determination
and report to Congress that such action
is important to the national interest of
the United States? Will assistance be
provided either directly or indirectly
to Angola, Cambodia, Cuba, Iraq, Libya,
Vietnam, Iran or Syria? Will assistance
be provided to Afghanistan without a
certification, or will assistance be
provided inside Afghanistan through the
Soviet-controlled government of
Afghanistan?

No.

5. Mob Action (FAA Sec. 620(j)):
Has the country permitted, or failed to
take adequate measures to prevent,
damage or destruction by mob action of
U.S. property?

No.

6. OPIC Investment Guaranty (FAA
Sec. 620(l)): Has the country failed to
enter into an investment guaranty
agreement with OPIC?

No.

7. Seizure of U.S. Fishing Vessels
(FAA Sec. 620(o); Fishermen's Protective
Act of 1967 (as amended) Sec. 5): (a)
Has the country seized, or imposed any
penalty or sanction against, any U.S.
fishing vessel because of fishing
activities in international waters?
(b) If so, has any deduction required
by the Fishermen's Protective Act been
made?

No.

8. Loan Default (FAA Sec. 620(q); FY 1993 Appropriations Act Sec. 518 (Brooke Amendment)): (a) Has the government of the recipient country been in default for more than six months on interest or principal of any loan to the country under the FAA? (b) Has the country been in default for more than one year on interest or principal on any U.S. loan under a program for which the FY 1990 Appropriations Act appropriates funds?

No.

No.

9. Military Equipment (FAA Sec. 620(s)): If contemplated assistance is development loan or to come from Economic Support Fund, has the Administrator taken into account the percentage of the country's budget and amount of the country's foreign exchange or other resources spent on military equipment? (Reference may be made to the annual "Taking Into Consideration" memo: "Yes, taken into account by the Administrator at time of approval of Agency OYB." This approval by the Administrator of the Operational Year Budget can be the basis for an affirmative answer during the fiscal year unless significant changes in circumstances occur.)

NA

10. Diplomatic Relations with U.S. (FAA Sec. 620(t)): Has the country severed diplomatic relations with the United States? If so, have relations been resumed and have new bilateral assistance agreements been negotiated and entered into since such resumption?

No.

11. U.N. Obligations (FAA Sec. 620(u)): What is the payment status of the country's U.N. obligations? If the country is in arrears, were such arrearages taken into account by the A.I.D. Administrator in determining the current A.I.D. Operational Year Budget? (Reference may be made to the "Taking into Consideration" memo.)

While Mozambique was slightly in arrears as of January 1, 1993, it was not delinquent within the meaning of Article 19 of

the UN Charter.
This arrearage
was taken into
consideration
by the
Administrator .

12. International Terrorism

a. Sanctuary and support (FY 1993 Appropriations Act Sec. 554; FAA Sec. 620A): Has the country been determined by the President to: (a) grant sanctuary from prosecution to any individual or group which has committed an act of international terrorism, or (b) otherwise support international terrorism, unless the President has waived this restriction on grounds of national security or for humanitarian reasons?

No.

No.

b. Airport Security (ISDCA of 1985 Sec. 552(b)). Has the Secretary of State determined that the country is a high terrorist threat country after the Secretary of Transportation has determined, pursuant to section 1115(e)(2) of the Federal Aviation Act of 1958, that an airport in the country does not maintain and administer effective security measures?

No.

13. Discrimination (FAA Sec. 666(b)): Does the country object, on the basis of race, religion, national origin or sex, to the presence of any officer or employee of the U.S. who is present in such country to carry out economic development programs under the FAA?

No.

14. Nuclear Technology (FAA Secs. 669, 670): Has the country, after August 3, 1977, delivered to any other country or received nuclear enrichment or reprocessing equipment, materials, or technology, without specified

No, in response
to all
questions in
section 14.

special certification by the President?
Has it transferred a nuclear explosive device to a non-nuclear weapon state, or if such a state, either received or detonated a nuclear explosive device?
If the country is a non-nuclear weapon state, has it, on or after August 8, 1985, exported (or attempted to export) illegally from the United States any material, equipment, or technology which would contribute significantly to the ability of a country to manufacture a nuclear explosive device? (FAA Sec. 620E permits a special waiver of Sec. 669 for Pakistan.)

15. Algiers Meeting (ISDCA of 1981, Sec. 720): Was the country represented at the Meeting of Ministers of Foreign Affairs and Heads of Delegations of the Non-Aligned Countries to the 36th General Assembly of the U.N. on Sept. 25 and 28, 1981, and did it fail to disassociate itself from the communique issued? If so, has the President taken it into account? (Reference may be made to the "Taking into Consideration" memo.)

Mozambique was represented and failed to disassociate itself from the communique. This was taken into account by the Administrator at the time of approval of Agency OYB.

16. Military Coup (FY 1993 Appropriations Act Sec. 513): Has the duly elected Head of Government of the country been deposed by military coup or decree? If assistance has been terminated, has the President notified Congress that a democratically elected government has taken office prior to the resumption of assistance?

No.

17. Refugee Cooperation (FY 1993 Appropriations Act Sec. 538): Does the recipient country fully cooperate with the international refugee assistance organizations, the United States, and other governments in facilitating lasting solutions to refugee situations, including resettlement without respect to race, sex, religion, or national

Yes.

origin?

18. **Exploitation of Children (FAA Sec. 116(b)):** Does the recipient government fail to take appropriate and adequate measures, within its means, to protect children from exploitation, abuse or forced conscription into military or paramilitary services? No.

B. COUNTRY ELIGIBILITY CRITERIA APPLICABLE ONLY TO DEVELOPMENT ASSISTANCE ("DA")

1. **Human Rights Violations (FAA Sec. 116):** Has the Department of State determined that this government has engaged in a consistent pattern of gross violations of internationally recognized human rights? If so, can it be demonstrated that contemplated assistance will directly benefit the needy? No.

2. **Abortions (FY 1993 Appropriations Act Sec. 534):** Has the President certified that use of DA funds by this country would violate any of the prohibitions against use of funds to pay for the performance of abortions as a method of family planning, to motivate or coerce any person to practice abortions, to pay for the performance of involuntary sterilization as a method of family planning, to coerce or provide any financial incentive to any person to undergo sterilizations, to pay for any biomedical research which relates, in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning? No.

C. COUNTRY ELIGIBILITY CRITERIA APPLICABLE ONLY TO ECONOMIC SUPPORT FUNDS ("ESF")

Human Rights Violations (FAA Sec. 502B): Has it been determined that the No.

45x

country has engaged in a consistent pattern of gross violations of internationally recognized human rights? If so, has the President found that the country made such significant improvement in its human rights record that furnishing such assistance is in the U.S. national interest?

5C(2) - ASSISTANCE CHECKLIST

Listed below are statutory criteria applicable to the assistance resources themselves, rather than to the eligibility of a country to receive assistance. This section is divided into three parts. Part A includes criteria applicable to both Development Assistance and Economic Support Fund resources. Part B includes criteria applicable only to Development Assistance resources. Part C includes criteria applicable only to Economic Support Funds.

CROSS REFERENCE: IS COUNTRY CHECKLIST UP TO DATE? Yes.

A. CRITERIA APPLICABLE TO BOTH DEVELOPMENT ASSISTANCE AND ECONOMIC SUPPORT FUNDS

1. **Host Country Development Efforts** (FAA Sec. 601(a)): Information and conclusions on whether assistance will encourage efforts of the country to: (a) increase the flow of international trade; (b) foster private initiative and competition; (c) encourage development and use of cooperatives, credit unions, and savings and loan associations; (d) discourage monopolistic practices; (e) improve technical efficiency of industry, agriculture, and commerce; and (f) strengthen free labor unions.

a) yes; b) yes;
c) yes; d) yes;
e) N/A; f) yes.

By helping to create a stable political environment, the project will contribute to the creation of conditions conducive to international and domestic investments, private sector initiatives, and development of non-governmental entities, including free labor unions.

2. U.S. Private Trade and Investment (FAA Sec. 601(b)): Information and conclusions on how assistance will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise).

In addition to No. 1 above, the project will issue grants and award contracts to U.S. private organizations to implement project activities.

3. Congressional Notification

a. General requirement (FY 1993 Appropriations Act Sec. 522; FAA Sec. 634A): If money is to be obligated for an activity not previously justified to Congress, or for an amount in excess of amount previously justified to Congress, has Congress been properly notified (unless the Appropriations Act notification requirement has been waived because of substantial risk to human health or welfare)?

Yes. A Congressional Notification expired on 6/16/93, per STATE 191177

b. Notice of new account obligation (FY 1993 Appropriations Act Sec. 514): If funds are being obligated under an appropriation account to which they were not appropriated, has the President consulted with and provided a written justification to the House and Senate Appropriations Committees and has such obligation been subject to regular notification procedures?

NA

c. Cash transfers and nonproject sector assistance (FY 1993 Appropriations Act Sec. 571(b)(3)): If funds are to be made available in the form of cash transfer or nonproject sector assistance, has the Congressional notice included a detailed description of how the funds will be used with a discussion of U.S. interests to be served and a description of any economic policy reforms to be promoted?

NA

4. Engineering and Financial Plans (FAA Sec. 611(a)): Prior to an obligation in excess of \$500,000, will there be: (a) engineering, financial or other plans necessary to carry out the assistance; and (b) a reasonably firm estimate of the cost to the U.S. of the assistance?

Yes, financial plan has been approved as reasonable and firm.

5. Legislative Action (FAA Sec. 611(a)(2)): If legislative action is required within recipient country with respect to an obligation in excess of \$500,000, what is the basis for a reasonable expectation that such action will be completed in time to permit orderly accomplishment of the purpose of the assistance?

The Mission believes that necessary legislation will be completed in time to achieve the project purpose because of: a) the Peace Accord signed by the GRM and RENAMO and other declarations of commitment to the holding of elections on a timely basis; b) the beginning of the multiparty conference to review the electoral law on July 29, 1993; c) assurances that the National Assembly will convene an extraordinary session to enact the law; and d) the commitment to the peace process by the international community as evidenced by the large UN presence in the

country.

6. Water Resources (FAA Sec. 611(b); FY 1993 Appropriations Act Sec. 501): If project is for water or water-related land resource construction, have benefits and costs been computed to the extent practicable in accordance with the principles, standards, and procedures established pursuant to the Water Resources Planning Act (42 U.S.C. 1962, et seq.)? (See A.I.D. Handbook 3 for guidelines.)

NA

7. Cash Transfer and Sector Assistance (FY 1993 Appropriations Act Sec. 571(b)): Will cash transfer or nonproject sector assistance be maintained in a separate account and not commingled with other funds (unless such requirements are waived by Congressional notice for nonproject sector assistance)?

NA

8. Capital Assistance (FAA Sec. 611(e)): If project is capital assistance (e.g., construction), and total U.S. assistance for it will exceed \$1 million, has Mission Director certified and Regional Assistant Administrator taken into consideration the country's capability to maintain and utilize the project effectively?

NA

9. Multiple Country Objectives (FAA Sec. 601(a)): Information and conclusions on whether projects will encourage efforts of the country to: (a) increase the flow of international trade; (b) foster private initiative and competition; (c) encourage development and use of cooperatives, credit unions, and savings and loan associations; (d) discourage monopolistic practices; (e) improve technical efficiency of industry, agriculture and commerce; and (f) strengthen free labor unions.

See No. A.1,
this section.

10. U.S. Private Trade (FAA Sec. 601(b)): Information and conclusions on how project will encourage U.S. private trade and

See No. A.1 and
A.2, this
section.

investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise).

11. Local Currencies

a. **Recipient Contributions** (FAA Secs. 612(b), 636(h)): Describe steps taken to assure that, to the maximum extent possible, the country is contributing local currencies to meet the cost of contractual and other services, and foreign currencies owned by the U.S. are utilized in lieu of dollars.

Host Country contributions were waived in the original Project Paper. Nonetheless, the GRM will be seconding a significant number of employees to the election process.

b. **U.S.-Owned Currency** (FAA Sec. 612(d)): Does the U.S. own excess foreign currency of the country and, if so, what arrangements have been made for its release?

No.

c. **Separate Account** (FY 1993 Appropriations Act Sec. 571). If assistance is furnished to a foreign government under arrangements which result in the generation of local currencies:

NA

(1) Has A.I.D. (a) required that local currencies be deposited in a separate account established by the recipient government, (b) entered into an agreement with that government providing the amount of local currencies to be generated and the terms and conditions under which the currencies so deposited may be utilized, and (c) established by agreement the responsibilities of A.I.D. and that government to monitor and account for deposits into and disbursements from the separate account?

NA

(2) Will such local currencies, or

NA

an equivalent amount of local currencies, be used only to carry out the purposes of the DA or ESF chapters of the FAA (depending on which chapter is the source of the assistance) or for the administrative requirements of the United States Government?

(3) Has A.I.D. taken all appropriate steps to ensure that the equivalent of local currencies disbursed from the separate account are used for the agreed purposes?

NA

(4) If assistance is terminated to a country, will any unencumbered balances of funds remaining in a separate account be disposed of for purposes agreed to by the recipient government and the United States Government?

NA

12. Trade Restrictions

a. Surplus Commodities (FY 1993 Appropriations Act Sec. 520(a)): If assistance is for the production of any commodity for export, is the commodity likely to be in surplus on world markets at the time the resulting productive capacity becomes operative, and is such assistance likely to cause substantial injury to U.S. producers of the same, similar or competing commodity?

NA

b. Textiles (Lautenberg Amendment) (FY 1993 Appropriations Act Sec. 520(c)): Will the assistance (except for programs in Caribbean Basin Initiative countries under U.S. Tariff Schedule "Section 807," which allows reduced tariffs on articles assembled abroad from U.S.-made components) be used directly to procure feasibility studies, prefeasibility studies, or project profiles of potential investment in, or to assist the establishment of facilities specifically designed for, the manufacture for export to the United States or to third country markets in direct competition with U.S. exports, of textiles, apparel, footwear, handbags, flat goods (such as wallets or coin purses worn on

NA

the person), work gloves or leather wearing apparel?

13. Tropical Forests (FY 1991 Appropriations Act Sec. 533(c)(3) (as referenced in section 532(d) of the FY 1993 Appropriations Act): Will funds be used for any program, project or activity which would (a) result in any significant loss of tropical forests, or (b) involve industrial timber extraction in primary tropical forest areas?

No.

14. PVO Assistance

a. Auditing and registration (FY 1993 Appropriations Act Sec. 536): If assistance is being made available to a PVO, has that organization provided upon timely request any document, file, or record necessary to the auditing requirements of A.I.D., and is the PVO registered with A.I.D.?

Yes.

b. Funding sources (FY 1993 Appropriations Act, Title II, under heading "Private and Voluntary Organizations"): If assistance is to be made to a United States PVO (other than a cooperative development organization), does it obtain at least 20 percent of its total annual funding for international activities from sources other than the United States Government?

Yes.

15. Project Agreement Documentation (State Authorization Sec. 139 (as interpreted by conference report)): Has confirmation of the date of signing of the project agreement, including the amount involved, been cabled to State L/T and A.I.D. LEG within 60 days of the agreement's entry into force with respect to the United States, and has the full text of the agreement been pouched to those same offices? (See Handbook 3, Appendix 5G for agreements covered by this provision)

Notifications of signing Project Grant Agreements are cabled to AID/W within 5 days of signature. HB 3, Appendix 6G does not require text to be pouched to State L/T.

16. Metric System (Omnibus Trade and Competitiveness Act of 1988 Sec. 5164, as

Yes, most procurement

interpreted by conference report, amending Metric Conversion Act of 1975 Sec. 2, and as implemented through A.I.D. policy): Does the assistance activity use the metric system of measurement in its procurements, grants, and other business-related activities, except to the extent that such use is impractical or is likely to cause significant inefficiencies or loss of markets to United States firms? Are bulk purchases usually to be made in metric, and are components, subassemblies, and semi-fabricated materials to be specified in metric units when economically available and technically adequate? Will A.I.D. specifications use metric units of measure from the earliest programmatic stages, and from the earliest documentation of the assistance processes (for example, project papers) involving quantifiable measurements (length, area, volume, capacity, mass and weight), through the implementation stage?

will be done by the UNDP trust fund, not AID.

17. **Women in Development** (FY 1993 Appropriations Act, Title II, under heading "Women in Development"): Will assistance be designed so that the percentage of women participants will be demonstrably increased?

Yes.

18. **Regional and Multilateral Assistance** (FAA Sec. 209): Is assistance more efficiently and effectively provided through regional or multilateral organizations? If so, why is assistance not so provided? Information and conclusions on whether assistance will encourage developing countries to cooperate in regional development programs.

A grant to the UN will be the principal mechanism of providing assistance to the election process. Participation in regional development programs is not appropriate for this project.

19. **Abortions** (FY 1993 Appropriations Act, Title II, under heading "Population, DA," and Sec. 524):

a. Will assistance be made available to any organization or program which, as

No.

determined by the President, supports or participates in the management of a program of coercive abortion or involuntary sterilization?

b. Will any funds be used to lobby for abortion? No.

20. Cooperatives (FAA Sec. 111): Will assistance help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward a better life? NA

21. U.S.-Owned Foreign Currencies

a. Use of currencies (FAA Secs. 612(b), 636(h); FY 1993 Appropriations Act Secs. 507, 509): Are steps being taken to assure that, to the maximum extent possible, foreign currencies owned by the U.S. are utilized in lieu of dollars to meet the cost of contractual and other services. NA

b. Release of currencies (FAA Sec. 612(d)): Does the U.S. own excess foreign currency of the country and, if so, what arrangements have been made for its release? No.

22. Procurement

a. Small business (FAA Sec. 602(a)): Are there arrangements to permit U.S. small business to participate equitably in the furnishing of commodities and services financed? AID will do very little direct procurement. The project encourages the use of Gray amendment PVOs and non-profits.

b. U.S. procurement (FAA Sec. 604(a) as amended by section 597 of the FY 1993 Appropriations Act): Will all procurement be from the U.S., the recipient country, or developing countries except as otherwise Yes.

determined in accordance with the criteria of this section?

c. **Marine insurance (FAA Sec. 604(d)):** NA
If the cooperating country discriminates against marine insurance companies authorized to do business in the U.S., will commodities be insured in the United States against marine risk with such a company?

d. **Non-U.S. agricultural procurement (FAA Sec. 604(e)):** NA
If non-U.S. procurement of agricultural commodity or product thereof is to be financed, is there provision against such procurement when the domestic price of such commodity is less than parity?
(Exception where commodity financed could not reasonably be procured in U.S.)

e. **Construction or engineering services (FAA Sec. 604(g)):** NA
Will construction or engineering services be procured from firms of advanced developing countries which are otherwise eligible under Code 941 and which have attained a competitive capability in international markets in one of these areas?
(Exception for those countries which receive direct economic assistance under the FAA and permit United States firms to compete for construction or engineering services financed from assistance programs of these countries.)

f. **Cargo preference shipping (FAA Sec. 603)):** No.
Is the shipping excluded from compliance with the requirement in section 901(b) of the Merchant Marine Act of 1936, as amended, that at least 50 percent of the gross tonnage of commodities (computed separately for dry bulk carriers, dry cargo liners, and tankers) financed shall be transported on privately owned U.S. flag commercial vessels to the extent such vessels are available at fair and reasonable rates?

g. **Technical assistance (FAA Sec. 621(a)):** Technical assistance is being provided
If technical assistance is financed, will such assistance be furnished

SS+

by private enterprise on a contract basis to the fullest extent practicable? Will the facilities and resources of other Federal agencies be utilized, when they are particularly suitable, not competitive with private enterprise, and made available without undue interference with domestic programs?

by private and voluntary organizations and not-for-profits.

h. U.S. air carriers (International Air Transportation Fair Competitive Practices Act, 1974): If air transportation of persons or property is financed on grant basis, will U.S. carriers be used to the extent such service is available?

Yes.

i. Termination for convenience of U.S. Government (FY 1993 Appropriations Act Sec. 504): If the U.S. Government is a party to a contract for procurement, does the contract contain a provision authorizing termination of such contract for the convenience of the United States?

Yes.

j. Consulting services (FY 1993 Appropriations Act Sec. 523): If assistance is for consulting service through procurement contract pursuant to 5 U.S.C. 3109, are contract expenditures a matter of public record and available for public inspection (unless otherwise provided by law or Executive order)?

Yes.

k. Metric conversion (Omnibus Trade and Competitiveness Act of 1988, as interpreted by conference report, amending Metric Conversion Act of 1975 Sec. 2, and as implemented through A.I.D. policy): Does the assistance program use the metric system of measurement in its procurements, grants, and other business-related activities, except to the extent that such use is impractical or is likely to cause significant inefficiencies or loss of markets to United States firms? Are bulk purchases usually to be made in metric, and are components, subassemblies, and semi-fabricated materials to be specified in metric units when economically available and

Yes.

technically adequate? Will A.I.D. specifications use metric units of measure from the earliest programmatic stages, and from the earliest documentation of the assistance processes (for example, project papers) involving quantifiable measurements (length, area, volume, capacity, mass and weight), through the implementation stage?

1. **Competitive Selection Procedures** (FAA Sec. 601(e)): Will the assistance utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise? Yes.

23. **Construction** NA

a. **Capital project** (FAA Sec. 601(d)): If capital (e.g., construction) project, will U.S. engineering and professional services be used?

b. **Construction contract** (FAA Sec. 611(c)): If contracts for construction are to be financed, will they be let on a competitive basis to maximum extent practicable? NA

c. **Large projects, Congressional approval** (FAA Sec. 620(k)): If for construction of productive enterprise, will aggregate value of assistance to be furnished by the U.S. not exceed \$100 million (except for productive enterprises in Egypt that were described in the Congressional Presentation), or does assistance have the express approval of Congress? NA

24. **U.S. Audit Rights** (FAA Sec. 301(d)): If fund is established solely by U.S. contributions and administered by an international organization, does Comptroller General have audit rights? NA

25. **Communist Assistance** (FAA Sec. 620(h)). Do arrangements exist to insure that United States foreign aid is not used in a manner which, contrary to the best interests of the Yes.

United States, promotes or assists the foreign aid projects or activities of the Communist-bloc countries?

26. Narcotics

a. Cash reimbursements (FAA Sec. 483): NA
Will arrangements preclude use of financing to make reimbursements, in the form of cash payments, to persons whose illicit drug crops are eradicated?

b. Assistance to narcotics traffickers (FAA Sec. 487): NA
Will arrangements take "all reasonable steps" to preclude use of financing to or through individuals or entities which we know or have reason to believe have either: (1) been convicted of a violation of any law or regulation of the United States or a foreign country relating to narcotics (or other controlled substances); or (2) been an illicit trafficker in, or otherwise involved in the illicit trafficking of, any such controlled substance?

27. Expropriation and Land Reform (FAA Sec. 620(g)): NA
Will assistance preclude use of financing to compensate owners for expropriated or nationalized property, except to compensate foreign nationals in accordance with a land reform program certified by the President?

28. Police and Prisons (FAA Sec. 660): Will assistance preclude use of financing to provide training, advice, or any financial support for police, prisons, or other law enforcement forces, except for narcotics programs? Yes.

29. CIA Activities (FAA Sec. 662): Will assistance preclude use of financing for CIA activities? Yes.

30. Motor Vehicles (FAA Sec. 636(i)): Will assistance preclude use of financing for Yes.

purchase, sale, long-term lease, exchange or guaranty of the sale of motor vehicles manufactured outside U.S., unless a waiver is obtained?

31. **Military Personnel (FY 1993 Appropriations Act Sec. 503):** Will assistance preclude use of financing to pay pensions, annuities, retirement pay, or adjusted service compensation for prior or current military personnel? Yes.

32. **Payment of U.N. Assessments (FY 1993 Appropriations Act Sec. 505):** Will assistance preclude use of financing to pay U.N. assessments, arrearages or dues? Yes.

33. **Multilateral Organization Lending (FY 1993 Appropriations Act Sec. 506):** Will assistance preclude use of financing to carry out provisions of FAA section 209(d) (transfer of FAA funds to multilateral organizations for lending)? Yes.

34. **Export of Nuclear Resources (FY 1993 Appropriations Act Sec. 510):** Will assistance preclude use of financing to finance the export of nuclear equipment, fuel, or technology? Yes.

35. **Repression of Population (FY 1993 Appropriations Act Sec. 511):** Will assistance preclude use of financing for the purpose of aiding the efforts of the government of such country to repress the legitimate rights of the population of such country contrary to the Universal Declaration of Human Rights? Yes.

36. **Publicity or Propaganda (FY 1993 Appropriations Act Sec. 516):** Will assistance be used for publicity or propaganda purposes designed to support or defeat legislation pending before Congress, to influence in any way the outcome of a political election in the United States, or No.

for any publicity or propaganda purposes not authorized by Congress?

37. **Marine Insurance** (FY 1993 Appropriations Act Sec. 560): Will any A.I.D. contract and solicitation, and subcontract entered into under such contract, include a clause requiring that U.S. marine insurance companies have a fair opportunity to bid for marine insurance when such insurance is necessary or appropriate? Yes.

38. **Exchange for Prohibited Act** (FY 1993 Appropriations Act Sec. 565): Will any assistance be provided to any foreign government (including any instrumentality or agency thereof), foreign person, or United States person in exchange for that foreign government or person undertaking any action which is, if carried out by the United States Government, a United States official or employee, expressly prohibited by a provision of United States law? No.

39. **Commitment of Funds** (FAA Sec. 635(h)): Does a contract or agreement entail a commitment for the expenditure of funds during a period in excess of 5 years from the date of the contract or agreement? No.

40. **Impact on U.S. Jobs** (FY 1993 Appropriations Act, Sec. 599):

(a) Will any financial incentive be provided to a business located in the U.S. for the purpose of inducing that business to relocate outside the U.S. in a manner that would likely reduce the number of U.S. employees of that business? No.

(b) Will assistance be provided for the purpose of establishing or developing an export processing zone or designated area in which the country's tax, tariff, labor, environment, and safety laws do not apply? If so, has the President determined and certified that such assistance is not likely No.

to cause a loss of jobs within the U.S.?

(c) Will assistance be provided for a project or activity that contributes to the violation of internationally recognized workers rights, as defined in section 502(a)(4) of the Trade Act of 1974, of workers in the recipient country?

No.

B. CRITERIA APPLICABLE TO DEVELOPMENT ASSISTANCE ONLY

1. Agricultural Exports (Bumpers Amendment) (FY 1993 Appropriations Act Sec. 520(b), as interpreted by conference report for original enactment): If assistance is for agricultural development activities (specifically, any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training), are such activities: (1) specifically and principally designed to increase agricultural exports by the host country to a country other than the United States, where the export would lead to direct competition in that third country with exports of a similar commodity grown or produced in the United States, and can the activities reasonably be expected to cause substantial injury to U.S. exporters of a similar agricultural commodity; or (2) in support of research that is intended primarily to benefit U.S. producers?

NA

2. Tied Aid Credits (FY 1993 Appropriations Act, Title II, under heading "Economic Support Fund"): Will DA funds be used for tied aid credits?

No.

3. Appropriate Technology (FAA Sec. 107): Is special emphasis placed on use of appropriate technology (defined as relatively smaller, cost-saving, labor-using technologies that are generally most appropriate for the small farms, small businesses, and small incomes of the poor)?

Yes.

4. **Indigenous Needs and Resources** (FAA Sec. 281(b)): Describe extent to which the activity recognizes the particular needs, desires, and capacities of the people of the country; utilizes the country's intellectual resources to encourage institutional development; and supports civic education and training in skills required for effective participation in governmental and political processes essential to self-government.

Significant project resources are intended to support civic education efforts through focus groups and local organizations, in order to increase participation by all strata and sectors of the population.

5. **Economic Development** (FAA Sec. 101(a)): Does the activity give reasonable promise of contributing to the development of economic resources, or to the increase of productive capacities and self-sustaining economic growth?

The activities are expected to be major contributors to political stability and the peace process, enabling refugees, displaced people and demobilized soldiers and their families to return to productive activities.

6. **Special Development Emphases** (FAA Secs. 102(b), 113, 231(a)): Describe extent to which activity will: (a) effectively involve the poor in development by extending access to economy at local level, increasing labor-intensive production and the use of appropriate technology, dispersing investment from cities to small towns and rural areas, and insuring wide participation of the poor in the benefits of development on a sustained basis, using appropriate U.S. institutions; (b) encourage democratic private and local governmental institutions; (c) support the self-help efforts of developing countries; (d) promote the participation of women in the national economies of developing countries

In addition to facilitating maximum participation in the electoral process, the project will support strengthening of civil society and traditional authorities.

and the improvement of women's status; and
(e) utilize and encourage regional
cooperation by developing countries.

7. Recipient Country Contribution (FAA Secs. 110, 124(d)): Will the recipient country provide at least 25 percent of the costs of the program, project, or activity with respect to which the assistance is to be furnished (or is the latter cost-sharing requirement being waived for a "relatively least developed" country)?

No, the latter is being waived for a "relatively least developed" country.

8. Benefit to Poor Majority (FAA Sec. 128(b)): If the activity attempts to increase the institutional capabilities of private organizations or the government of the country, or if it attempts to stimulate scientific and technological research, has it been designed and will it be monitored to ensure that the ultimate beneficiaries are the poor majority?

Yes.

9. Abortions (FAA Sec. 104(f); FY 1993 Appropriations Act, Title II, under heading "Population, DA," and Sec. 534):

a. Are any of the funds to be used for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions?

No.

b. Are any of the funds to be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations?

No.

c. Are any of the funds to be made available to any organization or program which, as determined by the President, supports or participates in the management of a program of coercive abortion or involuntary sterilization?

No.

d. Will funds be made available only to voluntary family planning projects which offer, either directly or through

No.

referral to, or information about access to, a broad range of family planning methods and services?

e. In awarding grants for natural family planning, will any applicant be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning? NA

f. Are any of the funds to be used to pay for any biomedical research which relates, in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning? No.

g. Are any of the funds to be made available to any organization if the President certifies that the use of these funds by such organization would violate any of the above provisions related to abortions and involuntary sterilization? No.

10. Contract Awards (FAA Sec. 601(e)): Will the project utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise? Yes.

11. Disadvantaged Enterprises (FY 1993 Appropriations Act Sec. 563): What portion of the funds will be available only for activities of economically and socially disadvantaged enterprises, historically black colleges and universities, colleges and universities having a student body in which more than 40 percent of the students are Hispanic Americans, and private and voluntary organizations which are controlled by individuals who are black Americans, Hispanic Americans, or Native Americans, or who are economically or socially disadvantaged (including women)? The non-UNDP grants and cooperative agreements will be based largely on unsolicited proposals already received. A disadvantaged PVO is an important recipient.

12. Biological Diversity (FAA Sec. 119(g)): Will the assistance: (a) support training and education efforts which improve NA

the capacity of recipient countries to prevent loss of biological diversity; (b) be provided under a long-term agreement in which the recipient country agrees to protect ecosystems or other wildlife habitats; (c) support efforts to identify and survey ecosystems in recipient countries worthy of protection; or (d) by any direct or indirect means significantly degrade national parks or similar protected areas or introduce exotic plants or animals into such areas?

13. Tropical Forests (FAA Sec. 118; FY 1991 Appropriations Act Sec. 533(c) as referenced in section 532(d) of the FY 1993 Appropriations Act): NA

a. A.I.D. Regulation 16: Does the assistance comply with the environmental procedures set forth in A.I.D. Regulation 16? Yes.

b. Conservation: Does the assistance place a high priority on conservation and sustainable management of tropical forests? Specifically, does the assistance, to the fullest extent feasible: NA
(1) stress the importance of conserving and sustainably managing forest resources; (2) support activities which offer employment and income alternatives to those who otherwise would cause destruction and loss of forests, and help countries identify and implement alternatives to colonizing forested areas; (3) support training programs, educational efforts, and the establishment or strengthening of institutions to improve forest management; (4) help end destructive slash-and-burn agriculture by supporting stable and productive farming practices; (5) help conserve forests which have not yet been degraded by helping to increase production on lands already cleared or degraded; (6) conserve forested watersheds and rehabilitate those which have been deforested; (7) support training, research, and other actions which lead to sustainable and more environmentally sound practices for timber harvesting, removal, and processing; (8) support research to expand knowledge of tropical forests and identify alternatives which will prevent forest destruction, loss,

or degradation; (9) conserve biological diversity in forest areas by supporting efforts to identify, establish, and maintain a representative network of protected tropical forest ecosystems on a worldwide basis, by making the establishment of protected areas a condition of support for activities involving forest clearance or degradation, and by helping to identify tropical forest ecosystems and species in need of protection and establish and maintain appropriate protected areas; (10) seek to increase the awareness of U.S. Government agencies and other donors of the immediate and long-term value of tropical forests; (11) utilize the resources and abilities of all relevant U.S. government agencies; (12) be based upon careful analysis of the alternatives available to achieve the best sustainable use of the land; and (13) take full account of the environmental impacts of the proposed activities on biological diversity?

c. Forest degradation: Will assistance be used for: (1) the procurement or use of logging equipment, unless an environmental assessment indicates that all timber harvesting operations involved will be conducted in an environmentally sound manner and that the proposed activity will produce positive economic benefits and sustainable forest management systems; (2) actions which will significantly degrade national parks or similar protected areas which contain tropical forests, or introduce exotic plants or animals into such areas; (3) activities which would result in the conversion of forest lands to the rearing of livestock; (4) the construction, upgrading, or maintenance of roads (including temporary haul roads for logging or other extractive industries) which pass through relatively undergraded forest lands; (5) the colonization of forest lands; or (6) the construction of dams or other water control structures which flood relatively undergraded forest lands, unless with respect to each such activity an environmental assessment indicates that the activity will contribute significantly and directly to improving the

NA

livelihood of the rural poor and will be conducted in an environmentally sound manner which supports sustainable development?

d. Sustainable forestry: If assistance relates to tropical forests, will project assist countries in developing a systematic analysis of the appropriate use of their total tropical forest resources, with the goal of developing a national program for sustainable forestry?

NA

e. Environmental impact statements: Will funds be made available in accordance with provisions of FAA Section 117(c) and applicable A.I.D. regulations requiring an environmental impact statement for activities significantly affecting the environment?

Yes

14. Energy (FY 1991 Appropriations Act Sec. 533(c) as referenced in section 532(d) of the FY 1993 Appropriations Act): If assistance relates to energy, will such assistance focus on: (a) end-use energy efficiency, least-cost energy planning, and renewable energy resources, and (b) the key countries where assistance would have the greatest impact on reducing emissions from greenhouse gases?

NA

15. Debt-for-Nature Exchange (FAA Sec. 463): If project will finance a debt-for-nature exchange, describe how the exchange will support protection of: (a) the world's oceans and atmosphere, (b) animal and plant species, and (c) parks and reserves; or describe how the exchange will promote: (d) natural resource management, (e) local conservation programs, (f) conservation training programs, (g) public commitment to conservation, (h) land and ecosystem management, and (i) regenerative approaches in farming, forestry, fishing, and watershed management.

NA

16. Deobligation/Reobligation (FY 1993 Appropriations Act Sec. 515): If deob/reob authority is sought to be exercised in the

NA

provision of DA assistance, are the funds being obligated for the same general purpose, and for countries within the same region as originally obligated, and have the House and Senate Appropriations Committees been properly notified?

17. Loans

a. Repayment capacity (FAA Sec. 122(b)): Information and conclusion on capacity of the country to repay the loan at a reasonable rate of interest.

NA

NA

b. Long-range plans (FAA Sec. 122(b)): Does the activity give reasonable promise of assisting long-range plans and programs designed to develop economic resources and increase productive capacities?

NA

c. Interest rate (FAA Sec. 122(b)): If development loan is repayable in dollars, is interest rate at least 2 percent per annum during a grace period which is not to exceed ten years, and at least 3 percent per annum thereafter?

NA

d. Exports to United States (FAA Sec. 620(d)): If assistance is for any productive enterprise which will compete with U.S. enterprises, is there an agreement by the recipient country to prevent export to the U.S. of more than 20 percent of the enterprise's annual production during the life of the loan, or has the requirement to enter into such an agreement been waived by the President because of a national security interest?

NA

18. Development Objectives (FAA Secs. 102(a), 111, 113, 281(a)): Extent to which activity will: (1) effectively involve the poor in development, by expanding access to economy at local level, increasing labor-intensive production and the use of appropriate technology, spreading investment out from cities to small towns and rural areas, and insuring wide participation of the poor in the benefits of development on a sustained basis, using the appropriate U.S. institutions; (2) help develop cooperatives,

NA

especially by technical assistance, to assist rural and urban poor to help themselves toward better life, and otherwise encourage democratic private and local governmental institutions; (3) support the self-help efforts of developing countries; (4) promote the participation of women in the national economies of developing countries and the improvement of women's status; and (5) utilize and encourage regional cooperation by developing countries?

19. Agriculture, Rural Development and Nutrition, and Agricultural Research (FAA Secs. 103 and 103A):

NA

a. **Rural poor and small farmers:** If assistance is being made available for agriculture, rural development or nutrition, describe extent to which activity is specifically designed to increase productivity and income of rural poor; or if assistance is being made available for agricultural research, has account been taken of the needs of small farmers, and extensive use of field testing to adapt basic research to local conditions shall be made.

NA

b. **Nutrition:** Describe extent to which assistance is used in coordination with efforts carried out under FAA Section 104 (Population and Health) to help improve nutrition of the people of developing countries through encouragement of increased production of crops with greater nutritional value; improvement of planning, research, and education with respect to nutrition, particularly with reference to improvement and expanded use of indigenously produced foodstuffs; and the undertaking of pilot or demonstration programs explicitly addressing the problem of malnutrition of poor and vulnerable people.

NA

c. **Food security:** Describe extent to which activity increases national food security by improving food policies and management and by strengthening national food reserves, with particular concern for the needs of the poor, through measures encouraging domestic production, building national food reserves, expanding available

NA

storage facilities, reducing post harvest food losses, and improving food distribution.

20. **Population and Health** (FAA Secs. 104(b) and (c)): If assistance is being made available for population or health activities, describe extent to which activity emphasizes low-cost, integrated delivery systems for health, nutrition and family planning for the poorest people, with particular attention to the needs of mothers and young children, using paramedical and auxiliary medical personnel, clinics and health posts, commercial distribution systems, and other modes of community outreach.

NA

21. **Education and Human Resources Development** (FAA Sec. 105): If assistance is being made available for education, public administration, or human resource development, describe (a) extent to which activity strengthens nonformal education, makes formal education more relevant, especially for rural families and urban poor, and strengthens management capability of institutions enabling the poor to participate in development; and (b) extent to which assistance provides advanced education and training of people of developing countries in such disciplines as are required for planning and implementation of public and private development activities.

NA

22. **Energy, Private Voluntary Organizations, and Selected Development Activities** (FAA Sec. 106): If assistance is being made available for energy, private voluntary organizations, and selected development problems, describe extent to which activity is:

NA

a. concerned with data collection and analysis, the training of skilled personnel, research on and development of suitable energy sources, and pilot projects to test new methods of energy production; and facilitative of research on and development and use of small-scale, decentralized, renewable energy sources for rural areas,

NA

emphasizing development of energy resources which are environmentally acceptable and require minimum capital investment;

b. concerned with technical cooperation and development, especially with U.S. private and voluntary, or regional and international development, organizations; NA

c. research into, and evaluation of, economic development processes and techniques; NA

d. reconstruction after natural or manmade disaster and programs of disaster preparedness; NA

e. for special development problems, and to enable proper utilization of infrastructure and related projects funded with earlier U.S. assistance; NA

f. for urban development, especially small, labor-intensive enterprises, marketing systems for small producers, and financial or other institutions to help urban poor participate in economic and social development. NA

23. Capital Projects (Jobs Through Export Act of 1992, Secs. 303 and 306(d)): If assistance is being provided for a capital project, is the project developmentally sound and will the project measurably alleviate the worst manifestations of poverty or directly promote environmental safety and sustainability at the community level? NA

C. CRITERIA APPLICABLE TO ECONOMIC SUPPORT FUNDS ONLY

1. Economic and Political Stability (FAA Sec. 531(a)): Will this assistance promote economic and political stability? Yes.

To the maximum extent feasible, is this assistance consistent with the policy directions, purposes, and programs of Part I of the FAA? Yes.

7/14

2. **Military Purposes (FAA Sec. 531(e)):** No.
Will this assistance be used for military or paramilitary purposes?

3. **Commodity Grants/Separate Accounts (FAA Sec. 609):** NA
If commodities are to be granted so that sale proceeds will accrue to the recipient country, have Special Account (counterpart) arrangements been made? (For FY 1993, this provision is superseded by the separate account requirements of FY 1993 Appropriations Act Sec. 571(a), see Sec. 571(a)(5).)

4. **Generation and Use of Local Currencies (FAA Sec. 531(d)):** NA
Will ESF funds made available for commodity import programs or other program assistance be used to generate local currencies? If so, will at least 50 percent of such local currencies be available to support activities consistent with the objectives of FAA sections 103 through 106? (For FY 1993, this provision is superseded by the separate account requirements of FY 1993 Appropriations Act Sec. 571(a), see Sec. 571(a)(5).)

5. **Cash Transfer Requirements (FY 1993 Appropriations Act, Title II, under heading "Economic Support Fund," and Sec. 571(b)).** NA
If assistance is in the form of a cash transfer:

a. **Separate account:** NA
Are all such cash payments to be maintained by the country in a separate account and not to be commingled with any other funds?

b. **Local currencies:** NA
Will all local currencies that may be generated with funds provided as a cash transfer to such a country also be deposited in a special account, and has A.I.D. entered into an agreement with that government setting forth the amount of the local currencies to be generated, the terms and conditions under which they are to be used, and the responsibilities of A.I.D. and that

government to monitor and account for deposits and disbursements?

c. **U.S. Government use of local currencies:** Will all such local currencies also be made available to the U.S. government as the U.S. determines necessary for the requirements of the U.S. Government, or to carry out development assistance (including DFA) or ESF purposes?

NA

d. **Congressional notice:** Has Congress received prior notification providing in detail how the funds will be used, including the U.S. interests that will be served by the assistance, and, as appropriate, the economic policy reforms that will be promoted by the cash transfer assistance?

Yes, CN expired
6/16/93.

6. **Capital Projects (Jobs Through Exports Act of 1992, Sec. 306, FY 1993 Appropriations Act, Sec. 595):** If assistance is being provided for a capital project, will the project be developmentally-sound and sustainable, i.e., one that is (a) environmentally sustainable, (b) within the financial capacity of the government or recipient to maintain from its own resources, and (c) responsive to a significant development priority initiated by the country to which assistance is being provided. (Please note the definition of "capital project" contained in section 595 of the FY 1993 Appropriations Act.)

NA

STATUTORY CHECKLIST SUPPLEMENTS
FOR AFRICA FY 1993

The following checklist supplements 5C(2) - ASSISTANCE CHECKLIST:

D. CRITERIA APPLICABLE TO DEVELOPMENT FUND FOR AFRICA
ASSISTANCE ONLY

1. (FAA Sec. 496): If assistance will come from the Sub-Saharan Africa DA account (the DFA), is it--

(1) to be used to help the poor majority in Sub-Saharan Africa through a process of long-term development and economic growth that is equitable, participatory, environmentally sustainable, and self-reliant; Yes.

(2) to be used to promote sustained economic growth, encourage private sector development, promote individual initiatives, and help to reduce the role of central governments in areas more appropriate for the private sector; Yes.

(3) to be provided in a manner that takes into account, during the planning process, the local-level perspectives of the rural and urban poor, including women, through close consultation with African, United States and other PVOs that have demonstrated effectiveness in the promotion of local grassroots activities on behalf of long-term development in Sub-Saharan Africa; Yes.

(4) to be implemented in a manner that requires local people, including women, to be closely consulted and involved, if the assistance has a local focus; Yes.

(5) being used primarily to promote reform of critical sectoral economic policies or to support the critical sector priorities of agricultural production and natural resources, health, voluntary family planning services education, and income generating opportunities; and NA

(6) to be provided in a manner that, if policy reforms are to be effected, contains provisions to protect vulnerable groups and the environment from possible negative consequences of the reforms? NA

2. (FY 1993 Appropriations Act): Have measures been taken to assure that DFA funds will not be used for tied-aid credits? NA

E. CRITERIA APPLICABLE TO DFA AND DFA ASSISTANCE TO ETHIOPIA, SOMALIA AND SUDAN

(Horn of Africa Recovery and Food Security Act, P.L. 102-274 April 21, 1992): If DA or DFA assistance is provided to Ethiopia, Somalia or Sudan other than through-- NA

(1) U.S., international or indigenous PVOs, as defined in FAA §496(e); or NA

(2) international organizations that have demonstrated effectiveness in working in partnership with local NGOs and are committed to the promotion of local grassroots activities on behalf of development and self-reliance in the Horn of Africa-- NA

has a certification been made with respect to that country by the President to the appropriate congressional committees that the government of the specified country-- NA

(1) has begun to implement peace agreements, national reconciliation agreements, or both; NA

(2) has demonstrated a commitment to human rights within the meaning of FAA §§116 and 502B; NA

(3) has manifested a commitment to democracy, has held or established a timetable for free and fair elections, and has agreed to implement the results of those elections; and NA

75+

(4) has agreed to distribute developmental assistance on the basis of need without regard to political affiliation, geographic location, or the ethnic, tribal, or religious identity of the recipient.

NA

F. CRITERIA APPLICABLE TO DA AND DFA ASSISTANCE TO ZAIRE

(FY 1993 Appropriations Act): Have measures been taken to prohibit transfer of DA or DFA funds to the Government of Zaire, recognizing however that this does not prohibit NGOs from working with appropriate ministries or departments of the Government of Zaire.

NA

G. CRITERIA APPLICABLE TO ESF ASSISTANCE TO KENYA

(FY 1993 Appropriations Act Sec 577): If ESF funds are made available for Kenya, has the President of the United States determined and certified to Congress that the Government of Kenya--

NA

(1) has released all political detainees and has ended the prosecution of individuals for the peaceful expression of their political beliefs;

NA

(2) has ceased the physical abuse or mistreatment of prisoners;

NA

(3) has restored judicial independence;

NA

(4) has taken significant steps toward respecting human rights and fundamental freedoms, including the freedom of thought, conscience, belief, expression, and the freedom to advocate the establishment of political parties and organizations; and

NA

(5) has set and published an elections schedule or timetable for the holding of multi-party elections.

NA

H. CRITERIA APPLICABLE TO ASSISTANCE TO LIBERIA

NA

Democratic and Electoral Assistance (P.L. 102-270, April 16, 1992): is assistance being provided to Liberia notwithstanding FAA Section 620(q) or any similar provision and solely for nonpartisan election and democracy building assistance to support democratic institutions in Liberia or for assistance for the resettlement of refugees, the demobilization and retraining of troops and the provision of other appropriate assistance to implement the Yamoussoukro peace accord. If so, has the President determined and certified to the Committee on Foreign Relations and the Committees on Appropriations of the Senate and the Common Foreign Affairs and the Committee on Appropriations of the House of Representatives -

(1) that Liberia has made significant progress toward democratization,

NA

(2) that the provision of such Assistance will assist Liberia in making further progress and

NA

(3) that the assistance in the U.S. national interest?

NA