



United States Agency for International Development

Contract Information Management System (CIMS)

PDFD7408

DIRECT ACTION DATA FORM FOR GRANTS & COOPERATIVE AGREEMENTS

1. Basic Award Number 674-0301-G-SS-4041-00

2. Recipient Name Democracy, Motivation, Leadership (DML) & Associates

3. Award Description The recipient shall provide voter education training to approximately 1,000 youth voter education trainers who will in turn provide training to the voting-age youth population of townships in the East and West Rands, Central Johannesburg, and Pretoria on the fundamentals of the electoral process.

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4. Principal Place of Performance

South Africa

5. Benefiting Country

South Africa

6. Project Officer

Office Symbol

Name (Last, First)

CDD

Conley, Jacquelyne

7. Grant Agreement Type

- A. Disaster Assistance
B. American Schools & Hospitals Abroad (ASHA)
C. Other Than Those Listed Above
D. Title XII Authority

8. Basic Purpose

- A. Tech. Services to Host Country
B. Commodities
C. Train. Services to Host Country
D. Research
E. Arch. & Engineering Services
F. Construction

7a. Extent Competed

- E. Competed by the Technical Office
F. Competed by the Contracting Office
G. Not competed (unsolicited proposal)
H. Not competed (predominant capability, etc.)

9. Taxpayer Identification Number

N/A

10. Business Organization Type

- A. Corporation
B. Individual
C. University or College
D. Historically Black College or University
E. Educational Organization
F. International Center
G. Research Organization
H. Voluntary Organization
I. Foundation
J. Hospital
N. Hispanic American College or University
Z. Other

11. If U.S. University, Host Country Institution

N/A

If obligated amount is in local currency, provide U.S. Dollar amount \$75,292

13.a. Negotiator (Last, First, MI)

Conley, Jacquelyne L.

13.b. Signature

Handwritten signature of Jacquelyne L. Conley

14.a. Contract Officer (Last, First, MI)

Dean, Leslie A.

14.b. Signature

Handwritten signature of Leslie A. Dean

COPY OF AWARD DOCUMENT MUST BE ATTACHED TO THIS FORM

PD-ABS-944

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

USAID/SOUTH AFRICA



Tel: (012) 323-8869

P.O. Box 55380  
Arcadia, Pretoria 0007

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1994 -03- 21

Dr. David Molapo  
DML & Associates  
31 Wanderer Road  
Selcourt  
Springs, Johannesburg 1559

Subject: South Africa Community Outreach and  
Leadership Development Project; Grant Agreement with  
Democracy, Motivation, Leadership (DML) & Associates  
Agreement No. 674-0301-G-SS-4041-00

Dear Dr. Molapo:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, and the South African Democratic Transition Support Act of 1993, the Agency for International Development (hereinafter "USAID") hereby enters into this Grant Agreement (hereinafter "Agreement" or "Grant") with Democracy, Motivation, Leadership (DML) & Associates (hereinafter "DML" or the "Grantee") and obligates the sum of \$75,292 to provide support for a program described in Attachment 1, entitled "Schedule," and Attachment 2, entitled "Program Description," of this Agreement.

This Agreement is effective and obligation is made as of the date this letter is signed by an authorized USAID representative. The Agreement and obligation shall apply to commitments made by the Grantee in furtherance of program objectives during the period beginning on the effective date of this letter and ending August 31, 1994.

This Agreement is entered into with the Grantee on the condition that the funds will be administered in accordance with the terms and conditions set forth in Attachment 1, "Schedule," Attachment 2, "Program Description," Attachment 3, "Standard Provisions," Attachment 4, "Disbursement of and Accounting for Agreement Funds," Attachment 5, "A.I.D. Geographic Code 935 List," Attachment 6, "Guidelines for Financial Audits Contracted for by Foreign Recipients," and Attachment 7, "Grantee Certifications".

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This letter and the seven attachments just described, which have been agreed to by your organization, constitute the Agreement.

We request that you and a member of the Board of Trustees of DML & Associates sign the original and one (1) copy of this letter and then return the original to USAID/South Africa. Also, please sign Attachment #7, entitled "Grantee Certifications" and return to USAID/South Africa.

Sincerely,



Leslie A. Dean  
Director

Date: March 18, 1994

ACKNOWLEDGED AND ACCEPTED  
DML & Associates

By: \_\_\_\_\_  
Dr. David Molapo  
Title: President

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

By: \_\_\_\_\_  
Mr. Abner Mariri  
Title: Vice-President

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

Attachments:

1. Schedule
2. Program Description
3. Standard Provisions and Additional Provisions as Applicable
4. Disbursement of and Accounting for Agreement Funds
5. A.I.D. Geographic Code 935 List
6. Guidelines for Financial Audits Contracted for by Foreign Recipients
7. Grantee Certifications (Grantee Signatures Required)

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ATTACHMENT 1  
SCHEDULE

I. OVERVIEW OF AGREEMENT

The purpose of this Agreement is to enable DML & Associates to provide voter education training to approximately one thousand youth trainers who will in turn provide training to the voting-age youth population of the townships in the East and West Rand, Central Johannesburg, and Pretoria on the fundamentals of the electoral process.

II. PERIOD OF AGREEMENT

The effective date of this Agreement is the date the cover letter is signed by an authorized USAID representative. Unless otherwise agreed to by USAID in writing, the expiration date is August 31, 1994, meaning that no USAID funds under this Agreement shall be applicable to goods not furnished or services not performed for the program by this date.

III. AGREEMENT FUNDING AND PAYMENT

A. USAID hereby obligates the amount of \$75,292 for eligible program expenditures under this Agreement.

B. Payment shall be made to the Grantee in accordance with procedures set forth in Attachment 4 "Disbursement of and Accounting for Agreement Funds."

C. Additional funds up to the total amount of the Agreement as shown in Section III.A., above, may be obligated by USAID subject to the availability of funds, the agreement of the Parties hereto to proceed with the Grant program, and to the requirements of the Mandatory Standard Provision, Attachment 3 to the Agreement, paragraph 4 entitled "Revision of Grant Budget."

IV. FINANCIAL PLAN

A. Financial Plan

The Financial Plan for funds obligated under this Agreement is set forth in Table 1 below. Revisions of this Plan shall be made in accordance with Mandatory Standard Provision 4 of this Agreement, located in Attachment 3 and entitled "Revision of Grant Budget." The Grantee is authorized a 15% deviation between line items, provided that USAID is notified in writing of such budget changes in the Grantee's following Disbursement Report.

However, any deviation in excess of 15%, or any increase in the total Grant, must be approved in advance in writing by the Director, USAID/South Africa.

Set forth in Attachment 2, Section VI., is a Detailed Illustrative Financial Plan.

Table 1  
Financial Plan  
South African Rand (SAR)

<u>Item</u>	<u>Total</u>
Compensation (Salaries)	R58,000
Travel and Per Diem	R105,400
Training Materials	R53,300
Administrative Support Costs	R13,000
Audit	R15,000
<b>Total</b>	<b>R244,700</b>

B. Level of Assistance

The total Rand amount in the Financial Plan (Table 1) above is the maximum Rand amount available under this Agreement. The conversion rate from U.S. Dollars will be the prevailing rate at the time of conversion as determined by the Controller, USAID/South Africa. To determine the U.S. Dollar amount of disbursements to the Grantee under the Agreement, an exchange rate of R3.25 to one (1) U.S. Dollar will be used. Notwithstanding the above, in no event will the total Rand amount provided to the Grantee under the Agreement exceed the obligated Dollar amount provided for in Section III. A., above.

Due to exchange rate fluctuations, the total amount of Rands available after converting the total obligated U.S. Dollar amount into Rands may exceed the Rand Budget. If the Grantee desires to use such excess Rands to finance additional eligible program expenses, it may submit to USAID a written proposal for use of such funds. If USAID is in agreement with the Grantee's proposal, the Agreement may be modified to provide for the authorized expenditures. USAID reserves the right to deobligate any Dollars in excess of those needed to fund the Rand Budget. However, should changes in the exchange rate result in fewer South African Rands being available than budgeted for, the Grantee will be responsible for financing the shortfall, since the U.S. Dollar amount prevails.

## V. REPORTING

The Grantee will submit to USAID, in a timely manner, a written final report on all activities funded and general performance under the Agreement. The final report should be submitted no later than August 31, 1994. The content and format of the report will be mutually agreed upon by the Parties but should include a brief description of program accomplishments, a discussion of any problems encountered and how they were resolved, and the gender, numbers, of persons trained and the location of workshops held.

## VI. ADMINISTRATIVE SUPPORT COSTS

Administrative support costs are provided for activities funded under this Grant as specified in the Financial Plan.

## VII. TITLE TO PROPERTY

Title to all property purchased under this Agreement shall vest in the Grantee in accordance with the terms of Attachment 3, Additional Standard Provision 18, entitled "Title to and Use of Property."

## VIII. AUTHORIZED GEOGRAPHIC CODE

The authorized geographic code for all procurement with A.I.D. funds under the Agreement is the United States, the Republic of South Africa and countries included in A.I.D. Geographic Code 935, meaning that all goods and services financed by this Agreement shall have, with respect to goods, their source and origin and, with respect to the suppliers of services, their nationality in the United States, the Republic of South Africa or in other countries included in A.I.D. Geographic Code 935. To the maximum extent practicable, goods and services financed with funds provided under this Grant should be procured from the United States. Please refer to Attachment 5 for a list of countries included in Code 935.

## IX. SPECIAL PROVISIONS

### A. Procurement

1. Scope. This provision is applicable to the extent that local cost financing is otherwise authorized by the Agreement. It does not require procurement in South Africa where offshore procurement could otherwise occur.

2. Policy. In the procurement of goods and services in South Africa, the Grantee shall, to the maximum extent practicable, award contracts to individuals who or organizations which have

been disadvantaged by apartheid and are responsive and appropriate providers of goods and services.

3. Definitions. Individuals and organizations disadvantaged by apartheid shall mean: (1) South African individuals of black, "colored" or Asian descent whose principal place of business is in the Republic of South Africa; and (2) private partnerships or commercial firms which are incorporated in or organized under the laws of the Republic of South Africa, whose principal place of business is in the Republic of South Africa, and which are more than 50 percent beneficially owned by South African persons of black, "colored" or Asian descent. The Republic of South Africa includes the so-called "independent" and "self-governing" homelands.

#### B. Competition

Except as otherwise provided in Sub-Section A. above, all procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, free and open competition.

#### C. Staff Recruitment

The Grantee agrees that all staff recruitment for positions funded by USAID will be carried out through an appropriate competitive process and that salary levels will be in accordance with community and professional standards.

#### D. Travel and Per Diem

The Grantee will provide for USAID approval a copy of its travel and per diem policy covering both domestic and international travel for its staff and for program participants. The travel and per diem rates established under such policy shall not exceed U.S. Government rates. In the event the Grantee does not establish a policy, U.S. Government regulations governing travel and per diem shall apply.

#### E. Political Affiliation

The Grantee agrees that programs funded under this Agreement will be made available to individuals and groups regardless of their political beliefs or affiliations. The Grantee shall not discriminate in its hiring practices or in the provision of its services against individuals or organizations who associate themselves with any particular political philosophy. The Grantee shall periodically review the level of actual provision of its services to assure that persons or organizations sympathetic to certain political groupings or philosophies are not intentionally excluded from activities financed by USAID.

#### F. Non-Partisan Voter Education Materials and Training

The Grantee agrees that the voter education training and training materials as well as other activities funded under this Grant will be developed on a non-partisan and impartial basis and without any implied or intended reference to specific political parties or groups. Trainers, outreach workers and others associated with any aspect of this voter education activity will not express or espouse a political preference, encourage a political position or orient education activities toward any political party or grouping during their participation in the training and outreach programs.

#### G. Collaboration with Other Existing Voter Education Activities

The Grantee will collaborate with other voter education and support activities to the extent necessary to ensure that methods of voter education training are shared and that new procedures and materials are coordinated. DML & Associates will also coordinate their activities with other non-partisan voter education outreach programs that are being implemented in South Africa to avoid unnecessary duplication of program activities and to permit sufficient integration of activities.

#### H. Condition Precedent to Disbursement of Grant Funds

There shall be no disbursement of any agreement funds to DML & Associates until a letter of engagement, detailing the accounting services to be provided, has been received from DML & Associates' Accounting Firm in a manner and form that is satisfactory to USAID/South Africa.

#### X. STANDARD PROVISIONS

The Standard Provisions applicable to this Agreement are contained in Attachment 3, entitled "Standard Provisions."

ATTACHMENT 2  
PROGRAM DESCRIPTION

I. OVERVIEW OF AGREEMENT

The purpose of this Agreement is to enable DML & Associates to provide voter education training to approximately one thousand youth trainers who will in turn provide training to the voting-age youth population of the townships in the East and West Rand, Central Johannesburg, and Pretoria on the fundamentals of the electoral process.

II. BACKGROUND

The Democracy, Motivation, Leadership (DML) and Associates is a black-led and managed nongovernmental organization (NGO) that was established in 1986. The major focus of the organization has been and continues to be on social justice, formal and nonformal education, and democracy training. The mission of DML & Associates is to provide opportunities in the areas of education, training and skills development for disadvantaged communities in order to create positive role models to uplift the communities. DML & Associates is located in Springs, in the Transvaal and services strife-torn townships that surround Johannesburg, Pretoria, and the East and West Rands.

The organizational structure of DML & Associates consists of an Executive Team of 11 associates and three volunteers who are assigned to coordinate a specific township and who conduct training in 40 various areas and townships.

III. PROBLEM

The voting-age youth in South Africa represent a large percentage of the total eligible voting population. However, because of violence in many townships, which is very often directed at youth and youth organizations, voter education training programs targetted towards this crucial group have been minimal. DML & Associates recognizes the urgent need for such an activity in view of the upcoming first national democratic election in South Africa and have developed a program that will address the needs of the youth population.

IV. PURPOSE

The purpose of this Grant is to provide assistance to develop a non-partisan voter education training-of-trainers and non-partisan voter education training for youth and youth groups in townships surrounding Johannesburg, Pretoria, and both the East and West Rands. This activity will prepare this segment of South

Africa's disadvantaged population to actively participate in a post-apartheid, democratic South Africa.

#### V. PROGRAM DESCRIPTION

The Democracy, Motivation, Leadership (DML) & Associates has requested financial assistance from USAID/South Africa to establish a voter education training program for township youth and to conduct a voter education training-of-trainers program for youth and youth organizations on the electoral process.

It is envisaged that approximately 1,000 youth voter education trainers will be trained who will in turn provide voter education training to thousands of voting-aged youth in violence-affected townships near Johannesburg, Pretoria, and the East and West Rands. Forty workshops are planned to occur between February and April. Twenty of those workshops will focus mainly on training youth voter education trainers, while the others will attempt to train masses of youth from various organizations and townships.

The course content for the general youth voter education training program includes the following topics and sub-topics:

##### **Voter Education:**

- Why Vote?
- How to vote
- Who is eligible to vote?
- Voter simulation
- Democracy and tolerance
- Democracy and intimidation

##### **Transition:**

- Understanding negotiations
- Expectations and preparedness
- Electoral Act/Code of Conduct
- Electoral structures/procedures
- Transition timetable before elections
- Living with the outcome

The course curriculum and training materials for the voter education trainers includes posters and transparencies on such topics as "Talking about voting," "Example of a voting paper," "The election campaign," "Outside the voting station," "Inside the voting station," "Voting," "Competition," "Working for democracy," "The scope of the new constitution," "Benchmarks of the new constitution," "The structure of national government," "Fundamental rights I-III," "Proportional representation," and "The transition of local authorities." Additionally, trainers will be trained how to conduct a Mini Election.

The training staff consists of 3 Trainers, 2 Facilitators, and 2 Assistant Facilitators.

The financial support from USAID/South Africa will enable DML & Associates to train trainers, collect, develop and disseminate voter education training materials, cover the expenses for local travel for trainers, and it will provide for the necessary administrative support costs to maintain the program.

DML & Associates will conduct evaluations of each workshop and provide the results to USAID/South Africa. They also will provide follow-up with the voter educators who were trained to ascertain any additional needs they may have, obtain feedback on subsequent workshops conducted, and determine the total numbers of eligible voters trained. In addition, a final report outlining all activities funded under this Agreement will be submitted August 31, 1994.

VI. DETAILED ILLUSTRATIVE FINANCIAL PLAN  
South African Rands (SAR)

COMPENSATION (CONSULTANT FEES)

Trainers (3 @ R500/day x 20 days)	R30,000
Facilitators (2 @ R400/day x 20 days)	R16,000
Asst Facilitators (2 @ R300/day x 20 days)	R12,000
Total Compensation	R58,000

TRAVEL AND PER DIEM

Travel Allowances for Trainers (R20/day x 20 days)	R400
Transportation and Subsistence Allowance for Trainees (R15/day x 5000)	R75,000
Transportation and Subsistence Allowance for Trainer Trainees (R15/day x 1000 x 2 days)	R30,000
Total Travel and Per Diem	R105,400

TRAINING MATERIALS

Voter Education Training Kits (R49.30 x 1000)	R49,300
Training Materials (R2.50 x 1000)	R2,500
Stationery (paper/pencils/pens)	R1,500
Total Training Materials	R53,300

ADMINISTRATIVE SUPPORT COSTS

Telephone	R700
Fascimiles	R100
Postage	R200
Photocopying	R4,000
Venue Rental/Hire (R200/day x 10 days x 4 Centres)	R8,000
Total Administrative Support Costs	R13,000

AUDIT R15,000

TOTAL ESTIMATED COSTS R244,700

FISCAL DATA AND CLEARANCES:

1. Fiscal Data:

Agreement No: 674-0301-C-SS-4041-00

Grantee: DML & Associates

Appropriation: \* 72-114/51014

BPC: \* G554-94-21674-KG13

Reservation Control No.: \* B940087

Amount: \$75,292.00

~~Total Project Obligations To Date including Current Grant Obligation: \$~~

Total Project Authorization Amount: \$110,000,000

Agreement Completion Date: August 31, 1994

Project Assistance Completion Date (PACD): December 31, 1998

Funds Available:           (KEW)          

ACCT:           L.KEW          

Date:           03/14/94          

2. Clearances for Action Memorandum, Grant Agreement Letter and Attachments 1-7:

Drafted: JConley *JC* GDO/CDD

Clearance:

DWendel: CDD

JBeebe: GDO

JWooten: P.xO

DKeene: RLA

BLivingood: CONT

WFord: DD

*JW*  
*JB*  
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*DK*  
*BL*  
*WF*

File Location: C:\JACCI\DMLASSOC.GRT

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SRJ

**ACTION MEMORANDUM FOR THE DIRECTOR, USAID/SOUTH AFRICA**

DATE: February 8, 1994

FROM: Jacquelyne Conley *JC* CDD

SUBJECT: South Africa Community Outreach and Leadership Development Project (674-0301); Democracy, Motivation, Leadership (DML) & Associates Voter Education Training Agreement No. 674-0301-G-SS-4041-00

**I. PROBLEM**

Your approval is required to obligate U.S. \$75,292 of FY1994 funds under the Community Outreach and Leadership Development Project (674-0301) through a Grant Agreement with DML & Associates, as described herein.

**II. AUTHORITY**

Pursuant to Redlegation of Authority No. 452, the Director, USAID/SA, has authority to authorize and execute grants, and amendments thereto, with indigenous non-governmental organizations (NGOs) in an amount not to exceed \$5.0 million per grant.

**III. DISCUSSION**

DML & Associates is a black-led and managed nongovernmental organization (NGO) that was established in 1986. The major focus of the organization has been and continues to be on social justice, formal and nonformal education, and democracy training to create positive role models to assist with community upliftment. DML & Associates is located in Springs and services a vast majority of the strife-torn townships that surround the PWV and the East and West Rand regions.

In an attempt to address the urgent need to inform and educate the youth about the electoral process, over the past seven months DML & Associates has reached approximately one million potential voters through its Voter Education Program for Youth workshops that were conducted in the townships of Alexandra, Duduza, Kwa-Thema, Diepkloof, Soweto, and Tsakane. The aim of DML & Associates' youth voter education program is to equip the youth and other participants with the necessary voting skills and information on democracy thus sensitizing them to the interim constitution. The expected outcome is for every participant to be able to partake in the April 26-28 elections in an informed manner.

Specific youth being targetted for this training include:

- youth leaders from various organizations;
- the Congress of South African Students (COSAS);

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- the Student Representative Council (SRC); and
- opinion formers in the townships, (teachers, civic associations, community leaders, religious leaders, and health care workers).

Forty workshops are planned to occur between February and the April 1994 elections. The workshops will be one day for youth trainers and a half-day for participants. The targetted geographical areas and townships include Alexandra, Altonville, Bakerton, Botleng, Daveyton, Soweto, Duduza, Wattville, Etwatwa, Lenasia, Reiger Park, Katlehong, Thokoza, Atteridgeville, Mabopane, Soshanguve, Mamelodi, Alra Park, Sebokeng, Sharpeville, Eden Park, Orange Farm, Bapatown, and others.

More detailed information can be found in the Program Description Attachment 2 of the Grant Letter.

#### IV. ISSUES

Through the development of this Agreement, the following issues have been identified and addressed as presented below:

A. Action Plan and Strategic Objective(s) - This proposed Agreement was discussed during the FY94 Community Outreach and Leadership Development (COLD) Action Plan review dated January 28, 1994 and approved. This activity is consistent with the strategic objective of helping to ensure that the majority population participates more fully in the political development of a democratic, human rights-based South Africa and the strategic target of helping to ensure free and fair elections.

B. Grantee's Illustrative Budget and Cost Negotiation - The CDD conducted verbal negotiations with DML & Associates to establish its priorities for funding. Expenses include local transportation costs and subsistence allowance for trainees, travel allowances for three trainers, two facilitators, two assistant facilitators, the development of training materials and kits, venue hire, and administrative support costs. Administrative support costs cover those expenses associated with implementation of the workshops, including telephone and fax, photocopying, postage and stationery. The budget and costs have been reviewed within the Mission as part of the grant approval process and have been determined to be fair, reasonable and allowable for a grant of this nature. The grant file contains sufficient support for this determination.

C. Competitive Procedures or Non-Competitive Justification Although competition is to be encouraged in the award of grants and cooperative agreements to NGOs (Handbook 13, Chapter 2B), Chapter 2B3a permits exceptions to competition where the proposal "is not solicited by A.I.D." and where the proposal is "unique, innovative, or proprietary and acceptance would be fair,

reasonable, and would represent appropriate use of A.I.D. funds to support or stimulate a public purpose." The Democracy, Motivation, Leadership (DML) & Associates has submitted an unsolicited proposal, and it is the determination of the CDD that the activity is unique and innovative, in that DML & Associates was the first organization to provide youth voter education training in the township of Alexandra and will be the first to conduct this training in Botleng township, located outside Delmas, in the Eastern Transvaal. They also will be conducting voter education training for youth and youth organizations in strife-torn townships, in the East and West Rand, Pretoria, and Central Johannesburg, that are not currently serviced by other independent voter education training programs. Their training approach is participatory and includes a youth drama team that stages elections role-playing performances during the workshops. Because this activity is consistent with USAID program objectives and is so unique and innovative, acceptance of the DML & Associates proposal would be fair and reasonable and would represent an appropriate use of USAID funds.

D. Technical and Management Capability - It is the CDD's determination that the subject organization possesses suitable policies and practices to ensure adequate management of USAID funds provided under the Grant Agreement. This determination is based on a review of the proposal and subsequent information submitted by and discussions with the grantee.

E. Financial Management Capability - A financial review of DML & Associates' financial management systems was conducted on February 10, 1994. That review revealed that DML & Associates does not have a financial system in place. An accounting firm has been appointed to render accounting services for DML & Associates over the period of the Grant. A Partner from this accounting firm has been designated as one of the signatories to the checking account to ensure that all payments are properly authorized and that they are supported by the appropriate documentation and vouchers. The accounting firm, in conjunction with DML & Associates, will be responsible for preparing and submitting monthly financial and funds accountability statements.

F. PVO Registration Determination - The proposed Grantee does not qualify as a Private Voluntary Organization, as defined in A.I.D. Handbook 3, Appendix 4C and 88 State 356010 because it does not solicit or receive voluntary contributions of money, staff time or in-kind support from the general public.

G. Grantee Contribution - The USAID/South Africa Mission has made a decision that voter education activities are of special and strategic importance to A.I.D. goals in South Africa, particularly during the crucial period leading up to South Africa's first universal franchise election in April 1994. Very little time exists before the planned election, millions of

people need to be educated and very few organizations have the capacity or knowledge required to carry out activities in this field. Because this area of activity is so important and so new to South Africa and because of the critical time constraints involved, the CDD recommends that the grantee contribution requirement be waived in this Agreement.

H. Sustainability - The activity supported under this Agreement relates only to educating the disadvantaged population on electoral procedures leading up to South Africa's first universal franchise election. The activity will not be continued after the election so it need not be sustainable.

I. Standard Issues

1. Section 611(a) Requirements - Consistent with Section 611(a) of the FAA, adequate technical and financial planning underlie the proposed Agreement and reasonably firm cost estimates have been established. Such planning is evidenced by the Agreement program itself, as described in Attachment 2 of the proposed Agreement, which contains a detailed methodology for implementing Agreement activities and attaining specified Agreement outputs. The Illustrative Financial Plan is based on reasonably firm cost estimates for program activities.

2. Payment Verification Requirements - Payment verification requirements for the Grantee are satisfied by: (a) the specification of financial management and reporting procedures in the attached Agreement; (b) the certification by the USAID Controller of the recipient organization's ability to handle initial Agreement disbursements; and (c) provision in the proposed Agreement for annual audits of use of Agreement funds.

3. Recurrent Costs - Donor financing of recurrent costs, such as salaries, allows the Grantee to provide an essential service that is unmet by the public sector and, due to the limited income of the beneficiaries, cannot be met through normal market channels. Recurrent cost assistance in such cases is justified under category 2 of USAID's Recurrent Cost Policy. The "design considerations" outlined in this policy document have been taken into consideration in the design and negotiation of this Agreement.

4. Selection of a Grant as the Assistance Instrument - It is the determination of the CDD that, in accordance with Handbook 13, Chapter 6, a grant is the appropriate assistance mode to be utilized, as A.I.D. is not procuring goods or services and does not require a substantial degree of operational control or involvement in project implementation. The attached document is, in form and substance, a grant as defined by A.I.D.

V. RECOMMENDATION

It is recommended that, pursuant to your authority under Redefinition of Authority No. 452, you: (1) approve noncompetitive selection in accordance with the justification provided above; (2) authorize the proposed Agreement to DML & Associates by signing below; and (3) execute said Agreement, as attached, by signing on the appropriate page and line as indicated.

Approved Leslie A. Dean  
Leslie A. Dean  
Director, USAID/SA

Disapproved: \_\_\_\_\_

Date: March 18, 1994