

AGENCY FOR INTERNATIONAL DEVELOPMENT

PROJECT DATA SHEET

1. TRANSACTION CODE

C  
A = Add  
C = Change  
D = Delete

Amendment Number  
One

DOCUMENT CODE  
3

2. COUNTRY/ENTITY

HAITI

3. PROJECT NUMBER

521-0236

4. BUREAU/OFFICE

USAID/HAITI

5. PROJECT TITLE (maximum 40 characters)

Democracy Enhancement Project

6. PROJECT ASSISTANCE COMPLETION DATE (PACD)

MM DD YY  
05/31/99

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

A. Initial FY 91

B. Quarter 3

C. Final FY 99

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						
(Grant)	( 2,300 )	( 500 )	( 2,800 )	( 21,220 )	( 7,860 )	( 29,080 )
(Loan)	( )	( )	( )	( )	( )	( )
Other U.S.						
1.						
2.						
Host Country						
Other Donor(s)						
TOTALS	2,300	500	2,800	21,220	7,860	29,080

9. SCHEDULE OF AID FUNDING (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) DAF				8,426		4,700		19,529	
(2) ESF						500		9,551	
(3)									
(4)									
TOTALS				8,426		5,200		29,080	

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)

11. SECONDARY PURPOSE CODES

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

A. Code

B. Amount

13. PROJECT PURPOSE (maximum 480 characters)

The purpose of this amendment is to increase the capacity of public and private institutions and individuals to facilitate broad-based participation in democratic decision-making and respect for the Constitution.

14. SCHEDULED EVALUATIONS

Interim MM YY MM YY Final MM YY  
1 2 9 7 0 2 9 9

15. SOURCE/ORIGLY OF GOODS AND SERVICES

ODC  941  Local  Other (Specify) CACM

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

I have reviewed and approved the methods of implementation and financing for this project paper amendment.

Jack Winn, FM Office Chief

Signature  
Larry Grandan  
Director, USAID/Haiti

Mar 20, 95

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

17. APPROVED BY

**PROJECT AUTHORIZATION**

**Amendment No. 1**

**NAME OF COUNTRY** : Republic of Haiti  
**TITLE OF PROJECT** : Democracy Enhancement Project  
**NUMBER OF PROJECT** : 521-0236

1. Pursuant to Part I, Chapter I of the Foreign Assistance Act of 1961, as amended, the Democracy Enhancement Project for Haiti was authorized on May 31, 1991. That authorization is hereby amended as follows:

A. Section 1 is revised to read as follows:

Pursuant to Chapter 1, Part 1 and Chapter 4 of part II of the Foreign Assistance Act of 1961, as amended, I hereby authorize the Democracy Enhancement Project ("the Project") for Haiti. The Project involves planned obligations of not-to-exceed \$29,080,000 over an eight year period from the date of initial authorization, subject to the availability of funds in accordance with the USAID/OYB allotment process, to help in financing foreign exchange and local currency costs for the Project. The planned life of the Project is eight years from the date of authorization.

B. Section 2 is revised to read as follows:

The project, through this amendment, continues to focus on the democratic institution development outlined in the original project. Due to the coup and the three years of the repressive military government's rule that followed, the original project made little progress on any of its stated objectives. The ground that was lost during the years since the coup suggest some different priorities for the amended project. It will focus on democratic institution development along with broadening and deepening the participation of civil society.

i) Democratic Institution Development efforts to strengthen key institutions of democratic governance: the National Assembly and the political parties represented there, and Local Government.

ii) Civil Society Strengthening efforts will support organizations including labor to conduct civic education and other activities at the national and local levels to increase citizen participation, promote democratic values, and foster national level dialogue and reconciliation.

C. Section 3 is revised to read as follows:

3. Source and Origin of Commodities, Nationality of Services.

Commodities financed by A.I.D. under the project shall have their source and origin in the United States, the Cooperating Country, or in countries included in A.I.D. Geographic 941, except as A.I.D. may otherwise agree in writing.

Except for ocean shipping, the suppliers of commodities or services shall have the United States, the Cooperating Country, or countries included in A.I.D. Geographic Code 941 as their place of nationality, except as A.I.D. may otherwise agree in writing.

Ocean shipping financed by A.I.D. under the project shall, except as A.I.D. may otherwise agree in writing, be financed only on flag vessels of the United States, other countries in Code 941, or the Cooperating Country.

D. A new section 5 is added, as follows:

5. Exemptions and Waivers.

The following exemption and waiver are authorized:

a. An exemption, pursuant to Section 547 of the Foreign Operations, Export Financing, and Related Programs 1995 Appropriations Act, Pub. L. 103-306, of the recipient country contribution requirement of Section 110 of the Foreign Assistance Act of 1991, as amended.

b. A waiver, pursuant to A.I.D. Handbook 10, Chapter 16, of the requirement for host country funding of international travel costs for participant trainees under the project.

2. The authorization cited above remains in force except as hereby amended.

Approved: *L Crandall*  
Lawrence Crandall  
Mission Director

Date: Mar 20, 95

Clearance:

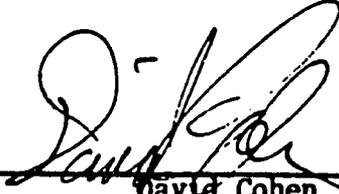
GC/LAC:RMeighan	<u><i>ERM</i></u>	Date: <u>3/12/95</u>
DIR:LCrandall	<u><i>SLC</i></u>	Date: <u>3/17/95</u>
HRD:KPoe	<u><i>QY</i></u>	Date: <u>3/10</u>
HRD:JNandy	<u><i>JN</i></u>	Date: <u>3/10</u>
PCPS:Gimhoff	<u><i>Gimhoff</i></u>	Date: <u>3/14</u>
FM:JWinn	<u><i>JWinn</i></u>	Date: <u>3/17</u>
EXO:CKnight	<u><i>CK</i></u>	Date: <u>3/17</u>

PROJECT AUTHORIZATION

Name of Country: Haiti  
Title of Project: Democracy Enhancement Project  
Number of Project: 521-0236

1. Pursuant to Chapter 1, Part 1 of the Foreign Assistance Act of 1961, as amended, I hereby authorize the Democracy Enhancement Project (the "Project") for Haiti. The Project involves planned obligations of not-to-exceed Eleven Million Dollars (\$11,000,000) in grant funds over a four year period from the date of initial 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. The planned life of the project is four years from the date of authorization.
2. The project includes support to the following five broad groups to enhance the effectiveness of new constitutional political structures and private participatory democratic organizations: (a) the two houses of the National Assembly; (b) political parties, which are non-governmental by mandate but whose members actively participate in government; (c) the Permanent Electoral Council, which will guarantee political participation through the planning and conduct of all future elections in the country; (d) the diverse Haitian independent sector, which represents and serves numerous citizen interest-groups around the country, including but not limited to labor, the media, women, and membership-based associations; and (e) local government, including departmental, communal (municipal), and communal section bodies in selected locations.
3. Goods and services financed by A.I.D. under the project shall have their source and origin in A.I.D. geographic code 000 or in Haiti, except as A.I.D. may otherwise agree in writing.

4. The project agreements, which may be negotiated and executed by the officers to whom such authority is delegated in accordance with A.I.D. regulations and Delegations of Authority, shall be subject to such terms and conditions as A.I.D. may deem appropriate.

  
\_\_\_\_\_  
David Cohen  
Director, USAID/Haiti  
  
\_\_\_\_\_  
Date

Drafted:	PDI: GSpence		Date: <u>5/18/91</u>
Cleared:	PDI: RFanale		Date: <u>5/28/91</u>
	PO: LDowning		Date: <u>5/28/91</u>
	HIDO: KPoe		Date: <u>5/28/91</u>
	CO: MNapier		Date: <u>5/27/91</u>
	CONT: INesterczuk		Date: <u>5/30/91</u>
	D/DIR: FHerder		Date: <u>5-31-91</u>

## EXECUTIVE SUMMARY

The Democracy Enhancement Project (DEP) was authorized on May 31, 1991 for a four year period with a budget of \$11 million in US dollar grant funds and \$13.45 million in local currency. The project was originally structured to work through U.S. private and voluntary organizations (PVOs) to strengthen the five primary Haitian institutions of democracy and governance: the National Assembly, political parties, the electoral commission, civil society and local government.

All activities except support to civil society, including labor, were suspended at the time of the September 30, 1991 coup, and little of enduring value has been achieved since then. A US PVO, the America's Development Foundation (ADF), was provided funding to administer sub-grants and institutional development technical assistance (TA) to Haitian non-governmental organizations (NGOs) working in civic education, the media, human rights, and democratic debate. Over a three year period, ADF has executed five sub-grants, provided TA to a major popular organization and undertaken several modest informational activities, and managed the Human Rights Fund. In addition, The American Institute for Free Labor Development (AIFLD) was funded to continue its program of assistance to Haiti's labor confederations.

Now that President Aristide has returned and the Constitutional Government has been restored, the USG, along with the IFIs and other donors, in a significant assistance program, will support the Haitian people in their struggle to build an open, participatory, democratic society and reactivate their economy. The Democracy Enhancement Project will play a significant role in this effort.

The amendment maintains the same rationale and strategy as the original design. The project purpose is is changed to read: to increase the capacity of public and private institutions and individuals to facilitate broad-based participation in democratic decision making and respect for the constitution. The amended project focuses on two major components, democratic institution development and civil society strengthening:

- i) Democratic Institution Development efforts will support the strengthening of key institutions of democratic governance: the National Assembly (the Senate, the Chamber of Deputies as well as political parties,) and Local Government.

ii) Civil Society Strengthening efforts will support organizations including labor to conduct civic education and other activities at the national and local levels to increase citizen participation, promote democratic values and foster national level dialogue and reconciliation.

The amendment will retain support to all of the institutions in the original PP (except the Electoral Council which will continue to be supported under the new Election Support project (521-0254)). The management structure will be similarly focussed. The project currently works through separate grants with 6 US PVOs. When the current grant and cooperative agreements expire on June 30, 1995, DEP activities will be implemented preferably through three separate contractors/grantees responsible for, as appropriate, managing the implementation of the National Assembly, local government, and civil society strengthening elements of the project. Under this arrangement, the contractor responsible for a project element could sub-grant or contract for activities under that project element. Existing grantees will be encouraged to participate in the competition as their interests and capabilities allow.

Due to the extreme disruptions to the nation's social, political and economic fabric during the crisis, the amendment extends the PACD by four years, to May 31, 1999. Haiti has had little experience with a functioning democracy and needs time to develop institutions and to allow those institutions to develop internal capability and external credibility. It needs time to allow the population to overcome a particularly difficult three years in its history, and to begin developing a democratic, participatory environment. The achievement of a true democracy that respects the rule of law and the rights of its citizens, and encourages citizen understanding of and participation in that system will take time. The amended DEP will be the first step in strengthening the institutional commitment to a more democratic society.

LOP funding is increased by \$ 18,080,000 from the original LOP of \$ 11,000,000 for a new a total LOP of \$ 29,080,000.

**PROJECT PAPER AMENDMENT  
DEMOCRACY ENHANCEMENT PROJECT  
Project No. 521-0236**

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**PROJECT PAPER AMENDMENT  
DEMOCRACY ENHANCEMENT PROJECT  
Project No. 521-0236**

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- A. Revised Logical Framework
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## GLOSSARY OF TERMS USED

ADF	:	Americas Development Foundation
AIFLD	:	American Institute for Free Labor Development
AOJ	:	Administration of Justice
CA	:	Cooperative Agreement
CASEC	:	<i>Conseil d'Administration de la Section Communale</i> (Administrative Council of Communal Section)
CEP	:	<i>Conseil Electoral Permanent ou Provisoire</i> (Permanent <u>or</u> Provisional Electoral Council)
CHRF	:	Congressional Human Rights Foundation
DEP	:	Democracy Enhancement Project
EOPS	:	End of Project Status
FRAPH	:	<i>Front Révolutionnaire Armé du Peuple Haitien</i>
FRLC	:	Federal Reserve Letter of Credit
FY	:	Fiscal Year
GOH	:	Government of Haiti
HRD	:	Human Resources and Democracy Office
IEC	:	Information, Education and Communication
IFES	:	International Foundation for Electoral Systems
IRI	:	International Republican Institute
LAC	:	USAID's Bureau for Latin America and the Caribbean
Lavalas	:	Creole for flashflood; refers to movement led by Jean-Bertrand Aristide
LC	:	Local Currency
LOP	:	Life of Project
LT	:	Long Term
NDI	:	National Democratic Institute for International Affairs
NGO	:	Non-Governmental Organization
OAS	:	Organization of American States
PACD	:	Project Assistance Completion Date
PADF	:	Pan American Development Foundation
PAR	:	Policy and Administrative Reform
PCPS	:	Policy Coordination and Program Support
PED	:	Provincial Enterprise Development
PL 480	:	Public Law 480, of the Agriculture Trade and Development Act of 1945, as amended
PIO/T	:	Project Implementation Order/Technical
pm	:	person month
PP	:	Project Paper
PSC	:	Personal Services Contract(or)
PVO	:	Private Voluntary Organization
ST	:	Short Term
TA	:	Technical Assistance
UMU	:	Umbrella Management Unit
UNDP	:	United Nations Development Program
UNMIH	:	United Nations Mission in Haiti
UNSCR	:	United Nations Security Council Resolution
USAID	:	U.S. Agency for International Development
USG	:	United States Government
USIS	:	United States Information Service

## PROJECT PAPER AMENDMENT

### I. SUMMARY & RECOMMENDATIONS

- A. **Project Title** : Democracy Enhancement Project
- B. **Project Number** : 521-0236
- C. **Implementing Agencies** : U.S. and Haitian PVOs/NGOs & contractors
- D. **Project Cost** : US\$ 11,000,000 amended to US \$29,080,000  
LC \$13,450,000 amended to 0
- E. **Life of Project**: 49 months (PACD 6/30/95), extended to 96 months (PACD 5/31/99)
- F. **Revised Goal**: to support the Haitian people to build a participatory, accountable, responsive democracy and establish the basis for long-term equitable growth
- G. **Revised Purpose**: to increase the capacity of public and private institutions and individuals to facilitate broad-based participation in democratic decision-making and respect for the Constitution
- H. **Project Description** : The revised project has two components:  
1) Democratic institution development efforts to strengthen the key institutions of democratic governance: the National Assembly (Senate and Chamber of Deputies as well as political parties), and Local Government; 2) Civil society strengthening efforts will support organizations including labor to conduct civic education and other activities at the national and local levels to increase citizen participation, promote democratic values and foster national level dialogue and reconciliation.
- I. **Recommendations**: That the LOP funding level be increased from \$11,000,000 to \$29,080,000, and the PACD be extended by 4 years, until May 31, 1999, for a total LOP of 8 years.

## II. CONTEXT AND RATIONALE

### A. Current Context

Haiti has had 21 constitutions and 41 chiefs of state in its 190 year existence. Of the chiefs of state, seven served for more than 10 years, nine declared themselves chiefs of state for life and 28 were either overthrown or assassinated in office. Only seven finished terms in office. President Jean-Bertrand Aristide and the Constitutional government were restored to their elected positions in October, 1994, after being in exile for three years due to a military *coup d'état* on September 30, 1991.

The restoration of President Aristide and the Constitutional government has brought renewed hope that Haiti can begin the long process of building a participatory, democratic society and embarking on the path to sustained, equitable economic growth. Since his return, President Aristide has set the tone for engaging all sectors of Haitian society in this effort. The presence of the MNF and international police monitors, as well as the lifting of the embargo have allowed Haitians for the first time in many years to live in a climate without fear and intimidation--and hope for the future. However this new found hope and euphoria is tempered by very real concerns about that future and the current realities of the situation;

- a concern for the continued fragility of the political situation and the sense of security;
- a legacy of lack of respect for human rights
- a non-functioning justice system;
- a newly and only partially installed system of local government intended to bring government to the people, but whose incumbents lack an understanding of their role and the skills and financial resources to carry it out;
- a bankrupt central government;
- a moribund economy.

The USG, along with the IFIs and other donors, is initiating a significant economic assistance program which will support the Haitian people in their struggle to build an open, participatory democratic society and reactivate their economy. The Democracy Enhancement Project will play a significant role in this effort.

### B. Achievements to Date

The Democracy Enhancement Project (DEP) was authorized on May 31, 1991 for a four year period with a budget of \$11.0 million in

development assistance (DA) funds and \$13.45 million in local currency. Its purpose was to expand and strengthen constitutional and autonomous private institutions which facilitate broad-based participation in democratic decision-making and respect for the Constitution. The project was structured to work through U.S. private and voluntary organizations (PVOs) to strengthen the five primary Haitian institutions of democracy and governance:

● **The National Assembly** was to receive technical assistance (TA), training and computer commodities through a buy-in to the regionally-funded Consortium for Legislative Development, led by a US PVO, the Center for Democracy. The Consortium undertook several initial visits and conducted one seminar with parliament prior to the *coup*, when its activities were suspended. In 1993, during the window of opportunity of the early Malval administration, USAID executed a grant to the Parliamentary Human Rights Foundation (PHRF) to support inter-parliamentary delegations. Due to political turmoil the planned activities could not be implemented; some activities are currently being reactivated.

● **Political Parties** were to receive TA and training through cooperative agreements (CAs) with the National Democratic Institute for International Affairs (NDI) and International Republican Institute (IRI). Nothing was started before the *coup*, and the reactivation of some activities is now being discussed.

● **The Permanent Electoral Council (CEP)** was to receive TA and to be granted custody of the almost US \$490,000.00 worth of computers and radio equipment retained by USAID after the 1990/91 elections. The council has been constituted, and the commodities remain in the USAID warehouse.

● **Democratic civil society** was assisted through two grant mechanisms, which have become the only on-going activities under the project. A competitively-selected grantee, the Americas Development Foundation (ADF), was provided funding to establish an umbrella management unit (UMU) to provide sub-grants and institutional development TA to Haitian NGOs working in civic education, the media, human rights, and democratic debate. Over a three year period, the UMU has executed five sub-grants, provided TA to a major popular organization and undertaken several modest informational activities. It is now managing the Human Rights Fund. The American Institute for Free Labor Development (AIFLD) was provided funding to continue its program of assistance with Haiti's labor confederations.

● **Haiti's local government** (elected officials in 134 Communes/Municipalities and 565 Communal Sections) was to receive initial TA and training under the UMU mentioned above.

The project planned to provide more specialized assistance through centrally-funded buy-ins and/or parallel Mission projects (e.g. Policy & Administrative Reform 521-0222) as local government entities were established and precise needs became apparent. Outside of very modest assistance (\$38,000) to the Mayor's office in Port-au-Prince and one informational publication sponsored by ADF, no project resources have been devoted to local government under DEP. ADF developed a plan for local government training but it is only now beginning to implement the field training portion of it due to the urgency of its work on the Human Rights Fund and the difficulties associated with convening groups for this purpose in many areas during the post-coup period.

In summary, the project has achieved little of enduring value due to the instability that reigned during the post-coup period and prohibitions on work with formal GOH institutions. However, some observers credit DEP with providing the only assistance to key non-governmental organizations during the tense post-coup period.

### **C. Rationale and Strategy**

#### **1. Rationale**

The project rationale remains the same as in the original PP: open societies that value individual rights, respect the rule of law, and have open and accountable governments provide better opportunities for sustained economic development than do closed systems. Democracy is an economic development issue, as well as a political one. Haiti has struggled toward democracy for centuries, with the latest struggle beginning with the events leading up to the departure of Jean-Claude Duvalier on February 7, 1986. The conduct of free and fair elections in 1990/91, demonstrated some progress toward democracy-- progress which was subsequently quashed by the coup.

This amendment recognizes that "one election does not a democracy make" and assumes instead an uneven period of transition to democracy. **The amendment proposes extending the PACD for four years, or until May 31, 1999.** The achievement of a true democracy that respects the rule of law will take time. Haiti has had little experience with a functioning democracy and needs time to create democratic institutions and a democratic culture. It will take time to develop institutions with internal and external credibility. The people need time to begin developing channels for open dialogue, non-violent dispute resolution and to actively participate at national and local levels through their institutions.

The four year extension under this amendment is viewed as an appropriate period for the initial reconstruction of its still nascent institutions as was proposed in the original DEP PP. The

problems identified in the original PP remain:

- Parliament is ill-equipped at present to effectively deal with the demands that are expected of it in a functioning democracy: carefully analyzing, debating, and passing the enabling legislation to support the rule of law, rights of citizens and widespread, sustainable development. Many members do not appreciate the functions of the parliament, understand its procedures nor do they possess the skills in dialogue and compromise necessary to carry them out.

- Structures and relationships between and among the national parliament, the executive and the judiciary are still undefined and as yet to "shake out". With the exception of the 9 months of President Aristide's in-country tenure, Haiti has never had a functional national parliament, local government, or power-sharing executive.

- The new system of elected local government has been only partially implemented. Citizens lack understanding of its role and confidence in its capabilities, and local officials themselves lack the skills and financial resources to respond to their responsibilities and to citizen demands.

- Citizens have little knowledge or experience in the benefits as well as the responsibilities of democracy, or in working through their non-governmental institutions to affect change and demand responsive and accountable government at the local or national level. Concepts of tolerance and dialogue and working together with those with opposing viewpoints are not well understood.

In summary, the problem statement and rationale contained in the original PP remain valid.

## 2. Strategy

The project strategy as originally conceived in the DEP, "to support the development and strengthening of key institutions of democratic governance and civil society" is still valid. In particular, the GOH's strong support for decentralization provides the window of opportunity for Haiti to begin the task of developing a participatory democracy at the local level. This will bring a more responsive and accountable government closer to its citizens. These two components will be approached concurrently:

i) Democratic Institution Development efforts will be directed at strengthening the National Assembly (Chamber of Deputies and Senate as well as political parties) and Local Government.

ii) Civil Society Strengthening efforts will support

organizations including labor to conduct civic education and other activities at the national and local levels to increase citizen participation, promote democratic values and foster national level dialogue and reconciliation.

The critical need to integrate these project elements is recognized in this amendment. Support for the institutional development of the National Assembly and local government is designed to actively encourage participation by citizens in these institutions by actively responding to constituents and seeking out their views and participation. The civil society strengthening component supports citizen-level efforts to "demand" responsive government. Promoting and encouraging this interaction is vital for open, participatory democracy to take hold in Haiti.

Assistance under these components retains support to institutions originally targeted by the project (except for the Electoral council which will be supported under the Elections Support Project (521-0254)), and remains consonant with the original project strategy:

... since no one can predict which of the various interest groups or constitutional structures (or combination thereof) has the greatest potential to affect democracy in Haiti, support to a wide variety at the outset is merited. As the democratic environment evolves, adept monitoring will inform project management as to which players might merit more assistance to ensure greater impact. The design provides the flexibility for such shifts to occur.

#### **Programmatic Flexibility**

The programmatic flexibility that was foreseen in the original PP needs to be maintained. Other USAID democracy programs in countries with uncertain political environments or extremely weak or untested democratic institutions (e.g. Nicaragua) have also indicated the need for flexibility. This flexibility will be particularly important for the civil society component, to respond to windows of opportunity or changing circumstances that will almost assuredly occur as Haiti struggles to develop an open democratic society. Therefore, funds have been programmed under that component for USAID/Haiti to respond to timely and specific targets of opportunity and requests for assistance to support the broadening and deepening of democracy in Haiti. Examples of potential activities include a multi-donor supported effort documenting past human rights violations; community level interface with the police force; support for the development of media that encourage responsibility and accountability by citizens and institutions; and other as yet unanticipated needs. Flexibility will be balanced by intensive management. Annual implementation reviews and selected evaluations that will include stakeholders and the country team are scheduled over the life of project to permit

USAID/Haiti to incorporate USG policy concerns, assess progress and performance, and make adjustments in emphasis, financing or implementation arrangements in the project. These reviews will form the basis for anticipated annual adjustments in the project's implementation plan, budget, and life-of-project targets.

#### **Management Structure**

The management structure will be similarly focussed to increase management efficiency based on USAID/Haiti's experience in managing several discrete cooperative agreements and grants during the first four years of the project. If USAID/Haiti is to preserve management and programmatic integrity and ensure coordination and results under the project, it must change the current implementation arrangement which consists of several discrete implementing entities. Currently, the Mission is receiving proposals from a variety of PVOs and NGOs to fund often duplicative activities to strengthen the legislature, promote civic education and support elections. Therefore, the amendment proposes to implement the Project through three or fewer separate contractors which will have responsibility for implementing the National Assembly, local government, or civil society strengthening elements of the project. These contractors could sub-grant or contract with other entities as appropriate to carry out activities under the project element. These contractors will pick up any relevant functions under the Cooperative Agreements (CAs) that terminate at the current PACD (June 30, 1995). Existing grantees will be encouraged to compete for the new contracts as their interests and capabilities allow.

#### **D. Conformance with GOH Strategy**

The project conforms with the strategy of the restored constitutional Government of Haiti (GOH), as most recently articulated in the "Strategy of Social and Economic Reconstruction" prepared August 22, 1994 for the Paris Informal Donors Meeting. The opening of the Strategy is most relevant:

The fundamental objective of the government is to substantially transform the nature of the Haitian state as the prerequisite for a sustainable development anchored on social justice and the implementation of irreversible democratic order. The Government is profoundly convinced of the necessity to shift the social balance of power away from the executive branch, where too much has traditionally been concentrated, towards Civil Society and local government, which so far has been too enfeebled to provide an effective counterweight to the encroachment of the executive. The empowerment of Civil Society (political parties, labor unions, grass roots organizations, cooperatives, community groups) and local government is the main object of state reform. ...

The document includes as a key objective "... to strengthen the institutional capabilities of parliament, other autonomous institutions and local governments to enable them to play a constructive and informed role in policy debates, formulation and implementation." The strategy emphasizes the need for establishing the rule of law to protect both human and property rights, and the need to establish adequate protection for private sector activity, property rights and fundamental human rights. The DEP amendment is consistent and supportive of this strategy.

#### **E. Conformance with USAID Strategy**

The revised project is fully consonant with USG policy for Haiti, which supported the internationally supported restoration of democracy in Haiti and multi-donor support for Haiti's economic recovery and democratic development. It is also consonant with USAID strategy in Haiti as defined in the FY 1995 to FY 1996 Action Plan, which was approved in June 1994, and the more recent post-resolution strategy. The program goal is to support the Haitian people to build a participatory, accountable, responsive democracy and establish the basis for long-term equitable growth. For purposes of consistency, this statement forms the revised project goal.

The approved Action Plan and post-resolution strategy recognize the necessary conditions to achieve these goals: 1) public and private democratic institutions that reinforce the rule of law, foster respect for human rights and respond to the needs of the Haitian people; 2) sustainable, private sector led, equitable economic growth and development; and 3) protection and development of the human resources needed to lay a sound basis for enduring democracy and sustained economic growth. These conditions form the basis for the Mission's approved strategic objectives. An important cross-cutting element of the strategy, empowering the disadvantaged, is subsumed in all.

The DEP project as amended responds to all objectives, but most clearly to the first. Through support to the elective offices of the National Assembly and local government, it directly reinforces the ability of the GOH to develop laws that are responsive to current needs. It fosters respect for human rights, both through support to the elective entities that enforce the constitution as well as through funding of NGO's that promote respect for human rights, civic education, and mediation efforts.

#### **F. Relationship with Other Mission Projects**

The DEP "sister projects", in terms of democratic institution development, are Administration of Justice (AOJ, 521-0238) and the Election Support project (521-0254) The AOJ project will address up-grading the court system and judicial personnel training, both

of which are long-term efforts. Through a grant agreement with the United Nations, the Elections Support project will support the establishment and operation of the Provisional (or Permanent) Electoral Council (CEP) and Haiti's next two rounds of elections, (parliamentary and local government and presidential), both of which are scheduled to take place during 1995.

Several other USAID/Haiti projects focusing on economic growth also strengthen democratic values and attitudes through group formation and democratic decision making activities. This is particularly true with Coffee Revitalization (521-0126) and Productive Land Use Systems (PLUS, 521-0217), and with the municipal development activities under the Jobs Creation component of the Enhancing Food Security Project (521-0231). USAID is committing significant financial and technical resources to other projects with the specific objective of improving the social and economic welfare of the Haitian population as well. These include Agricultural Marketing Linkages (521-0231), Provincial Enterprise Development (PED, 521-0223), Enhancing the Informal Sector (521-0230) and Sustainable Use of Resources for Growth with Equity (SURGE, 521-0186). The agricultural activities alone account for almost 30,000 participating farmers or 180,000 people throughout Haiti. Interventions under the revised DEP project will be developed to reinforce these group activities.

Similarly, USAID is committing significant resources to population health and nutrition projects (PHN) which emphasize community participation strategies such as formation of mother's clubs and community health committees as part of their outreach components. In particular, these include the Voluntary Agencies in Child Survival (VACS, 521-0206) and Private Sector Family Planning (PSFP, 521-0189). A follow-on project currently under design, Health Systems 2004 (521-0248), will also continue this approach through support to decentralized communal health units.

The project will have a close relationship with the Incentives to Improve Basic Education project (IIBE, 521-0190) both at the national and local levels. The Ministry of Education has already submitted a request for a small grant to undertake curriculum development for democratic issues, and this will be provided in the next few months under on-going project mechanisms. At the national level, IIBE is supporting a participatory planning process that will, over a one-to-two year period, lead to a National Education Plan. The key to the preparation of the plan is the conduct of consensus-building workshops within and among various segments of society. It is likely that lessons learned through the IIBE consensus-building workshops will feed into the support proposed for national dialogue fora under the DEP.

Project activities will reinforce efforts under the revised Public Administration Reform (PAR) project as it is implemented. In the hopes of facilitating rapid recovery from the crisis years,

the revised PAR focusses TA and training on critical financial "choke points" in the Haitian economy. The two projects should prove complementary in the areas of legislative development and reform and local government.

There are cross-cutting benefits to be gained from all of these projects. Where appropriate, DEP project activities will utilize the same networks established by current strategies used to promote individual and group participation in USAID/Haiti's various projects in economic growth, health, population, nutrition and education. Such a strategy will enhance DEP project benefits and capitalizes on democracy programming as a theme which cuts across the development spectrum.

Finally, the project will have a close relationship with three Washington-led efforts. Two are funded by USAID's new Office of Transition Initiatives (OTI), and are designed to support local populations to rebuild their community-based institutions and to facilitate demobilization of the Haitian army. The OTI efforts are by definition of short-term duration -- 6 to 9 months -- although lessons learned may be adopted by DEP implementing agencies. The other Washington effort is the creation of a civilian police force by the International Criminal Investigative Training Assistance Program (ICITAP) of the U.S. Department of Justice. Depending on how legislation in process evolves, there may be an interface between local government and civilian police. Through its support for local government, the DEP amendment could complement this interface.

#### **G. Relationship with Other Donor Programs**

USAID is playing a lead role in the democracy area, and has included attention to democratic governance institutions at the August 1994 informal donors conference in Paris. The three donors with which USAID has been working most closely in this area are the United Nations (UN), (through a number of its separate organizations), the Organization of American States (OAS), and the Canadian Embassy.

The UN family has been engaged in Haiti throughout the crisis period, both in high-level negotiations through the UN Special Envoy and his deputy, as well as in humanitarian health assistance through major efforts by the Pan American Health Organization (PAHO), UNICEF, WFP, UNFPA and UNESCO. The UNDP will provide some type of assistance in most sectors. They are focusing specifically on support for municipalities including Port-au-Prince and other larger cities. Importantly, the UN Elections Assistance Unit (EAU), the implementing group of the USAID Election Support project, will take the lead role in supporting the up-coming Haitian elections in 1994/1995.

The OAS was deeply involved in the negotiations for resolution

and in the provision of human rights monitors; it was a leader in the joint UN/OAS International Civilian Mission (ICM) that was exiled by the *de factos* in June 1994. In the post-resolution period, the OAS component of the ICM is being used to redeploy the ICM to back up the international support to the interim police. It may additionally devote some of these resources to other democracy activities. The OAS member organization, the Inter-American Commission on Human Rights (ICHR), may be an appropriate lead donor for any "truth" commission or commission of inquiry, if such a body is formed. ICHR has approximately \$300,000 to devote to Haiti. Finally, the OAS Unit for Promotion of Democracy is expected to devote approximately \$1.0 million to support monitoring the upcoming parliamentary and local elections.

The Canadians have been particularly active in human rights and have programmed \$5.0 million over the next five years for institutional strengthening of NGOs that work to promote respect and protection of human rights. They are also providing a number of personnel -- the Royal Canadian Mounted Police (RCMP) -- to the multi-national force for the post-resolution interim police. They are expected to remain involved in both human rights and police development in the coming years.

The Emergency Economic Recovery Program (EERP) identified a number of needs including governance. The U.S. has taken a lead on this issue. This has set the stage for continuing coordination on governance activities of other donors which will be formalized at the CG meeting in February, 1995. Other donors, particularly the IFIs, are expected to work with the GOH on major infrastructure projects. In the medium term, the Inter-American Development Bank (IDB) will be developing a social investment fund to support municipal infrastructure projects. Fonds d'Assistance Economique et Sociale (FAES) is on the books and simply needs reactivation following arrears clearance.

Other donors are expected to provide support to democratic development, particularly local NGOs. USAID will maintain contact with all donors to assure coordination and complementarity of efforts under the DEP.

### III. REVISED PROJECT DESCRIPTION

#### A. Goal and Purpose

The revised project goal adopts the Mission's post-resolution strategy goal: to support the Haitian people to build a participatory, accountable, responsive democracy and establish the basis for long-term equitable growth. Annex 1 contains the revised logframe. With the creation of the Election Support project, the election goal indicator has been dropped from the DEP project amendment. However, election activities conducted by NDI and IRI which are supported under the DEP will continue until the new

institutional contract mechanism is in place. There is one goal indicator under the amendment:

-- The provisions of the 1987 constitution are progressively implemented, with specific attention to the provisions of Title III, Basic Rights and Duties of the Citizen.

The key goal-level assumptions are:

- i) the GOH continues to support the process of democratic development;
- ii) UNMIH will provide national order and security until such time as the GOH is able to assume this responsibility itself;
- iii) the majority of the population is interested in pursuing a Haitian form of democracy and are willing to work for it; and
- iv) USG support to Haiti's democratic development will be utilized by the restored constitutional GOH.

The Mission believes these assumptions to be valid at this time.

The purpose of the project has been modified: to increase the capacity of public and private institutions and individuals to facilitate broad-based participation in democratic decision making and respect for the constitution. The new purpose retains a focus on the public and private sectors, but also emphasizes the role of the individual in respecting the constitution (human rights, rule of law), and developing tolerance for opposing views.

The end-of-project status (EOPS) conditions have been modified along similar lines, i.e.:

The first EOPS is restated and focuses on the National Assembly:

1. The capacity of the National Assembly's administrative, operational and technical system will be improved so as to allow the better definition and enhanced performance of their legislative, oversight and constituency functions. Support to political parties is subsumed within overall parliamentary development activities. (Figure 1 reflects the different levels of elected bodies in Haiti.)

The third EOPS is revised to reflect the expected outcome of support for civil society:

2. All sectors of society exhibit increased participation in democratic fora and increased understanding of rights and responsibilities of citizens. The participation of different

sectors of society in citizen activities, including voluntary groups, NGOs, local assemblies and elections, is important in fostering the important concept of full participation; this is critical in a society as deeply divided as Haiti's. Similarly, citizen participation increases the likelihood that "demand" for responsive governance can be developed in Haiti and that institutions will have to "supply" responsive and accountable governance. If democratic institutions are to endure, the understanding of rights and responsibilities and tolerance must be inculcated at all levels, from the educated elite, to government officials, to the illiterate and disadvantaged.

Three new EOPS have been added relating to local elected bodies:

3. A least 50 selected Communal/Municipal and 300 Communal Section Councils will have adopted new administrative practices, introduced mechanisms for identifying communal needs and designed and implemented small local development projects.

4. A national association will be established to articulate the needs/interests of the CASEC, communal and departmental councils.

5. Legislation will be in place to provide a revenue base for communal councils.

#### B. Components

The project, as amended, has two major components which follow those in the original PP:

1) Democratic Institution Development, which will assist the institutions of democratically elected governance through:

a. capacity-building of both chambers of the National Assembly and its staff to effectively carry out its legislative, and constituency functions. This will include non-partisan assistance to political parties;

b. capacity-building of selected local government entities at the communal section, commune/municipality, departmental level as well as a national level association of elected commune officials to support participatory, open and transparent local governance;

2) Civil Society Strengthening, to support participatory activities through non-governmental organizations in areas such as broad-based civic education media campaigns on citizen rights/responsibilities and tolerance for opposing viewpoints; citizen-based initiatives to encourage responsive legislative,

executive branch and local level governance; local-level mediation efforts, and non-partisan fora for national level dialogue on democratic and social issues; conflict resolution; and labor issues and concerns.

In order to accomplish these outputs, the PACD will be extended by 4 years, until May 31, 1999, and the LOP authorized amount will be increased from \$11,000,000 to \$29,080,000 in DA and ESF. The original provision for \$13,450,000 equivalent in local currency has been deleted; there is no program at this time to generate these funds, and the GOH treasury is empty. However, under the local government strengthening element discussed below, local currency generation may become available to support small local infrastructure activities in communities receiving technical assistance. The issue of GOH counterpart contributions and commitment to the project will be discussed and incorporated into the PROAG and will be assessed during annual implementation reviews and evaluations.

A total of \$8,426,000 has been obligated in prior years with a planned obligation of \$2,150,000 planned prior to the current June 30, 1995 PACD to permit orderly completion of existing commitments. A total of \$18,080,000 in funding is proposed under this amendment (requiring an increase in the LOP amount from \$11,000,000 to \$29,080,000). The \$18,080,000 is distributed as follows: Democratic Institution Development, \$10,845,000; Civil Society Strengthening, \$5,586,000; USAID Management \$1,200,000; and USAID Evaluations, \$450,000.

Detailed EOPS, measures of progress, and benchmarks including policy benchmarks are summarized in the detailed project components below.

## 1. Democratic Institution Development

### a. National Assembly

**Summary:** The purpose of this component is to increase the efficiency and efficacy of administrative, operational and technical systems in both Chambers of the Assembly to better define and improve the performance of their legislative, oversight, and constituency functions. The project will provide TA, training, and commodity support to the 27 member Senate, the 83 member Chamber of Deputies, and the technical and support staff that work with them (approximately 150 civil service functionaries, over 95 percent of whom are non professional). By the end of the project, the following outputs will be achieved:

-Both Chambers will have designed and implemented a streamlined procedure for handling the initiation, review, analysis and approval of legislation;

- Both Chambers will have redesigned and implemented their committee systems and upgraded the technical staff mechanism to support them;
- Both Chambers will have reorganized their administrative support structures and upgraded (by hiring and training) their administrative personnel;
- A small Legislative Reference Service will have been established for use by both Chambers;
- Basic office and information equipment will be provided to both Chambers, and an adequate locale secured for the Senate. Project funds will not be used to purchase a locale, but to help the Senate identify an adequate site and alternative funding for it, and to do some remodeling once the building is acquired;
- Improved mechanisms will be designed and implemented to factor in citizen concerns, gender issues, and popular participation in the policy deliberation process;
- Techniques will have been introduced for better handling of internal conflicts, especially as regards relations within and between different party factions.

Measures of Progress (illustrative):

- Greater use of technical staff in analysis of bills under consideration.
- Deputies express greater satisfaction with performance of administrative services.
- Number of major bills and enabling legislation approved during a session increases.
- Public opinion surveys, disaggregated by gender, demonstrate improved perception of the National Assembly and constituent services. A special effort will be made to target responses of women and other vulnerable group members.

Entrance into the full blown program hinges on two conditions: (1) the presence of a newly and legitimately elected Assembly with whom to work and (2) the selection and deployment of the contractor/grantee for the project and of their technical assistance team for the Assembly component. The latter condition is not expected to be met until July, 1995 (and possibly not until the end of that year). The upcoming parliamentary and local elections, which should be held in March 1995, will fulfill the former condition. But, assuming a new Assembly is not seated until that time, and the present one remains in office in some legal

status, a minimal program of assistance will be continued under the current cooperative agreement with the Congressional Human Rights Foundation (CHRF). However, if the Assembly goes into a lengthy recess until new elections are held, assistance would be suspended or drastically reduced until such time as both conditions are met.

**Background and Rationale:** An effective and responsive national legislature is essential, if Haiti is to move beyond its tradition of dominance by a chief of state and into a democratic system guided by checks and balances. Although Haiti has had legislatures of one form or another since the first bicameral Assembly was created in the Constitution of 1816, they were never known for their representiveness nor independence. The National Assembly which took office in 1991 was the first such credibly elected national body, an institution with which the nation had absolutely no experience. Even prior to the coup, it was fraught with problems, beginning with its partisan composition which gave no clear party majority in either chamber. It also had no set of norms nor procedures by which the two houses would operate, either in their individual organization and administrative procedures or their relations with the executive, judiciary, constituents, and each other. For example, the 1987 Constitution charges the legislature with enacting laws on all matters of public interest (Article 111), but gives this responsibility equally to both houses and the executive. (The responsibility to initiate budget and tax laws is reserved for the executive, but must be approved by both Chambers). As another example, the Constitution introduces the figure of a Prime Minister (selected by the President) as an incomplete nod in the direction of a parliamentary system, leaving some unresolved questions as to the effect on Executive-Legislative relations. Thus, the new legislature was faced with defining its overall role in the government at the same time it was establishing its operating rules. It also had some very basic problems in terms of lack of office space, equipment, staff, and budget. Thus, in a very real sense, it was starting from scratch.

Between the September 30, 1991 coup and the restoration of democratically elected government in October, 1994, there were no opportunities to advance in these tasks; instead even more obstacles were created. The presence of two nominal Senates and a lower Chamber so divided it could not reach a quorum, and the illegal election of 10 senators and 2 deputies (the so-called "putschists") on January 18, 1993, virtually guaranteed that no attention would be paid to the more mundane tasks of institution building. However, the restoration of the democratically elected government came within months of the official expiration of the terms of all 83 seated Deputies and 9 additional members of the Senate (January 1995). It seems doubtful that elections can be held prior to this time, and the interim solution remains unclear. (Two suggested remedies are some sort of decree to extend the terms of the current members or a simple prolonged recess). While it would be fruitless to hypothesize about the short term scenarios,

the most one can say is that sometime between April and December, 1995 a new Assembly is likely to be seated, and that in the interim, there may be a legislative body, or at least some sort of permanent commission with which to work.

Prior to the coup in 1991, the US Mission spent many months developing contacts with National Assembly members to informally assess needs and the potential to increase Parliament's effectiveness. At the Mission's invitation, an initial short assessment was conducted by two representatives from the LAC centrally funded Consortium for Legislative Development (since disbanded). On the basis of this assessment, the original PP design team met with several members of both chambers. A consensus was established on the existence of real needs and the desirability of U.S. assistance. Other donors, notably the French, the Canadians, the UNDP and the Venezuelans, had also engaged in similar discussions and reached similar conclusions. Assistance plans went on temporary hold during the de facto government's rule. But interest on the part of both donors and the National Assembly have since been revived in the brief period since the restoration of democracy. Although the needs have not changed, the urgency has increased. There is great interest in establishing a firm institutional base that can help guard against further backsliding, contribute to the building of a democratic culture, and provide a peaceful means for addressing social conflicts in which provide a voice for all citizens.

The Mission currently has a Cooperative Agreement with the Parliamentary Human Rights Foundation (PHRF) for general support to the National Assembly. Both PHRF and the Center for Democracy will be working with the parliament in Haiti. Discussions with both of these organizations, along with the other preparatory work, have been very useful in identifying potential longer term assistance activities for the National Assembly.

**Proposed Activities:** The activities outlined in detail below are all envisioned for the period beginning once the new Assembly is seated and the new contractor is chosen and in country. In the interim, the Cooperative Agreement with the PHRF will be continued to its current PACD (June 1995) to implement a portion of its recently submitted proposal. Emphasis will be placed on creating a small legislative reference service (LRS) -- commodities, training, and technical assistance -- and on providing technical assistance in further elaborating drafts of some of the enabling legislation required for enacting key Constitutional provisions. This will consist of the services of a resident technical advisor for six months (or a short term advisor making periodic visits for a total of three months in-country time), additional short term technical assistance, training, the purchase of a small amount of computer equipment, books and other equipment for the LRS, and the provision or refurbishment of an adequate locale for the latter. Activities

will be limited to these areas so as to not preclude PHRF from participating in the bidding on the DEP amendment activities.

Further activities over four years beginning in mid 1995 are as follows:

**1. Assistance to both Chambers in developing internal operating procedures, their committee system, and the technical and analytic staff to support the latter and the parliaments's general work in researching, drafting, reviewing, debating and revising legislation.**

This and the remaining four activities will be coordinated by a long term advisor for this activity. His/her efforts will be complemented by a wide variety of short term technical assistance in areas of more specialized expertise. Emphasis here will be placed on helping each Chamber to better define its functional role and relations with the other chamber and develop its functional organization and rules of procedures accordingly. This will include defining, selecting, and training/orienting committee staff, and establishing the latter as a nonpartisan career service. Assistance will also be given to members and party factions in defining their own staff needs and in training individuals selected. Estimated inputs are four person years for a long term advisor (\$900,000), and 20 person months of international and local hire short term assistance (\$350,000). An additional \$478,000 is budgeted for local office and staff for the National Assembly activities as overseen by the long term advisor.

**2. Assistance to both Chambers in organizing basic administrative services and other housekeeping activities and the upgrading of the LRS.**

In the administrative and housekeeping areas, technical assistance will be provided to both houses in organizing their internal administrative structures (budgeting, supplies, personnel, scheduling, etc.) and in assisting in the selection and training of appropriate personnel. Some basic computer equipment will also be procured for this purpose. Estimated inputs are \$250,000 for short term technical assistance (international and local hire) and training (largely local hire), and \$200,000 in computer equipment.

An additional \$250,000 is budgeted for installation and training for the shared legislative research service (LRS). \$100,000 of this is for additional computer and other information equipment, and \$150,000 for technical assistance and training. One purpose of this effort will be to develop a roster of local experts available for assistance in analyzing (and on occasion, drafting) legislation in specialized areas. These will not be limited to lawyers, but will also include experts in economic, sociological, environmental and other types of analyses.

### **3. Improving physical facilities, furniture and other equipment essential to the functioning of the National Assembly.**

The needs for equipment and facilities for both houses are enormous, and it is unlikely that this project alone will go very far toward filling those needs. Hence, the resources budgeted here will be complemented by local currency and counterpart contributions and by donations from other agencies. For example, the nascent plans for fully computerizing both houses will not be implemented under this project. Computer and communication equipment for the use of each chamber in the assembly and its key officials will be provided (\$200,000, including installation) and a modest amount (\$300,000) will be provided for basic office furniture and equipment (files, tables, desks, chairs, typewriters, etc). In addition, \$250,000 is budgeted for the refurbishing of a locale for the Senate.

### **4. TA and training, including in-country seminars and overseas study tours, to facilitate communication between opposition and majority parties as members of a parliamentary plurality.**

This includes \$150,000 for seminars and related technical assistance, and \$150,000 for observation trips.

### **5. Constituency Relations**

There is an existing proposal for the establishment of departmental offices for members of Congress to enable them to provide immediate attention to the public. While this project cannot contemplate the financing for this venture, it does provide \$50,000 for a study or concerted technical assistance to analyze this and other proposals for achieving the same purpose. Inputs to the study and other aspects of constituency relations will also be made by the project's civil society component. The civil society component will work through NGOs to promote citizen education and mobilization and to provide information about citizen attitudes toward the Assembly and their representatives. An additional \$150,000 is budgeted for decentralized workshops and seminars aimed at directly engaging citizens in dialogue with Assembly members on the role and function of the institution and for citizen participation in setting the national legislative agenda.

The activities to assist the National Assembly in improving its administrative, operational and technical systems will involve the full participation of the heads of the two chambers, parliamentarians, and permanent staff to insure that these are consistent with the unique characteristics, roles and responsibilities of the National Assembly in the Haitian form of parliamentary government. Similarly, gender considerations will be an integral part of the technical assistance and training. This will include highlighting gender impacts of legislation and discovering methods to increase involvement of women and other

vulnerable group members in activities that reach out to these constituencies.

### Local Government

**Summary:** The purpose of this component is to enhance popular participation in local democratic processes and to improve the capacity of local governments to respond to constituent needs. Groups which represent the needs of women and other vulnerable groups will be given special consideration. Performance under this component is intrinsically tied to political changes, some of which could be beyond the scope of this project. The project will provide TA, training and commodity support to the entities that comprise Haiti's territorial administration. This includes: the 3 member CASECs for the 536 communal sections and the to-be-defined Communal Assemblies; the 3 member Municipal Councils of the 134 Communes and the Municipal Assemblies; the 3 member Departmental Councils of the 9 Departments and the Departmental Assemblies; and, if formed, the 9 member Interdepartmental Assembly. By the end of the project, the following outputs will be achieved:

-All the elected bodies that comprise Haiti's territorial administration will be established and functioning according to amplified legislation which clearly establishes their individual and mutual roles and responsibilities;

-At least 300 CASECs and 50 communes will have received TA, training and practical experience on the basis of which they will have adopted new administrative systems and procedures, introduced participatory mechanisms for identifying communal needs, and received training and practical experience in designing and implementing small local development projects;

There will be increased involvement of grass-roots organizations, especially those that target women and other vulnerable groups, in discussions of community problems with the local governments targeted by the project.

There will be functioning regional and possibly a national foundation(s) or association(s) which serve as fora to address and articulate the needs and interests of the CASEC, communal, and departmental councils through periodic meetings of their officials and through a permanent technical secretariat (which may take on some of the TA and training functions carried out under the project);

Either through new legislation, or an improvement of the operation of that which already exists, steps will be taken to assure a guaranteed revenue base for the communal councils, and a transparent and participatory process for allocating these resources to municipal and communal section needs.

These arrangements will also address the issue of communal section budgets working toward a resolution of the question of financial independence for those communal bodies or their resources guaranteed as a fixed portion of the commune budget.

As with the assistance to the National Assembly, the first stage assistance to local government (until a new contract is in place,) will constitute that which is already in progress under current DEP activities. The results of this and related projects currently implemented by AID and other donors will provide the basis for expanding local government activities in the remaining four years of the project.

**Measures of Progress (illustrative):**

- Communes preparing budgets and monitoring implementation of projects.
- Communes/CASECs holding open meetings to determine community priorities. A special effort will be made to provide a voice for women and other vulnerable groups members.
- Local government associations influencing national debate on decentralization issues.
- Communes receiving revenues are preparing operational budgets.
- Citizens, both men and women, in communes involved in the project activities express confidence in their local government.

**Background and Rationale:** The GOH's "Strategy for Social and Economic Reconstruction" quoted in section II.D, emphasizes a new commitment to devolving authority to local levels. Given Haiti's history of revolving "presidential strongmen" and a dominant, centrally-oriented executive, stability over time will only come if the majority of the population -- the 90 percent rural and urban poor -- develop ownership of a democratic government so that they will not tolerate potential non-democratic moves. Developing this ownership in the first instance means developing credible, functional government bodies that respond to local level concerns. The CASECs and Municipal Councils are such bodies. These entities must be open and responsive to local community organizations and groups by encouraging their full participation in identifying, and working together to resolve local problems. This is needed to insure that Haitian local government does not, as in the past, merely serve as the central government's mechanism for enforcing its dictates and extracting resources. The creation of a grass-roots "demand" for democratic governance will serve as yet one more

piece of the check and balance system that may enable Haiti to sustain over time its democratic efforts.

USAID is already supporting local government through a number of activities, i.e.:

\*Americas Development Foundation (ADF) has developed a strategy and has selected a contractor for its local government training program. The program has three major components:

--Training for local government officials and local constituent organizations. This training will provide general orientation to decentralized government and local autonomy, administrative training skills, training on constituent participation and accountability, and practical experience in participatory planning, resource identification and project implementation. Materials have been developed in Creole to augment a four phase, forty day basic training program.

--Institution building to strengthen national and regional associations of both local government officials and community groups, to help them in their multiple roles as policy advocates and key representative interest groups on a local and national level. In conjunction with the UNDP, the Canadian CIDA, and AID's Jobs Creation program, ADF recently helped sponsor the first meeting of a nation-wide Association of Mayors. This or some similar organization is a prime target for further attention under the amended project.

--Complementary assistance to generate, provide, and secure other available resources for local government activities and administration, including USAID Haiti and other donor programs.

The development of materials and training of trainers for Phase 1 training began in early FY 1995. Actual training is now beginning in 22 of the 134 communes in Haiti, targeting roughly 15 elected officials (from both the commune itself and associated CASECs) and 15 constituent representatives in each commune.

\*Under the Jobs Creation program, Planning Assistance, Inc. began (in August, 1993) a municipal training program in conjunction with its labor intensive infrastructure rehabilitation program in two of the largest communes in the country. Since June 1994, it has expanded the program to sixteen communes. A second US PVO, the Pan American Development Foundation (PADF) works in four other large municipalities. Planning Assistance's training program,

composed of monthly seminars over the course of a year is combined with technical assistance to help in the identification and preparation of projects (whose implementation is executed and funded under the project). The program content is similar to that of ADF and also focuses on the involvement of the CASECs. In the development of training materials, Planning Assistance has relied on work done by a UNDP municipal assistance project. While there has been some overlap in the sites chosen by Planning Assistance, PADF, and UNDP, all differ from ADF in their selection of market towns or other areas with more economic potential as their bases of operation. ADF has purposely focused on smaller communes with a smaller resource base in an effort to go directly to the more needy.

As scheduled or already underway, these activities will reach a selected number of communes and CASECs throughout the country. USAID's office of Transition Initiative (OTI) has proposed some complementary assistance. This is currently focused in seven sites and the addition of six to eight more has recently been approved. Intended as a short term intervention (the local director insists that his site teams will only remain six months in each area), the emphasis here is less on training than on eliciting communal activism (i.e. decentralized governmental structures, citizen groups etc.) to identify and implement small local projects. Like ADF, Planning Assistance and PADF, the OTI project has a fund set aside for assisting these projects (in this case largely for the purchase of essential materials).

**Proposed Activities:** Since it is likely that some, if not all of the activities described above will continue through mid-to-late 1995, some basic support to a significant portion of elected local authorities is guaranteed (i.e., leading up to the effective date of this amendment). At that time a new implementing mechanism will be introduced. During the interim period, the DEP itself will continue providing assistance through ADF. Equally important, all of the existing activities are generating models for municipal assistance, related training techniques and materials, and a core group of experienced advisors and trainers (many of them Haitians,) which (and who) may be important inputs to the program to follow. Whether or not one of the present implementing agencies is included in the DEP amendment activities, the project will build on all of the previous work, which in essence constitutes a series of pilot projects; any or all of which may be adopted for subsequent expansion on a semi-national basis.

The target of 350 elected entities for LOP has thus been set as a minimum goal, and may be raised over the course of the project should circumstances permit.

1. **Direct Institution Building -- the Communal Councils and CASECs.**

This element is the major focus of the project and comprises direct TA, training and funding for small community identified projects on at least 300 CASECs and 50 communes (roughly divided among all nine departments) with an emphasis on helping them define and carry out their roles within the context of existing and projected legislation. Should the various subnational assemblies (especially sectional and communal) be formed over the course of the project, some TA and training will be redirected to them to help initiate their activities and define their relationship with their respective councils.

While the specific design of this extended assistance will depend both on the results of the "pilot activities" already under way and the judgments of the contractor or subcontractor chosen to implement them, the general outlines are by now fairly clear. As in the pilots, emphasis is placed on providing technical assistance and training in basic skills and an opportunity to practice them on small projects to as wide a number and variety of local units as possible. Unlike similar projects done in other countries (e.g., El Salvador) where far fewer communities have been selected for far more intensive work (and the development of more detailed organizational and procedural models), the Haitian situation, and especially the near total lack of experience with decentralized local government on the part of both local officials and their constituents (including local organizations), requires a strategy whereby basic skills can be provided to as large a group as possible. It should also be emphasized that the purpose of the local project fund is to give communities a chance to apply new skills, not to build infrastructure or create jobs per se. It is likely that other donors may be willing to provide additional resources to communes that have developed the management capacity in community project identification, budgeting and implementation--an aspect that differentiates this approach from that of some "pilot" activities. Good communications with the field teams and an annual in-house self evaluation will allow opportunities for fine tuning and readjustments as the program progresses. Also, before any field work is begun, it is expected that the long term advisor for the local government element will thoroughly familiarize him/herself with at least the pilot programs mentioned above and meet extensively with staff still available. Thus, the advisor can build on, rather than reinvent, their achievements and experience. Should time and resources allow, at some point a part of the technical assistance may be directed to more concerted work in a few communes representing basic "types" so as to develop more detailed models and systems, but this should be regarded as a secondary priority as opposed to the goal of getting local entities "up and running."

The activity, which will require a basic professional staff of one long term advisor and the equivalent of fourteen long term local hire field advisors. Field advisors will be chosen and paired in two-person teams on the basis of skills and experience in

designing/implementing small projects in rural communities, knowledge of administrative and organizational techniques appropriate to small community organizations, experience as trainers and prior work with rural and urban grassroots groups. They will be deployed throughout the country, with approximately six teams located in permanent offices for periods of up to one year so that they may provide first phase training and technical assistance to two to three communes and their surrounding CASECs. The other teams will be mobile, to provide continuing oversight and periodic technical assistance to communities which have already graduated from the first phase. Location of field offices and selection of communes will be based on the prior evaluation of progress and results under the earlier training and technical assistance programs, which in theory will have already reached at least 38 communes. (However, replacement of authorities following the next elections may require some further work there). Short term trainers will also be hired to conduct classes as needs are determined. Courses and training materials used will be based on those developed under the existing project, thus reducing the time and resources needed for this purpose. While the basic focus is on the communal council, as in the pilot projects, the corresponding CASECs will be dealt with simultaneously, and it is intended that at least half the total value of the funded projects will be done directly for their benefit. Training of trainers and training materials will address gender considerations for local government activities to incorporate elements that will encourage participation of women and other vulnerable group members.

Total costs of training and technical assistance (including a long term advisor, vehicles, office rental and equipment) for this component is estimated at \$5,674,000. An additional \$1,250,000 of project funds will be earmarked to support local projects; for a total component cost of \$6,924,000. The local project fund is estimated on the basis of \$25,000 per commune of the approximately 50 communes that will receive direct training and technical assistance. Should local currency resources from Title III, for example, become available, these funds rather than DA funds could be used for this purpose. These local project funds will be managed entirely by the field staff initially, although "graduate communes" may eventually be granted limited funding for specific project proposals (and carefully supervised in their use). Monies are also budgeted for external auditing of these funds.

## **2. Legislative and Other Structural Reforms.**

This element focuses on identifying and proposing solutions to the legislative and policy constraints affecting the full enactment of the decentralization policies embodied in the 1987 Constitution. The current programs for strengthening CASECs and municipal councils, and those for at least the first half of 1995, will operate under existing legislation (essentially the relevant Constitutional sections on territorial governments and a somewhat

contradictory 1982 law). Haitians and foreigners involved with these efforts are well aware that further enabling legislation is required to flesh out the constitutional provisions, replace the 1982 law, and resolve some problems (especially in municipal financing) that have already emerged. Enactment and possible further modification of legislation regarding the subnational assemblies is also needed for the creation of the Permanent Electoral Council (chosen through these still nonexistent bodies). Draft laws for the CASEC, Municipalities and Departmental levels have been developed and are under consideration in the National Assembly. ADF has also financed the development of an alternative version by a local expert. The draft legislation now in the Assembly, as well as the alternative version, still need considerable adjustments, but they provide a good starting point for additional wider discussion.

The draft legislation needs to be revised to address, inter alia, the following problems:

-The Constitution and the draft legislation do not distinguish between poor, rural, remote communes, and communes comprising Haiti's major cities. Thus, while the mayors of Port-au-Prince or Cap-Haitien could indeed develop financial autonomy to the benefit of their citizens, the mayors of numerous smaller communes do not have similar access to financial resources. Although the 1982 mayoral law can be used as a base, there is essentially no legal framework with which to develop rural or urban resource generation or allocation plans, e.g. tax and tariff regulations, municipal fee schedules, etc. The distinction between urban and rural communes is yet another issue that must be addressed.

-Although the Constitution provides for continuance of the executive representatives of "Delegate", at the departmental level, and "Vice-Delegate" at the arrondissement, it is unclear how these political appointees will relate to the new elective structures.

-The Constitution provides for the creation of an Interdepartmental Council, the members of which are to be designated by the Departmental Assemblies which do not yet exist. The Interdepartmental Council is to work with the Executive to plan projects for decentralization and development of the country in all sectors. Thus, the only stated basis for linkage of the Executive and Local Government is at the center, which is to undertake central planning of decentralization. No formal linkages between departmental councils and the national legislature are prescribed.

-Although the Law of December 16, 1991 on the Organization and Functioning of the Communal Sections includes 20 Articles on Communal Section Finances, it also indicates that the Ministry

of Economy and Finance must propose new legislation regulating local government finance before Communal Section budgets can be provided. The current understanding of many observers is that the relevant commune will continue to manage funds for the CASECs. This issue needs further study and definition.

-There remains some controversy as to the relationship between the council and the assembly at each level. While it appears that the former is the executing body and in this sense accountable to its assembly, there are those who claim the roles should be reversed. The latter seems an unlikely and impractical arrangement, and, to the extent confusion exists, this matter should be clarified.

-The communal council is to serve as government for the commune in both the narrow (core population center) and broader (including all the adjoining CASECs) geographic sense. There has been some suggestion that the lack of a CASEC for the "small commune" is an unfortunate oversight which should be remedied through modified legislation.

-Finally, the Constitution establishes a distinct difference between the army and the police, but the enabling legislation has yet to be developed. This will be drafted by the executive or legislative branch, and reviewed and approved by the parliament. Relationships among the police, the CASECs and the Municipal Councils needs to be defined.

Although some of these issues are addressed in the draft legislation now in the Assembly, all of them are not. Furthermore, the presence of at least one alternative version, and wider discussion of the themes, suggests that the solutions included in the draft remain controversial. This might be expected since it was produced within the Assembly, with little outside participation. Finally, while some issues (especially those allowing the formation of the various subnational assemblies) seem to require immediate resolution, others should be subjected to longer and wider study and consultation. Due to uncertainties about the legal status of the National Assembly, should the existing members remain seated after their mandate runs out in January, 1995, legislation passed after that date (but prior to the seating of a new body) may face an additional set of problems. Consequently, whatever happens to the draft legislation now under consideration, it is obvious that there is a need to encourage further study and broader discussion- something which the project will support through technical assistance and the sponsorship of discussion fora.

A further matter for discussion, and possibly for new legislation, involves the question of municipal finance. Very briefly, the municipal revenue base depends to a large extent on taxes and fees which are collected by the central government.

While in theory the funds so generated (which in large part are property taxes) should be sufficient for the needs of a significant number (if not a majority) of municipal governments, the amounts collected fall far short of what is due and the central government retains more than its fair (and perhaps legal) share of what it does collect. The two basic options, each with its supporters, are either to assure better collection by and a fairer return from the Central Government, or a devolution of the tax collection function to the municipalities themselves. A partial solution (which would not resolve the problems of municipalities whose needs far surpass their real tax base) is likely to involve some combination of legislation and institutional strengthening of whatever body(ies) do the collection. There may also be short and long term solutions, the latter requiring more detailed analysis. This is also an area where technical assistance to define the terms of debate, and more technical assistance and training to help implement the solution, are in order.

Technical assistance for studies and advisors in these areas is estimated at \$200,000 over a four year period. A part of the broader consultations will be funded under the next component.

### **3. Formation of a Municipal Association and Technical Secretariat.**

This element comprises TA and some commodity assistance for the formation and strengthening of subnational and national forums and associations which bring together commune and CASEC leadership, interested citizen organizations, and political leadership to discuss common problems and help formulate proposals to define and strengthen the roles of all the subnational governmental entities defined in the 1987 Constitution. As a way of further integrating the civil society component with efforts to strengthen local government, national citizen organizations concerned with issues of local governance may be supported under that component and would participate actively with these municipal organizations to insure broad support for addressing local governance issues and better link "supply" and "demand" for responsive local governance in Haiti. Existing project activities have offered some limited support to regional and national associations of mayors which at least at present would seem to be a logical site. Promotion of this kind of association is important for the general purpose of uniting these officials to discuss their wider mutual problems, and to begin to articulate them as proposals to the national government. Additionally, based on experience in other countries in the region, such a national association is more effective when it has access or is attached to a permanent technical body (a municipal institute) which can study and formulate proposals arising out of the association's deliberations. Such a technical body can also become the repository for the training programs, materials and techniques developed through the first component of the project. While the project does not contemplate creating a

whole new municipal institute on a trial basis, it will provide basic operating costs (rent of a locale, equipment, and payment of salaries of a director and basic staff) for a one to two year period. Rather than financing additional professionals, the funds would be made available for contracting short term studies and for paying of local experts to collaborate with international experts (under component two above) in designing draft legislation. Costs of the association to prepare and hold one national meeting and several subnational meetings, seminars, and workshops each year, to publish some sort of bulletin for council officials, and for other related activities are funded at \$150,000. Monies available for start up costs of the technical secretariat, are \$150,000 and another \$200,000 to hire short-term local and expatriate advisors and contract studies. The long term advisor for the whole component will also provide assistance to both entities and work with them to attract funds from other donors.

## 2. Civil Society Strengthening

Summary: The purpose of this component is to build the basis for a democratic civil society by increasing citizens' knowledge of government structures and operations, attachment to democratic values, and channels for effective participation in policy making at the national and local levels. The project will strengthen the institutional and programmatic capabilities of at least 10-15 organizations, and an additional 4-5 labor confederations, to enhance democratic values and pluralism in Haiti. The desired output is that key segments of the society, including the elite, youth, labor, urban and rural poor, and other groups in society, exhibit an increased understanding of the rights and responsibilities of citizens: tolerance and respect for the rights of others; and increased participation and collaboration in problem-solving in peaceful fora. Special consideration will be given to organizations that target participation of women and other vulnerable group members and/or provide leadership opportunities for women and other members of vulnerable groups. By the end of the project, the following outputs will have been achieved:

- National and local civic education campaigns will have been carried out such that Haitians at all levels, especially women and other vulnerable group members, will have greater understanding of their rights and responsibilities in a democratic society; the importance of respect and tolerance for the rights of others and through a better knowledge of governmental organizations, will be more active and effective participants in their society.

- Through participation in non-partisan fora, Haitians from all sectors, especially women and other vulnerable group members, will have opened channels of communication and dialogue and developed greater tolerance and respect for different points of view on issues affecting everyone such as social reconciliation, the role of government, and decentralization.

- Local level organizations will be acting in concert with their communities to articulate and address common problems, in order to develop greater mutual trust and respect for each other and their government. A special effort will have been made to target the involvement of organizations that promote programs for women and other vulnerable groups.

- Labor organizations will have increased capacity to frame and present issues to their government within a democratic context of compromise and negotiation.

#### Measures of Progress:

- Public opinion surveys indicate increased understanding citizens' rights and responsibilities, and increased knowledge about national and local government, the national assembly and judicial system. A special effort will be made to target women and other vulnerable group members' responses to these surveys.

- Public opinion surveys indicate increased confidence in local government and non-governmental institutions. A special effort will be made to target women and other vulnerable group members' responses to these surveys.

- Public opinion surveys indicate increased understanding, especially by women and members of other vulnerable groups, of national issues such as the role of government, social reconciliation and other issues addressed in national fora.

**Background and Rationale:** The restoration of the constitutional government, its commitment to human rights, and to the "decentralization" of government to make it more accountable and responsive to its citizens, provides a unique opportunity for Haiti to embark on the long process of building a participatory, democratic society. The original PP and other democracy projects have highlighted the importance of a vigorous civil society as a key element in articulating needs, working as a partner in policy-making and balancing the power of government. Autonomous and voluntary organizations have been in Haiti for a long time. As indicated in the original PP, a March 1988 report estimated between 800 and 1500 NGOs were operating in Haiti. During the three years of military dictatorship, NGOs involved in promoting democratic values were stifled and became particular targets of oppression.

The original PP outlined the lack of understanding among all Haitians about the rights and responsibilities in a democracy. Past violence and human rights abuses that occurred during the last three years, sometimes sanctioned and carried out by the government, are not easily forgotten. Recurring themes highlighted by Haitians contacted during the preparation of this PP amendment are the fair application of justice and respect for the rights of

all Haitians. Haitians are concerned that without a concerted effort to improve the system of justice and development of tolerance for the rights of others the current period of reduced violence and fragile sense of security could unravel. Furthermore, unless credible democratic institutions are developed in both the governmental and non-governmental spheres at both the national and local levels and which can work together, a participatory, responsive (i.e. democratic) system will not develop.

As a result, this component of the project proposes to target support to organizations to implement selected activities that will enhance citizen understanding of and participation in a democratic society and that such basic democratic values such as respect for the rights of others, tolerance, dialogue and non-violent conflict resolution are widely disseminated and practiced. Through these mechanisms and a complementary media campaign, citizens will also receive information on the new governmental structures and procedures introduced by the 1987 Constitution. Non-governmental organizations that focus on articulating and "demanding" responsive governance from the National Assembly, local and or central government will be candidates for support under this component. Such effort will enhance integration and linkages with the projects institutional development activities with the National Assembly and local government.

**Proposed Activities:** A number of activities involving NGOs are currently being carried out under the project. They include the ADF managed Human Rights Fund which provides assistance to victims of human rights violations and other civic education and human rights sub-grantees. Support for these activities will continue until the June 30, 1995 PACD. Activities to support civil society proposed under the DEP amendment will be managed by a contractor responsible for this component. At this time, it is not envisioned that support to the Human Rights Fund will continue under the DEP amendment.

The activities outlined in more detail below will be carried out through a sub-grants and sub-contracts program managed by the institutional contractor. Some activities such as media campaigns may be sub-contracted directly with local entities. A special effort will be made to work with women and other vulnerable groups in Haitian society. Due to the evolving nature of the Haitian governmental structure and of the political climate, this component will require maximum flexibility. The design of any strategy related to institutional development of the National Assembly and local government, to the strengthening of democratic civil society, and to supporting reconciliation and collaborative problem solving must have Haitian participation and leadership. To that end, this component includes support for the creation of a Haitian Advisory Group which should meet at regular intervals with the USAID Project Team and country team representatives of the Inter-Agency Democracy Committee (described below). They will review and assess on-going

project efforts, and participate in proposed modifications to the DEP project. Members of the Advisory Group will be drawn from a broad spectrum of Haitian society, including the business sector, women's organizations, organizations representing other vulnerable groups' interests, labor, individuals in academia, and those with practical experience working with civil society etc. Funding for the Advisory Group will be minimal (travel and per diem for those living away from meeting sites, some minor secretarial, publications and communications costs).

As stated above, the sub-grants and sub-contracts program will be managed by a contractor. It is expected that some elements such as civic education campaigns through broadcast and other media would be sub-contracted locally while other civic education activities might be sub-granted locally or internationally. Special consideration will be given to those organizations which include targeting women and other vulnerable groups in their proposals. USAID/Haiti will consider relying on USIA to implement aspects of the civic education elements, assuming that they can make the necessary commitments and that these would result in greater efficiencies than implementation by NGOs or the private sector.

Due to the scope of activities related to national dialogue fora and labor issues, these efforts will be conducted under separate sub-grants made by the contractor. The contractor's long term advisor will be responsible for managing this component, assisted by a local hire office staff. The cost of managing this component is estimated at \$1,761,000.

The following activities would be supported under this component:

#### **1. Civic Education**

Support will be provided for campaigns using the media (radio, TV, print media, and other innovative mechanisms) to highlight basic themes and those of particular relevance to Haiti: rights and responsibilities of citizens (with tolerance and respect for the rights of others with opposing views as central and complementary concepts); information on the basic structure and procedures of government, follow-on themes on peaceful dispute resolution; and the concept of the "common social good" etc. These campaigns would be targeted to all citizens and not to any one group in particular. Such an inclusive approach is essential for the campaigns to be broadly supported and effective.

Special attention will be given to sub-grant activities which target communication to groups outside the reach of "traditional" modes of mass communication (i.e. techniques such as "road show" theater groups or audio/visual presentations). Special attention will also be given to groups which target women and other

vulnerable groups for message development and dissemination. The message content and most appropriate vehicles for such an effort would be discussed with the Advisory Group. Testing of message content should be incorporated into these efforts before broad campaigns are carried out. The impact of both mass media and more targeted civic education campaigns will be assessed through public opinion surveys and targeted evaluations.

Costs of the media campaign are estimated at \$100,000 for short term TA and \$700,000 for contracts to develop and carry out civic education campaigns throughout the country.

## **2. Local Level Initiatives/Sub-Grants Program**

To reinforce the civic education messages on tolerance, rights and responsibilities and to provide citizens with practical experience in applying democratic concepts, grass-roots level NGO initiatives would be funded under a sub-grant program. Proposals worthy of support might include: programs to encourage interaction between youth groups from various backgrounds through sports, music, school exchanges, the formation of local street law programs and alternative mediation and dispute resolution in communities; local level adult literacy programs; help for organizations dedicated to "demanding" responsive governance by the National Assembly, local and/or central government etc. Proposals would be assessed to determine which have the potential for broader replication throughout the country. TA would be used to assist promising initiatives replicate activities, as well as support the organizational and programmatic development of selected organizations that have an opportunity to develop sustainable programs.

For the local initiatives sub-grant component, the contractor, USAID, the Inter-Agency Democracy Committee and the Haitian Advisory group would be involved in developing a set of criteria to award sub-grants. These will focus on such elements as variety of direct beneficiaries and clarity of expected outcomes. Illustrative criteria and weighting which were used in the original DEP and will be reviewed prior to the initiation of this activity. The sub-grants provided under this element will be carefully reviewed to insure that they are non-partisan. Institutions to be funded will be selected after submitting proposals in response to periodic notification undertaken by the contractor. The open notification will include a description of the objectives of the funding, the evaluation criteria and an illustrative proposal format which will be developed by the contractor for this component.

The Inter-Agency Democracy Committee will review grants in excess of \$100,000 dollars. Once Committee approval is obtained the contractor will prepare the sub-grant with the approved organization and disburse and manage the sub-grant. The

institutional contractor will work with the organization to ensure that its workplan is followed and that necessary progress and financial reports are submitted.

Resources are also included to finance targets of opportunity and other unanticipated requests for assistance in the democracy area. For example, resources may be needed for a multi-donor-supported effort to document past human rights violations, a citizen's protection ombudsman; and/or other activities. The DEP Project Team will determine, in consultation with the Inter-Agency Democracy Committee, which interventions are appropriate and will instruct the contractor to sub-contract/grant or otherwise respond to the target of opportunity. Funding for these local initiatives and subgrants is budgeted at \$1,300,000 and \$150,000 for technical assistance.

The public opinion survey will be carried out under this component to measure citizen views on democratic practices, knowledge and perceptions of government institutions, etc. It is estimated that the cost of initiating and continuing an on-going public opinion survey is \$500,000.

### **3. National Dialogue Fora**

To encourage tolerance, dialogue and debate among groups that consider their interests to be unrelated and that hold differing viewpoints on important issues, a program for national fora to discuss fundamental issues requiring consensus and compromise would be supported under this component. For example, debates, presentations and discussion groups could be brought together by respected, non-partisan organizations involving business, labor, rural and urban interests and others to hold discussions on topics such as social reconciliation, the justice system, education, health and decentralization issues, the economy, transportation, the environment, etc. Limited external technical assistance would be needed to communicate the experience of groups which have utilized similar mechanisms in other countries to develop democratic skills and understanding and overcome polarization, acceptance of violence and insecurity (e.g. Centro Demos in El Salvador or other LAC countries) .

Short term TA will be provided to assist Haitian organizations in carrying out the fora. These would include encouraging dialogue among various groups in Haitian society and structuring the fora to achieve mutual understanding and recognition of common goals and interests, and developing compromise. The estimated cost of the TA and conduct of the national fora are estimated at \$425,000.

### **4. Labor**

Given the size and potential importance of the labor sector in Haiti, and its importance along with the private sector in the

reactivation of the Haitian economy, support may be considered under the sub-grants component for programs that instill democratic principles in union members, including concepts such as negotiation, compromise, and the appropriate roles and responsibilities of unions in a democratic society. USAID will continue to support the development of Haiti's 4-5 major labor confederations which represent approximately 200 separate labor unions. Based on past support to labor confederations in Haiti, the estimated cost of this component is \$750,000 over four years.

The total funding for the civil society component is \$5,686,000.

#### **IV. BUDGET**

##### **A. Funding Components**

The proposed budget of \$18,080,000 increases the original DA/ESF budget from \$11,000,000 to \$29,080,000 over the full 8-year LOP. As stated above, the planned local currency (LC) contribution of US\$13,450,000 is no longer available.

**Recurrent Costs and Host Country Contributions.** Haiti's governmental institutions are currently in disarray; the first order of business is the preparation of a budget to assess expected revenues and expenditures. The IMF and GOH are currently assessing Haiti's macroeconomic and particularly its fiscal situation. It is expected that Haiti will have to adjust expenditures and carry out significant fiscal reform in order to adhere to the final IMF program. Two project elements, strengthening the capacity of the National Assembly and the Local Government, have recurrent cost implications for the GOH. The National Assembly has its own budget to cover operations. Since the project will support the development of appropriate administrative and budgetary systems, as well as rationalization of staff functions and size, any recurrent cost implications for the assistance provided will take into account the current and future budget situation of the Assembly. The introduction of computer equipment and the development of the information system is scaled back considerably to insure the pooled use of the equipment in order to minimize recurrent costs (See Section II.B.1.a.).

The local government element is more difficult to predict in terms of recurrent costs. At this time it is unclear what resources will be available to support Local Government. Also, the exact structure of Local Government has yet to be determined. For this, new laws must be passed and enforced. However, by supporting the training of selected government staff and the actual implementation of local level activities, the project will introduce concepts of budgeting, community level priority setting and support, implementation, and operation/maintenance

considerations, that will be new. Communes participating in the small projects activity will be expected to 1) provide in-kind contributions in carrying out the local level projects and, 2) incorporate future operation costs and maintenance requirements of relevant projects. By working with new mayors' associations, it is expected that issues such as development of a stable revenue base and rational organization of technical assistance to support local government, can be developed. Recurrent cost implications and issues are expected to be minimal, but will be reviewed during the DEP annual implementation reviews.

The elements under the Civil Society strengthening component are designed to carry out civic education, establish national fora and test alternative ways for Haitians to "practice" participating in a democratic system in the near term. They are designed to begin exposing citizens to a different view of themselves and their nation. Ultimately, civic education will be incorporated into school curricula and institutionalized within Haitian society. By supporting initiatives at the local level, the project hopes to identify core "best practices" that can be further developed and institutionalized. Recurrent cost concepts within this context are inappropriate, although organizations would be expected to indicate the types of in-kind contribution and other community support they expect in carrying out their programs. The annual implementation review will be assessing impact and benefits under these sub-grants to identify those that have the potential to be replicated elsewhere. In the labor element, which will work with the workers' confederations, there will be a greater emphasis on recurrent costs via promoting the ability to increase member support of these organizations.

The state of GOH finances will be monitored, and the issue of GOH contributions will be addressed during annual implementation reviews. The issue of future GOH counterpart contributions would be incorporated into the PROAG to indicate that the capacity of the GOH to provide such counterpart will be reviewed as part of the annual implementation reviews. Also, this will be considered as an essential indicator of GOH commitment to the project. As Haiti is classified as a "relatively least developed country" by AID Washington, a waiver of the standard 25 percent contribution is requested as part of the authorization process.

Table 1 provides an amended estimate of the source and use of funds for the entire project. Table 2 provides a detailed budget for the additional resources to be provided to the project. Table 3 shows the planned obligations schedule for the additional resources over the remaining life of project. Table 4 breaks down the total obligations for the project. A table of inputs of the additional resources is shown in Annex A, as part of the Logical Framework.

**Table 1: DEMOCRACY ENHANCEMENT PROJECT  
SOURCE AND USE OF FUNDS  
(\$000)**

Project Component	<u>Original Project Paper</u>					<u>This Project Paper Amendment</u>					<u>New Project Total</u>				
	<u>A.I.D.</u>		<u>Generated</u>	<u>Original PP Total</u>		<u>A.I.D.</u>		<u>Generated</u>	<u>This Amendment Total</u>		<u>A.I.D.</u>		<u>Generated</u>	<u>New Project Total</u>	
	FX	LC	LC Only	FX	LC	FX	LC	LC Only	FX	LC	FX	LC	LC Only	FX	LC
National Assembly	864	40	3500	864	3540	3820	101	-3500	3820	101	4684	141	0	4684	141
CEP*	252	12	0	252	12	0	0	0	0	0	252	12	0	252	12
Parties/Labor**	2100	0	2000	2100	2000	0	0	-2000	0	0	2100	0	0	2100	0
UMU Management	2048	1100	0	2048	1100	0	0	0	0	0	2048	1100	0	2048	1100
Local Government	1000	0	5700	1000	5700	4400	2524	-5700	4400	2524	5400	2524	0	5400	2524
Civil Society (Indep. Sector)	2250	0	2250	2250	2250	2000	3586	-2250	2000	3586	4250	3586	0	4250	3586
Audits	0	100	0	0	100	0	250	0	0	250	0	350	0	0	350
A.I.D. Management(Eval)	1080	140	0	1080	140	1400	0	0	1400	0	2480	140	0	2480	140
<b>Total</b>	<b>9594</b>	<b>1392</b>	<b>13450</b>	<b>9594</b>	<b>14842</b>	<b>11620</b>	<b>6461</b>	<b>-13450</b>	<b>11620</b>	<b>6461</b>	<b>21214</b>	<b>7853</b>	<b>0</b>	<b>21214</b>	<b>7853</b>
<b>Grand Total (FX &amp; LC)</b>	<b>10986</b>		<b>13450</b>	<b>24436</b>		<b>18081</b>		<b>-13450</b>	<b>18081</b>		<b>29067</b>		<b>0</b>	<b>29067</b>	
<b>Rounded to</b>	<b>11000</b>		<b>13500</b>	<b>24500</b>		<b>18080</b>		<b>-13500</b>	<b>18080</b>		<b>29080</b>		<b>0</b>	<b>29080</b>	

\* CEP support will be through a separate project.

\*\* Under the Amendment, political parties will be supported through the National Assembly component; labor support will be through civil society.

**Table 2: DEP Amendment Expenditure Budget (US\$)****Democratic Institution Development**

	<u>Totals</u>	<u>FY 95</u>	<u>FY 96</u>	<u>FY 97</u>	<u>FY 98</u>	<u>FY 99</u>
<b>1. National Assembly Component:</b>	<b>3,971,000</b>	<b>483,563</b>	<b>1,376,250</b>	<b>851,250</b>	<b>751,250</b>	<b>508,688</b>
<b>Long Term Advisor/Management</b>	<b>1,671,000</b>	<b>193,563</b>	<b>392,500</b>	<b>392,500</b>	<b>392,500</b>	<b>299,938</b>
Long term advisor (4 yrs.)	900,000	56,250	225,000	225,000	225,000	168,750
Office, local staff	478,000	87,063	104,250	104,250	104,250	78,188
Vehicle (1), fuel and maintenance	85,000	40,000	11,250	11,250	11,250	11,250
Perdiem (30 days/year)	18,000	1,500	4,500	4,500	4,500	3,000
Home Office Support	140,000	8,750	35,000	35,000	35,000	26,250
Audits	50,000	0	12,500	12,500	12,500	12,500
<b>Element 1: Technical Systems</b>	<b>350,000</b>	<b>25,000</b>	<b>81,250</b>	<b>81,250</b>	<b>81,250</b>	<b>81,250</b>
<b>Element 2: Administrative Services</b>	<b>700,000</b>	<b>25,000</b>	<b>250,000</b>	<b>225,000</b>	<b>175,000</b>	<b>25,000</b>
Short Term TA	250,000	25,000	75,000	75,000	50,000	25,000
Computer equip. and installation	200,000	0	100,000	50,000	50,000	0
Computer equip., LRS	100,000	0	25,000	50,000	25,000	0
TA and training, LRS	150,000	0	50,000	50,000	50,000	0
<b>Element 3: Physical facilities</b>	<b>750,000</b>	<b>150,000</b>	<b>550,000</b>	<b>50,000</b>	<b>0</b>	<b>0</b>
Computer equip.	200,000	0	150,000	50,000	0	0
Office equip.	300,000	100,000	200,000	0	0	0
Senate renovation	250,000	50,000	200,000	0	0	0
<b>Element 4: Legislative parties</b>	<b>300,000</b>	<b>50,000</b>	<b>62,500</b>	<b>62,500</b>	<b>62,500</b>	<b>62,500</b>
<b>Element 5: Constituencies</b>	<b>200,000</b>	<b>40,000</b>	<b>40,000</b>	<b>40,000</b>	<b>40,000</b>	<b>40,000</b>
<b>2. Local Government Component:</b>	<b>7,024,000</b>	<b>661,563</b>	<b>1,623,500</b>	<b>1,748,500</b>	<b>1,623,500</b>	<b>1,366,938</b>
<b>Long Term Advisor/Management</b>	<b>2,341,000</b>	<b>263,563</b>	<b>547,750</b>	<b>547,750</b>	<b>547,750</b>	<b>434,188</b>
Long term advisor (4 yrs.)	900,000	56,250	225,000	225,000	225,000	168,750
Office, equip., staff	513,000	88,313	113,250	113,250	113,250	84,938
Vehicles (2), fuel and maintenance	170,000	80,000	22,500	22,500	22,500	22,500
Perdiem (30 days/year)	18,000	1,500	4,500	4,500	4,500	3,000
Home office support	140,000	8,750	35,000	35,000	35,000	26,250
Audits	100,000	0	25,000	25,000	25,000	25,000
Other	500,000	28,750	122,500	122,500	122,500	103,750
<b>Element 1: Local</b>	<b>3,983,000</b>	<b>398,000</b>	<b>925,750</b>	<b>925,750</b>	<b>925,750</b>	<b>807,750</b>
14 local hire TA, 3 yrs.	1,080,000	67,500	270,000	270,000	270,000	202,500
Vehicles (7) and maintenance	595,000	280,000	78,750	78,750	78,750	78,750
Local offices, etc.	250,000	15,625	62,500	62,500	62,500	46,875
Training	250,000	0	62,500	62,500	62,500	62,500
Overhead local	432,000	27,000	108,000	108,000	108,000	81,000
Perdiem (15/day/year/person)	126,000	7,875	31,500	31,500	31,500	23,625
Project Fund	1,250,000	0	312,500	312,500	312,500	312,500
<b>Element 2: Legislation</b>	<b>200,000</b>	<b>0</b>	<b>75,000</b>	<b>100,000</b>	<b>25,000</b>	<b>0</b>
<b>Element 3: Associations</b>	<b>500,000</b>	<b>0</b>	<b>75,000</b>	<b>175,000</b>	<b>125,000</b>	<b>125,000</b>
Meetings and general support	150,000	0	25,000	75,000	25,000	25,000
Technical secretariat	150,000	0	0	50,000	50,000	50,000
Studies, TA	200,000	0	50,000	50,000	50,000	50,000
<b>Democratic Inst. Develop't. Sub-Total</b>	<b>\$10,995,000</b>	<b>1,145,125</b>	<b>2,999,750</b>	<b>2,599,750</b>	<b>2,374,750</b>	<b>1,875,625</b>

**Civil Society Strengthening**

	<u>Totals</u>	<u>FY 95</u>	<u>FY 96</u>	<u>FY 97</u>	<u>FY 98</u>	<u>FY 99</u>
<b>Long Term Advisor/Management</b>	<b>1,761,000</b>	<b>219,313</b>	<b>415,000</b>	<b>415,000</b>	<b>413,500</b>	<b>298,188</b>
Long term advisor	900,000	56,250	225,000	225,000	225,000	168,750
Office, local staff	478,000	87,063	104,250	104,250	104,250	78,188
Vehicle (1), fuel and maintenance	85,000	51,250	11,250	11,250	11,250	0
Advisory group costs (4 yrs.)	40,000	10,000	10,000	10,000	10,000	0
Perdiem (30 days/year)	18,000	6,000	4,500	4,500	3,000	0
Home office support	140,000	8,750	35,000	35,000	35,000	26,250
Audits	100,000	0	25,000	25,000	25,000	25,000
<b>Element 1: Civic Education</b>	<b>800,000</b>	<b>207,500</b>	<b>197,500</b>	<b>197,500</b>	<b>197,500</b>	<b>0</b>
Short Term TA (4 yrs.)	100,000	32,500	22,500	22,500	22,500	0
Media Campaigns	500,000	125,000	125,000	125,000	125,000	0
Rural Campaigns	200,000	50,000	50,000	50,000	50,000	0
<b>Element 2: Local Init./Sub-Grant Prog</b>	<b>1,950,000</b>	<b>130,000</b>	<b>455,000</b>	<b>455,000</b>	<b>455,000</b>	<b>455,000</b>
Sub-grants (inc. targets of opp.)	1,300,000	0	325,000	325,000	325,000	325,000
Public opinion survey	500,000	100,000	100,000	100,000	100,000	100,000
Short term TA	150,000	30,000	30,000	30,000	30,000	30,000
<b>Element 3: National Dialogue Fora</b>	<b>425,000</b>	<b>0</b>	<b>150,000</b>	<b>125,000</b>	<b>75,000</b>	<b>75,000</b>
Short term TA	125,000	0	50,000	25,000	25,000	25,000
National fora	300,000	0	100,000	100,000	50,000	50,000
<b>Element 4: Labor</b>	<b>750,000</b>	<b>0</b>	<b>250,000</b>	<b>250,000</b>	<b>125,000</b>	<b>125,000</b>
Sub-grant (3 yrs.)	750,000	0	250,000	250,000	125,000	125,000
<b>Civil Society Strength'g. Sub--Total</b>	<b><u>\$5,686,000</u></b>	<b><u>556,813</u></b>	<b><u>1,467,500</u></b>	<b><u>1,442,500</u></b>	<b><u>1,266,000</u></b>	<b><u>953,188</u></b>
<b>USAID Management\Evaluation</b>	<b><u>1,400,000</u></b>	<b><u>300,000</u></b>	<b><u>300,000</u></b>	<b><u>400,000</u></b>	<b><u>300,000</u></b>	<b><u>100,000</u></b>
<b>AMENDMENT TOTAL</b>	<b>18,081,000</b>	<b>2,001,938</b>	<b>4,767,250</b>	<b>4,442,250</b>	<b>3,940,750</b>	<b>2,928,813</b>

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**Table 3: Democracy Enhancement Project Amendment  
(521-0236) Planned Obligations  
US\$**

<b><u>Project Element</u></b>	<b><u>FY 95</u></b>	<b><u>FY 96</u></b>	<b><u>FY 97</u></b>	<b><u>FY 98</u></b>	<b><u>FY 99</u></b>	<b><u>Total</u></b>
<b>Democratic Institution Develop.</b>	<b>1,476,000</b>	<b>2,899,750</b>	<b>2,592,750</b>	<b>2,182,250</b>	<b>1,844,250</b>	<b>10,995,000</b>
<b><u>National Assembly:</u></b>	<b>676,000</b>	<b>1,276,250</b>	<b>851,250</b>	<b>659,250</b>	<b>508,250</b>	<b>3,971,000</b>
<b><u>Local Government:</u></b>	<b>800,000</b>	<b>1,623,500</b>	<b>1,741,500</b>	<b>1,523,000</b>	<b>1,336,000</b>	<b>7,024,000</b>
<b>Civil Society Strengthening</b>	<b>800,000</b>	<b>1,467,500</b>	<b>1,442,500</b>	<b>1,266,000</b>	<b>710,000</b>	<b>5,686,000</b>
<b>USAID Management</b>	<b>350,000</b>	<b>300,000</b>	<b>300,000</b>	<b>250,000</b>	<b>0</b>	<b>1,200,000</b>
<b>Evaluations</b>	<b>0</b>	<b>0</b>	<b>100,000</b>	<b>0</b>	<b>100,000</b>	<b>200,000</b>
<b>GRAND TOTAL</b>	<b><u>2,626,000</u></b>	<b><u>4,667,250</u></b>	<b><u>4,435,250</u></b>	<b><u>3,698,250</u></b>	<b><u>2,654,250</u></b>	<b><u>18,081,000</u></b>
<b>Rounded to</b>						<b><u>18,080,000</u></b>

**Table 4: Democracy Enhancement Project  
(521-0236) Total Obligations  
US\$**

<u>Project Element</u>	<u>Prior Obligations</u>	<u>FY 95</u>	<u>FY 96</u>	<u>FY 97</u>	<u>FY 98</u>	<u>FY 99</u>	<u>New Total</u>
<b>Democratic Institution Develop.</b>	<b>1,432,964</b>	<b>2,609,000</b>	<b>2,899,750</b>	<b>2,592,750</b>	<b>2,182,250</b>	<b>1,844,250</b>	<b>13,560,964</b>
<u>National Assembly:</u>	984,364	1,809,000	1,276,250	851,250	659,250	508,250	6,088,364
<u>Local Government:</u>	445,000	800,000	1,623,500	1,741,500	1,523,000	1,336,000	7,469,000
<u>Elections</u>	3,600	0	0	0	0	0	3,600
<b>Civil Society Strengthening</b>	<b>6,675,320</b>	<b>2,000,000</b>	<b>1,467,500</b>	<b>1,442,500</b>	<b>1,266,000</b>	<b>710,000</b>	<b>13,561,320</b>
<b>USAID Management</b>	<b>317,604</b>	<b>591,000</b>	<b>300,000</b>	<b>300,000</b>	<b>250,000</b>	<b>0</b>	<b>1,758,604</b>
<b>Evaluations</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100,000</b>	<b>0</b>	<b>100,000</b>	<b>200,000</b>
<b>GRAND TOTAL</b>	<b><u>8,425,888</u></b>	<b><u>5,200,000</u></b>	<b><u>4,667,250</u></b>	<b><u>4,435,250</u></b>	<b><u>3,698,250</u></b>	<b><u>2,654,250</u></b>	<b><u>29,080,888</u></b>
<b>Rounded to</b>							<b><u>29,080,000</u></b>

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## B. Methods of Implementation and Financing

Table 4, Methods of Implementation and Financing, reflects the primary future project procurements and means of disbursement over the LOP. As seen, there will be two primary types of procurements: three separate contracts/grants for the National Assembly, local government and civil society elements in addition to the standard USAID management and evaluation requirements.

**Table 4: Democracy Enhancement Project  
Methods of Implementation and Financing  
(US\$ 1,000)**

<u>Component/ Activity</u>	<u>Method of Implementation</u>	<u>Financing Method</u>	<u>Amount</u>
Prior Yrs FY 95	CAs, PSCs CAs(for commitments to 6-95)	FRLC, Direct	8,426 2,574
This Amendment Other TA, training, commodities	(planned after 6-95): Contracts	Dir. Payment	16,430
USAID Mgmt	Personal Services Contracts	Dir. Payment	1,200
Evaluations	Direct Contracts	Dir. Payment	200
Audit	Direct Contracts	Dir. Payment	250

The methods of implementation and financing are appropriate and are within the preferred methods as defined by the payment verification policy. On the basis of the above, the USAID Haiti Controller has approved the methods of implementation and financing under the auspices of the payment verification policy.

## V. MANAGEMENT

### A. USAID Management Arrangements

At the LAC/W review of this amendment, it was strongly recommended that USAID/Haiti establish a separate Democracy office which would have responsibility for managing the Mission's high visibility, and management intensive democracy portfolio. The Mission's original proposed implementation arrangement of one institutional contractor was not approved at the LAC/W review. Rather it was decided that three separate contracts/grants for overall implementation of the National Assembly, local government,

and civil society elements be utilized. It was recognized that the approved implementation arrangement would necessitate greater USDH management of the amended project. A new Democracy office could be staffed with two USDHs, an office director and deputy; the additional FTE would come from the Mission's already approved increase of one FTE. Overall responsibility for the project will rest with the Deputy Chief for Democracy, Governance and Justice (DGJ) of the USAID/Haiti, Human Resources and Democracy Office (HRD) or by the Director of the new Democracy office. The USDH will directly supervise three project-funded Personal Service Contract (PSC) Project Coordinators who will provide day-to-day management for the National Assembly, Local Government, and civil society elements of the project. These individuals will coordinate with the appropriate contractor/grantee implementing these project elements. Two resident hire PSCs are already on board and will be offered revised Scopes of Work that correspond to the new project structure as it is phased in during FY 1995.

The HRD (or Democracy office) staff will be assisted on an as-needed basis by other offices of USAID/Haiti, i.e. the Controller, Contracts and Policy Coordination and Program Support (PCPS). Following standard USAID practices, the USAID Democracy Enhancement Project Team will be maintained to consult on a periodic basis and advise on project issues and progress.

Given the types of project activities and the importance they hold for USG policy, an Inter-Agency Democracy Committee will also be formed and will include appropriate representatives from the U.S. Embassy, USIA, and other USG agencies on the country team. The Inter-Agency Democracy Committee will insure that USG policy issues and concerns on democracy activities under DEP and other projects are identified and taken into account during project implementation and that the Embassy is informed of the DEP project status and impact. The Inter-Agency Committee representatives will also participate, as appropriate, in the projects annual implementation reviews and in the review of civil society sub-grants in excess of \$100,000.

To insure Haitian participation in DEP activities, the USAID Democracy Enhancement Project Team will work closely with the Haitian Advisory Group to obtain their views on project activities and on ways to improve project implementation and impact. The Advisory Group will play a particularly important role in supporting the integration of non-governmental organizations with the institutional development activities with the National Assembly and local government, in the transparency of proposed DEP activities, and fostering social reconciliation and dialogue.

As stated in the original PP, although the project design presented in this document is based on precise contracting modes and budget estimates, it must be emphasized that one of the Project Team's primary roles will be to assure that the project maintains

an activist stance with regard to Haiti's democratic development, and that it remains flexible and responsive to changes in the environment. Project flexibility will be assured through regularly scheduled Annual Implementation Reviews and Evaluations. The reviews will identify changes in the democratic environment, progress under existing project components, and changes necessary to meet the new environment. Annual design adjustments will be carefully reviewed by the Inter-Agency Democracy Committee and formalized through Action Memoranda signed by the Director.

## **B. Implementation Arrangements**

As outlined in section III B, in addition to the on-going management of the Human Rights Fund by ADF, there are several TA and training activities that will be initiated immediately using funds in existing project-funded Cooperative Agreements with ADF, NDI, IRI and CHERF. These will be continued until such time as the new contractor/grantee arrangements are on-the-ground and able to assume the functions, with full phase-over to the new contractor planned no later than June 30, 1995.

**Project Grant Agreement.** The mode of implementation for future funding under this amendment will be to obligate incremental funding on an annual basis through a bilateral Project Grant Agreement (ProAg), with USAID as the designated procurement agency acting on behalf of the GOH. Currently there are uncertainties regarding the roles and functions of GOH ministries within the restored constitutional GOH. The Mission will discuss the Project amendment activities with the Office of the Prime Minister. Based on these discussions the Mission will determine whether a PROAG with the Office of the Prime Minister or other GOH ministry such as the Ministry of Planning is most appropriate. The former would be consistent with proposed implementation and oversight mechanisms proposed by the GOH for the Emergency Economic Recovery Program (EERP). The GOH has proposed the establishment of a Steering Committee chaired by the Prime Minister and including the Minister of Economy and Finance, the Minister of Planning and International Cooperation and other officials to provide general oversight of the EERP.

**Contracting Mechanisms.** Each contractor/grantee responsible for overall implementation of the National Assembly, local government, and civil society elements will establish an office in Port-au-Prince to provide technical guidance and financial administration, in the form of long- and short-term TA, in-country training including some observational travel, and commodity procurement. Responsibility for planned short-term participant training (study tours) under a project element is the responsibility of the contractor/grantee for that project element.

The contracts will be competitively bid in the U.S., with standard requirements for not less than 10 percent, and preferably

more, of the total award to Gray Amendment concerns. Request for Proposals will be structured so as to encourage offerors to demonstrate simple and direct management structures.

#### **D. Monitoring and Evaluation**

Due to the fragile political situation in Haiti and the need for a project which can respond to inevitable changes in context, and therefore changes in needs, this amendment proposes to put increased emphasis on Annual Implementation Reviews. These reviews will be conducted by the USAID (HRD or Democracy office) and the Democracy Enhancement Project Team with the contractors/grantees and the involvement of the Inter-Agency Democracy Committee and Haitian Advisory Group. Along with the requisite mid-term and final independent evaluations, these implementation reviews will increase USAID/Haiti's ability to elicit and incorporate policy guidance from the country team as well as the views from a wide diverse grouping of Haitians. This should result in a more accurate assessment of project impact and progress and guide project implementation adjustments that may be required. The independent evaluations will be carried out through USAID direct contracts.

On-going monitoring will be undertaken by the three project-funded PSCs, through frequent meetings with implementing agencies and through contractor/grantee quarterly reports. The PSCs will additionally maintain contacts in the field independent of the contractor, to maintain current knowledge of the evolving project context. The contractor/grantee long term advisors will meet periodically with the USDH DEP Project Officer, as required to maintain close USDH involvement in DEP activities.

These on-going efforts at M&E will form the primary data base for the Annual Implementation Reviews coordinated by USAID/Haiti HRD (or Democracy office). The annual reviews and the two planned evaluations will specifically assess progress to date in achievement of outputs, as measured by the objectively verifiable indicators specified in the LogFrame (Annex A) as modified by Annual Implementation Reviews and biannual evaluations. They will also assess progress towards achievement of end-of-project status (EOPS), and specifically assess the validity of assumptions affecting their achievement. These assessments will result in possible changes in the mix of project activities. Where indicated, the Annual Implementation Reviews and the scheduled Project Evaluations will recommend revisions to the EOPS and outputs, and the assumptions guiding them, and present a recommended revised LogFrame for the project. A total of four person months of short-term TA is estimated for each evaluation which are planned for the first quarter of FY97 and an FY99 final evaluation.

The Final Evaluation will focus primarily on the overall

impact of the project. That is, it will record achievements of discrete components, in terms of input-output relationships, but it will also look at causality of component activities on overall goal achievement, e.g. has the project contributed to the development of a constitutional, stable, open and transparent democratic society in Haiti, and if so, how. It is scheduled approximately six-nine months before the end of the project in order to provide guidance on the critical decision to design a follow-on project, or to terminate support.

Funding is provided for annual audits of sub-grantees. US\$250,000 will be made available to the three contractors to fund audits as required during the life-of-project. The audits will be performed by local accounting firms arranged for by the Financial Management office in USAID. No pre-award audit will be required.

Democracy Enhancement Project  
Revised Logical Framework Matrix

17

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Important Assumptions
<p><b>Project Goal</b> To support the Haitian people to build a participatory, accountable, responsive democracy and establish the basis for long-term equitable growth</p>	<p>-- The provisions of the 1987 constitution are progressively implemented with specific attention to the provisions of Title III, Basic Rights and Duties of the Citizen;</p>	<p>-- Polls/Surveys</p>	<p>i) the GOH continues to support the democratic development; ii) UNMIH will provide national order until such time as the GOH is able to responsibly itself; iii) the majority of the population is ir pursuing a Haitian form of democrac to work for it; and iv) USG support to Haiti's democrati will be utilized by the restored GOH. believes these assumptions to be va</p>
<p><b>Project Purpose</b> To increase the capacity of public and private institutions and individuals to facilitate broad-based participation in democratic decision making and respect for the constitution</p>	<p>-- The capacity of the National Assembly's administrative, operational, and technical systems will be improved; -- All sectors of society exhibit increased participation in democratic fora and increased understanding of rights and responsibilities of citizens; -- A least 50 selected Communa/Municipal and 300 Communal Section Councils will have adopted new administrative practices, introduced new mechanisms for identifying needs and designed and implemented small local development projects. -- A national association established to articulate the needs/interests of the CASEC, communal and departmental councils -- Legislation in place to provide a revenue base for communal councils;</p>	<p>-- Polls/Surveys -- Project reports and Annual Implementation reviews</p>	<p>-- Continuation of democratic electio transfer of power; -- Decentralization efforts supported</p>
<p><b>Output</b> 1. Democratic Institution Development</p>	<p>-- Both Chambers will have designed and implemented streamlined procedures -- Both Chambers will have redesigned and implemented their committee systems and upgraded the technical staff to support them; -- Both Chambers will have reorganized their administrative support structures and upgraded their administrative personnel; -- A small Legislative Reference Service will have been established; -- Basic office and information equipment will be provided to both Chambers, and an adequate locale secured for the Senate; -- Improved mechanisms will be designed and implemented to factor in citizen concerns popular participation; -- Techniques will have been introduced for better handling of internal conflicts, especially as regards relations within and between different party factions; -- All the elected bodies that comprise Haiti's territorial administration will be established and functioning; -- At least 300 CASECs and 50 communes will have received TA, training and practical experience (See text for details); -- There will be increased involvement of grass-roots orgs. in discussion of common problems w/ local government; -- There will be functioning regional and possibly a national foundation(s) or association(s) working to address the needs of the CASEC, communal and departmental councils through a permanent secretariat; -- Either through new legislation, or an improvement of the operation of that which already exists, steps will be taken to assure a guaranteed revenue base for the communal councils, and a transparent and participatory process for allocating these resources;</p>	<p>-- Polls/Surveys -- On-site visits -- Project reports and Annual implementation reviews -- Surveys of members and staff -- Surveys of local gov't entities receiving asst.</p>	<p>-- Assembly members and staff willin improving efficiency and effectiveness -- Legislation supports local gov't or revenue base; -- Host government and community willing to participate in training.</p>

2. Civil Society Strengthening  
Outputs (con't.)

- National and local civic education campaigns will have been carried out; {See detail in text.}
  - Through participation in non-partisan fora, Haitians from all sectors will have opened channels of communication and dialogue and developed greater tolerance and respect for each other;
  - Local level organizations will be acting in concert with their communities to articulate and address common problems;
  - Labor organizations will have increased capacity to frame and present issues.
- Public opinion polls/surveys
  - Project reports and Annual implementation reviews.
- Haitians willing to participate in national fora;
  - Haitian society views restoration of democracy as a window of opportunity to change conflictive past;
  - Peace and security are maintained.

Inputs (see detailed budget)

**Democracy Enhancement Project Amendment  
(Resources Beginning FY 95) Project Inputs  
(U.S. \$)**

<b><u>Democratic Institution Development</u></b>	<b><u>10,845,000</u></b>
<u>National Assembly</u>	<u>3,921,000 *</u>
Technical Assistance	1,850,000
Support (TA and local office)	617,000
Equipment/Commodities	886,000
Travel and Perdiem	168,000
Workshops/Training	150,000
National Assembly Renovation	250,000
<u>Local Government</u>	<u>6,924,000 *</u>
Technical Assistance	2,380,000
Support (TA and local office)	2,315,000
Equipment/Commodities	285,000
Travel and Perdiem	144,000
Workshops/Training	250,000
Local Gov't Project Fund	1,250,000
Local Gov't Assoc. Support	300,000
 <b><u>Civil Society Strengthening</u></b>	 <b><u>5,586,000</u></b>
Technical Assistance	1,275,000
Supports (TA and local office)	657,000
Equipment/Commodities	86,000
Travel and Perdiem	18,000
Civic Education Campaigns	700,000
Local Initiatives (Sub-grants, public opinion surveys)	1,800,000
National Dialogue Fora	300,000
Labor	750,000
 <b><u>USAID Management</u></b>	 <b><u>1,200,000</u></b>
 <b><u>Evaluations/Audits*</u></b>	 <b><u>450,000</u></b>
<b>Total</b>	<b><u>18,081,000</u></b>
<b>Rounded Total</b>	<b><u>18,080,000</u></b>

\* Democratic Institution Development excludes \$150,000 and Civil Society Strengthening excludes \$100,000 for audits to be contracted by the contractors which, in this budget, is added to Evaluations/Audits.

**ANNEX B**

JUSTIFICATION TO EXEMPT THE GOVERNMENT OF HAITI FROM THE  
RECIPIENT COUNTRY CONTRIBUTION REQUIREMENTS OF SECTION 110  
OF THE FOREIGN ASSISTANCE ACT

**Action Requested:** An exemption, pursuant to Section 547 of the Foreign Operations, Export Financing, and Related Programs 1995 Appropriations Act, Pub. L. 103-306, of the recipient country contribution requirement of FHA Section 110, for the amended Democracy Enhancement Project.

**Discussion:** To support the U.S. Government's post-resolution strategy for the restoration of democratic governance with the return of Haiti's first freely elected President Jean-Bertrand Aristide, USAID/Haiti is extending the LOP by four years to May 31, 1999 and increasing the LOP funding. The goal of this project is to support the Haitian people to build a participatory, accountable, responsive democracy and establish the basis for long-term growth. The project's purpose is to increase the capacity of public and private institutions and individuals to facilitate broad-based participation in democratic decisionmaking and respect for the Constitution.

The success of this project depends upon our ability to move ahead quickly to continue and expand our support to the development of democratic governance institutions and the strengthening of civil society in Haiti. The Mission will sign a Memorandum of Understanding with the Office of the Prime Minister of the restored democratically-elected government shortly. Section 110 of the Foreign Assistance Act, Cost-Sharing and Funding Limits, states the following:

No assistance shall be furnished by the United States Government to a country under Sections 103 through 106 of this Act until the country provides assurances to the President, and the President is satisfied that such country provide at least 25 per centum of the costs of the entire program, project or activity with respect to which such assistance is to be furnished, except that such costs borne by such country may be provided on an "in kind" basis.

Haiti, the poorest nation in the Western Hemisphere, is the only country in Latin America to appear in both the United Nations (U.N.)-designated list of "relatively least developed countries" and the Development Assistance Committee (DAC) list of "low income countries". In 1991, Haiti's per capita gross domestic product (GDP) totalled about \$275 per year. The vast majority of its 6.7 million people lived below an absolute poverty level of \$150 annually. Moreover, coupled with political and economic instability, overpopulation and the consequent pressures on Haiti's resources have escalated rapidly the rate of environmental

degradation and depletion, completing the vicious circle of missed opportunities, deprivation and despair.

After three years of increasingly harsher internationally-mandated sanctions combined with ever more irresponsible fiscal and monetary mismanagement, the restored democratically-elected government inherited very heavily encumbered public finances. USAID estimates that the consolidated public sector deficit for FY 1994 would exceed 2.5 billion gourdes (U.S. \$167.0 million). The implementation of a sound macro economic policy eschewing foreign exchange control, price controls, and other policy induced distortions, as recently announced by the new Prime Minister in his general policy statement to both houses of the Haitian Parliament, will leave the GOH with very little resources available to provide firm assurance that the contribution could be provided in compliance with the subject policy requirement.

**Primary justification:** The Government of Haiti simply does not have the funds to meet a 25% host country contribution for this project. The Government may be able to contribute minimal amounts by covering the staff in the National Assembly which we estimate to be on the order of \$300,000 annually.

**Authority:** Section 547 of the Foreign Operations 1995 Appropriations Acts provides that funds appropriated in Title II of the Act that are made available for Haiti, may be made available notwithstanding any other provision of law. In a memorandum dated October 24, 1994, the Assistant Administrator for Latin America and the Caribbean approved the use of the Section 547 authority by the USAID/Haiti Mission Director to exempt activities from the 25% contribution requirement.

The exemption will be stated in the Project Authorization document.

**ANNEX C**

**Action Requested:** Waiver of A.I.D. Requirement for Host Government Funding of International Travel.

**Discussion:** A.I.D. policy, as stated in Handbook 10, Participant Training, Chapter 16, would require that the Government of Haiti, or the non-A.I.D. funding source cover the cost of individuals selected for participant training under the Amended Democracy Enhancement. To demonstrate the U.S. Government's support for the restoration of democratic governance with the return of Haiti's first freely elected President Jean-Bertrand Aristide, USAID/Haiti is amending the Democracy Enhancement Project extending the LOP by four years to May 31, 1999 and increasing the LOP funding. The goal of this project is to support the Haitian people to build a participatory, accountable, responsive democracy and establish the basis for long-term equitable growth. The project's purpose is to increase the capacity of public and private institutions and individuals to facilitate broad-based participation in democratic decisionmaking and respect for the Constitution.

The success of this project depends upon upgrading the competencies of members and staff of the National Assembly and local government and other selected organizations to better carry out their roles and functions in a democratic society. An emphasis is placed on in-country training and some observational travel to ensure the development of NGO's and GOH's personnel competencies under this project.

Funds are budgeted to finance participant training (primarily observational travel abroad to engage and learn from other countries about the functioning of democratic institutions. AID's requirement that the cost of international travel be paid by the host country or other non-AID funding source might put participants at disadvantage during the four year extension of this project.

After three years of increasingly harsher internationally-mandated sanctions combined with ever more irresponsible fiscal and monetary mismanagement, the restored democratically-elected government inherited very heavily encumbered public finances. USAID estimates that the consolidated public sector deficit for FY 1994 should exceed 2.5 billion gourdes. The implementation of a policy oriented toward reducing and even eliminating this enormous public deficit, as recently announced by the new Prime Minister in his general policy statement to both houses of the Haitian Parliament, will leave the GOH with almost no funding available to cover the airfare costs of public sector participant trainees.

We believe that it is essential to waive this requirement to give both NGO's and public sector candidates the same opportunity to participate in the training courses necessary for the success of the implementation of this project.

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**Authority:** A.I.D. Handbook 10 , Chapter 16, Section 16C (1) provides the Mission Director with the authority to justify and authorize a general country waiver in full, or in part, of the host government's or other sponsoring entity's responsibility to fund the cost of round-trip international travel, including incidental costs enroute as well as the cost of travel between the participant's home city and the point of departure and return provided that the Regional Assistant Administrator and OIT are informed.

**Recommendation**

Based on the discussion above, it is recommended, that the Project Authorization document include a waiver of the requirement for host country funding participant trainees of international travel under the Amended Democracy Enhancement Project.