



U.S. AGENCY FOR
INTERNATIONAL
DEVELOPMENT

MAY 4 1993

Ms. Eliza K. Klose
Executive Director
ISAR
1601 Connecticut Avenue, N.W.
Suite 301
Washington, D.C. 20009

SUBJECT: Agreement No. CCN-0003-A-00-3048-00

Dear Ms. Klose:

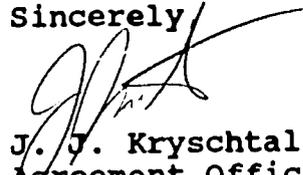
Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "A.I.D." or "Grantor") hereby provides to ISAR (formerly the Institute for Soviet-American Relations hereinafter referred to as "ISAR" or "Recipient") the sum of One Million Dollars (\$1,000,000) to provide technical assistance to build linkages between U.S. and NIS environmental NGOs through cooperative efforts to strengthen NIS NGOs, as described in the Schedule of this Cooperative Agreement and the Enclosure 2, entitled "Program Description."

This Agreement is effective and obligation is made as of the date of this letter and shall apply to expenditures made by the Recipient in furtherance of program objectives during the period beginning with the effective date and ending on or about March 31, 1995.

This Agreement is made to the Recipient on condition that the funds will be administered in accordance with the terms and conditions as set forth in Enclosure 1 entitled "The Schedule," Enclosure 2 entitled "Program Description," and Enclosure 3 entitled "Standard Provisions," which have been agreed to by your organization.

Please sign all copies of this letter to acknowledge your receipt and acceptance of the Agreement. Retain one copy for your records and return the other copies to me to the address noted in Special Provision G.7 of the Agreement Schedule.

Sincerely



J. J. Kryschtal
Agreement Officer
Branch Chief, FA/OP/CC/N
Office of Procurement

Enclosures:

1. Schedule
2. Program Description
- ~~3. Standard Provisions~~
4. The Recipient's Proposal

ACKNOWLEDGED BY: Eliza K. Klose
TYPED NAME: Eliza K. Klose
TITLE: Executive Director
DATE: May 10, 1993

FISCAL DATA

PIO/T NUMBER:	110-0003-3-2653
BUDGET PLAN CODE:	WNIX-93-36110-EG-12
APPROPRIATION NUMBER:	72-11X1093
TOTAL OBLIGATION:	\$1,000,000
TOTAL ESTIMATED AMOUNT OF AGREEMENT:	\$1,000,000
PROJECT OFFICE:	NIS/TF/EET, Long, Dennis
TAXPAYER IDENTIFICATION NUMBER:	52-1289651
CEC NO.:	12-256-188K

ENCLOSURE 1

SCHEDULE

A. Purpose of Cooperative Agreement

The purpose of the Cooperative Agreement from the Agency for International Development (A.I.D.) to ISAR (formerly the Institute for Soviet-American Relations, hereinafter referred to as "the Recipient") is to provide technical assistance to build linkages between U.S. and NIS environmental NGOs through cooperative efforts to strengthen NIS NGOs. The proposed program would also encourage local environmental problem-solving by NGOs through a small grants program in the NIS with offices in Russia, Ukraine and Kazakhstan, as further described in Enclosure 2 to this Cooperative Agreement entitled "Program Description," and the Recipient's proposal entitled "Sowing the Seeds of Democracy: A Project for Environmental Grant-Making in the NIS" dated December 1992 which is incorporated in the Cooperative Agreement by reference. In the event of any inconsistency between the Recipient's proposal, the program description, and this schedule; the schedule and then the program description shall take precedence.

B. Period of Cooperative Agreement

1. The effective date of this Agreement is the date of this letter. The expiration date of this Agreement is March 31, 1995.

2. In compliance with the terms and conditions of this Cooperative Agreement, funds obligated hereunder shall be used to reimburse the Recipient for allowable program expenditures from the period March 4, 1993 to March 31, 1995.

C. Amount of Cooperative Agreement and Payment

1. A.I.D. hereby obligates the amount of \$1,000,000 for purposes of this Agreement.

2. Payment shall be made to the Recipient in accordance with procedures set forth in Enclosure 3 - Standard Provision, entitled "Payment - [Letter of Credit]".

D. Financial Plan

1. The following is the Agreement budget, including local cost financing items, if authorized. Revisions to this budget shall be made in accordance with the Standard Provision of this Agreement, entitled "Revision of Grant Budget" (November 1985).

Agreement Budget

<u>Cost Element</u>	<u>A.I.D</u>
Salaries/Wages	\$407,500
Fringe Benefits/Allowances	89,620
Travel/Transp/Per Diem	88,000
Other Direct Costs	91,000
NGO Subgrants	300,000
Indirect Cost	<u>23,852</u>
TOTAL	\$1,000,000

2. Notes to the Budget:

a. Pursuant to the Standard Provisions of this Cooperative Agreement entitled "Allowable Costs" and "Revision of Grant Budget," the Recipient shall obtain prior approval from the Agreement Officer for the following: the purchase of "General Purpose Equipment," which is defined as an article of nonexpendable tangible personal property, the use of which is not limited to research, medical, scientific, or other activities (e.g., office equipment and furnishings, air conditioning equipment, reproduction or other equipment, motor vehicles, and automated data processing equipment) having a useful life of more than two years and an acquisition cost of \$500 or more per unit.

b. When the purchase of automated data processing equipment (ADPE) or of an ADP system exceeds \$100,000, the Agreement Officer's approval, in conjunction with a review of the proposed equipment by A.I.D./IRM, must be received prior to the purchase of such equipment. ADPE includes computers, printers, word processors, computer systems, software, or related services.

E. Procurement and (Sub) Contracting

1. Authorized Geographical Code

The total procurement of goods and services is estimated to be \$250,000 or less, therefore, the following shall apply:

All services shall have their nationality in the United States (A.I.D. Geographic Code 000) or the cooperating country (A.I.D. Geographic Code 935), except as A.I.D. may otherwise agree in writing. The authorized source and origin for all goods/commodities shall be in accordance with the Optional Standard Provision entitled, "A.I.D. Eligibility Rules for Goods and Services (August 1992)". In reference to this Standard Provision, although not yet incorporated into A.I.D. Handbooks, A.I.D. Geographic code 935 has been amended to include the cooperating country. Requests for deviations to this requirement must include a full justification to be submitted to the Project Office indicated on the Fiscal Data page of this Cooperative Agreement. Approval of the Agreement Officer and the Project Office is required before procurement of this nature can be undertaken. Ocean shipping financed by A.I.D. under the program shall, except as A.I.D. may otherwise agree in writing, be financed only on flag vessels of the United States.

2. Procurement Cost Detail

Whenever feasible, the lead U.S. Recipient and/or its subgrantees will be responsible for purchasing the U.S. equipment and commodities required for the technical assistance components of the program. This equipment must be specifically and directly linked to the programs undertaken under the various subcomponents. The prime Recipient will be responsible for providing more exact details and specifications of the commodities they propose to procure, including estimated costs of same, in their application to the Project Officer and Agreement Officer.

3. Government Owned Organizations

A Government Owned Organization, i.e., a firm operated as a commercial company or other organization (including nonprofit organizations other than public educational institutions) which are wholly or partially owned by governments or agencies thereof, are not eligible as suppliers of goods and commodities, commodity-related services, or services (other than commodity-related services), except as the Grant Officer may otherwise agree in writing.

4. Local Cost Financing

Local cost financing is hereby authorized under this Cooperative Agreement, provided such financing falls within the legitimate needs of the Program Description of Attachment 2, and does not exceed the following limitations:

- i. Procurement locally of items of U.S. origin up to a per transaction limit of the local currency equivalent of \$100,000.
- ii. Procurement locally of items of non-U.S. origin up to a per transaction limit of the local currency equivalent of \$5,000.
- iii. Commodities and services available only in the local economy (no specific per transaction value applies to this category). This category includes the following items:
 - A. utilities - including fuel for heating and cooking, waste disposal and trash collection;
 - B. communications - telephone, telex, fax, postal, and courier services;
 - C. rental costs for housing and office space;
 - D. petroleum, oils, and lubricants for operating vehicles and equipment;
 - E. newspapers, periodicals, and books published in the cooperating country, and
 - F. other commodities and services (and related expenses) that, by their nature or as a practical matter, can only be acquired, performed, or incurred in the cooperating country.

In cases where local cost procurements are expected to exceed the above limitations, and authorization for such procurement does not already exist in the Cooperative Agreement, the Recipient must obtain approval from the A.I.D. Agreement Officer prior to proceeding with the procurement.

Except as otherwise changed by the above limitations, the conditions of the Optional Standard Provision entitled "Local Cost Financing (August 1992)", apply, including paragraphs (b), (c), (d), (e), and (f).

F. Reporting

1. Financial Reporting

a. Financial reporting requirements shall be in accordance with the the standard provision of this Cooperative Agreement entitled "Payment -[Letter of Credit]."

b. The original and two copies of all financial reports shall be submitted to The Agency for International Development, Office of Financial Management, FA/FM/CMP/LC, Room 700, SA-2, Washington, DC 20523-0209. In addition, copies of all financial reports shall be submitted to the A.I.D. Mission in each target country in the program and to the Project Officer, or his designee, at the following address:

Dennis Long
A.I.D. Project Officer
AID/NIS/TF/EET
Room 2637
Department of State
Washington, D.C. 20523.

2. Program Workplan Report

No later than 45 days following the signing of this cooperative agreement, the Recipient will submit to the project officer a general and country-specific workplan for the overall implementation of this activity. This workplan will include specific objectives for each program component, and a strategy for measuring the impact of program activities towards meeting those objectives. The activities planned in the first six-months of implementation should be specified at the highest level of detail possible, including tentative dates and locations of activities. This workplan will be approved by the Project Officer prior to the initiation of activities funded under this cooperative agreement.

3. Quarterly Progress Reports

Two (2) copies of a quarterly implementation progress report plus one copy for the A.I.D. Mission in each target country in the program will be submitted to the A.I.D. Project Officer 30 days after the end of each calendar quarter. The Project Officer will provide a format for the report which shall include at a minimum the following: (a) cumulative expenditures and cost to complete projections; (b) description of activities; (c) progress toward achieving program objectives; (d) description of implementation methodology; (e) issues and problems; (f) status of previously scheduled actions; (f) actions to be scheduled for the next reporting period in the form of a revised program workplan.

4. Final Report

Within 30 days after the completion date of this Cooperative Agreement, the Recipient shall submit two (2) copies of a comprehensive final report to the A.I.D. Project Officer; two copies shall be submitted to A.I.D., PPC/CDIE/DI, Washington, DC 20523-1802 and one copy for each A.I.D. Mission in target countries in the program. The Project Officer will provide a format for the report which will include at a summary description of program activities and an assessment of program impact towards achieving program purpose and objectives. The final report shall include a full accounting of expenditures and, if applicable, reasons why established goals were not met, including any problems or difficulties requiring the attention of the U. S. Government, the host country or the Recipient.

5. Special Reports

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

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

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

(c) If any performance review conducted by the Recipient discloses the need for change in the budget estimates in accordance with the criteria established in the Standard Provision of this Cooperative Agreement entitled "Revision of Grant Budget," the Recipient shall submit a request for budget revision to the Agreement Officer and the A.I.D. Project Officer.

G. Substantial Involvement

Substantial involvement is anticipated between A.I.D. and the Recipient during the performance of the proposed activities. For the purposes of facilitating this involvement, the Recipient will submit to the designated A.I.D. Project Officer, or his designee, with information copies sent to the relevant A.I.D. Mission in each target country in the program, the following:

- 1) A.I.D. Project Officer and Recipient will reach a written concurrence on choice of in-country institutional affiliations.
- 2) Prior to the expenditures of funds, the A.I.D. Project Officer and the Recipient will reach concurrence on the design and oversight of major technical assistance and/or training activities.
- 3) A.I.D. Project Officer and the Recipient will reach written concurrence in the selection of all ISAR in-country representatives and key consultants.
- 4) The Recipient will be expected to prepare and obtain concurrence from the respective USAID Mission of the "Activity Implementation Plans" (AIP) reports on project activities for review at periodic Project Steering Committee meetings where USAID will be represented.

- 5) Program Workplan Report will be approved by the Project Officer prior to the initiation of activities funded under this cooperative agreement. This workplan will be updated on a quarterly basis and included as a component of the quarterly reports (see Section E. Reporting).
- 6) The Recipient is encouraged to participate in annual planning workshops of the Parent USAID project, semi-annual coordination, scheduling, and progress review meetings.
- 7) A.I.D. reserves the right to participate in Program evaluations and visit the Recipient's program sites, both in the United States and overseas, to review the progress toward the project goal and purpose, as stated in the Recipient's proposal.
- 8) With regards to the Recipient's program objectives in Russia, the Recipient shall provide a neutral mechanism serving a wide range of Russian NGOs, therefore will not have a preferential relationship with any Russian NGO.

H. Indirect Cost Rate

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

<u>Type</u>	<u>Rate</u>	<u>Base</u>	<u>Period</u>
Indirect Cost	13.5%	1/	1/

1/ Base of Application: Total Direct Cost excluding purchase of equipment.
Type of Rate and Period: Provisional - 8/3/92 until amended

I. Title to Property

Title to property purchased by the Recipient under this Cooperative Agreement shall be vested in the Recipient. Accordingly, the Standard Provision entitled "Title To and Care of Property (Grantee Title)" applies. Disposition of property shall be in accordance with said Standard Provision.

J. Special Provisions

1. Sub-Grantee Audit Clause

The Grantee shall ensure that sub-grants with non-U.S. nongovernmental organizations include an audit clause that if a sub-grantee receives \$25,000 per year or more under such a sub-grant, the sub-grantee agrees that it shall have an independent financial audit made of the funds provided under such a sub-grant. The financial audit of the funds disbursed to the sub-grantee shall determine whether the receipt and expenditure of the funds provided under the sub-grant are in accordance with generally accepted accounting principles and whether the sub-grantee has complied with the terms of the sub-grant agreement. An audit shall be conducted for each fiscal year of the sub-grantee. The audits shall usually be performed annually, but not less frequently than every two years. The audits shall be performed in accordance with generally accepted government auditing standards issued by the Comptroller General of the United States.

For all sub-grants to non-governmental organizations which receive less than \$25,000 per year, the grantee is expected to take reasonable care that systems are in place to ensure money expended under the sub-grant are used for the purposes described in the sub-grant and can be properly accounted for.

2) Required Agreement Language Relating to Section 599

U.S. BUSINESS RELOCATION, EXPORT PROCESSING ZONES WORKERS RIGHTS

(a) General. This provision is pursuant to the prohibitions contained in Section 599 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1993, P.L. 102-391. The grantee shall include this clause in any subagreements.

(b) U.S. Business Relocation. [The Recipient confirms and agrees that no monies or other financial benefits under this agreement will be used to relocate its business outside the United States or to replace U.S. production with non-U.S. production.] The recipient agrees that it will not provide funds or other financial benefits under this agreement to a business enterprise located in the United States if such funds or benefits would be used by the U.S. business enterprise to relocate its business outside the United States or to replace U.S. production with non-U.S. production.

(c) Export Processing Zones. The recipient shall not use any monies or other benefits under this agreement to establish or develop, or cause others to establish or develop, in a foreign country any export processing zone or designated area in which the tax, tariff, labor, environmental or safety laws of that country do not apply, in part or in whole, to activities carried out within such zone or area, unless AID has made a prior written determination and certification that such assistance under this agreement is not likely to cause a loss of jobs within the United States.

(d) Workers Rights. The recipient shall not use any monies or other benefits under this agreement to support, or cause others to support, any project or activity that contributes to the violation of internationally recognized workers rights, as defined in section 502(a)(4) of the Trade Act of 1974 (and codified in 19 U.S.C. sub-section 2462 (a)(4)), of workers in the recipient country or any designated zone or area therein. The recipient agrees not to take actions to prevent its local employees from lawfully exercising their right of association and their right to bargain collectively. The recipient further agrees to observe applicable laws relating to a minimum age for employment of children and acceptable conditions of work with respect to minimum wages, hours of work, and occupational health and safety. The recipient shall not utilize forced or compulsory labor. [The recipient is not responsible under this provision for the actions of a government.]

3. Constraint on Assistance to Azerbaijan

Unless otherwise authorized in writing by A.I.D., no funds provided under this contract shall be used to provide assistance to the Government of Azerbaijan.

4. Restriction on aid to Russia

Unless A.I.D. provides advance written approval, the contractor shall not expend more than one half of the total funds obligated under this agreement (currently, no more than \$500,000) for assistance to Russia.

5. Employee Salaries

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

6. Consultant Fees

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

7. Consultants

The Project Officer and Agreement Officer must approve, in advance, the selection of consultants retained by the Recipient.

8. Monitoring

In addition to reviewing and approving the program reports described above, the A.I.D. project officer will engage in other monitoring activities necessary to effectively manage this agreement. Monitoring activities may include on-site visits to program activities, periodic implementation meetings with the recipient, and other measures necessary to monitor agreement activities.

9. Evaluation

The scope of work for the mid-term evaluation must be developed with, and the evaluator(s) chosen to carry out this activity must be approved in advance by, the Project Officer. This approval must be communicated in writing. The Recipient is encouraged to provide at least one evaluator from its permanent staff for the evaluations. At least one evaluator will be an individual not currently employed by the Recipient. The A.I.D. Project Officer is to participate in pre- and post- evaluation briefings and to receive four (4) copies of the completed evaluation report.

10. Government Furnished Property

The Recipient shall have access to Medical Facilities (Health Room). The services normally include such medications as may be available, immunizations and preventive health measures, diagnostic examinations and advice, and home visits as medically indicated. Emergency medical treatment is provided to U.S. citizen contractor employees and dependents, whether or not they may have been granted access to routine health room services.

11. Defense Base Act (DBA) and/or Medical Evacuation Insurance

Pursuant to Section J.16. of OMB Circular A-122 , the Recipient is authorized to purchase DBA and/or medical evacuation insurance under the Agreement. If DBA insurance is purchased, it shall be purchased from the insurance company or agent with which A.I.D. has a contract to provide DBA insurance for A.I.D. contracts. The Agreement Officer will provide the name, address, and telephone number of such insurance company or agent upon request.

12. The following Additional Standard Provisions as shown in Enclosure 3 are NOT applicable to this Agreement:

- Payment - Periodic Advance
- Payment - Cost Reimbursement
- Patent Rights
- Subgrants
- Negotiated Indirect Cost Rates - Pre-determined
- Negotiated Indirect Cost Rates- Provisional (For-profits)
- Voluntary Population Planning
- Protection of the Individual as a Research Subject
- Care of Laboratory Animals
- Government Furnished Excess Personal Property
- Title To and Care of Property (Government Title)
- Title To and Care of Property (Cooperating Country Title)
- Cost Sharing (Matching)

13. Additional Standard Provision Number 5 entitled "Air Travel and Transportation" (August 1992) is hereby modified as follows:

Delete paragraph (a) in its entirety and insert the following "(a) The Grantee shall secure advance written approval from the Project Officer prior to any travel financed by this Grant to any of the countries in the New Independent States, except the Russian Federation. The request for approval shall include the name of the traveler, purpose of the trip, origin/destination (and intervening stops), and dates of travel. It shall be submitted to the Project Officer at least 10 working days prior to commencement of proposed travel. The traveler shall carry the approved travel request to the travel destinations in the New Independent States. The Grantee's failure to secure such approval shall not be reimbursed under this Grant."

Paragraphs (b) thru ((m) shall remain unchanged.

All other provisions not listed above are applicable to the performance of the program under this Agreement.

14. The following are alterations to the Mandatory and Additional Standard Provisions as listed below:

Mandatory Standard Provisions

"Notices" - For the purpose of notices delivered to the Agreement Officer, the following addresses shall be used:

(a) Regular U.S. Postal Service

Agreement Officer's Name
Agency for International Development
FA/OP/CC/N
Office of Procurement
Room 1407, SA-14
Washington, DC 20523-1415

(b) By Courier/Express Mail Only

Agreement Officer's Name
Agency for International Development
FA/OP/CC/N
Office of Procurement
1100 Wilson Boulevard
14th Floor Reception Area
Arlington, Virginia 22209

15. The following nine-digit zip codes are applicable in lieu of the five-digit zip codes shown in the corresponding standard provisions:

Mandatory Standard Provisions

Notices 20523-0051

Additional Standard Provisions

Ocean Shipment of Goods	20523-1419
Procurement of Goods and Services	20523-1414
Payment - Letter of Credit	20523-0209
(In addition to the zip code change, the organizational symbol for A.I.D.'s Office of Financial Management has also changed as shown in section E.)	
Negotiated Indirect Cost Rates	
- Provisional	20523-0060
(second address in the provision)	20523-1417

16. Recipient Proposal and Order of Precedence

The Recipient's proposal entitled "Sowing the Seeds of Democracy: A Project for Environmental Grant-Making in the NIS" is hereby incorporated by reference. In the case of a conflict between the proposal and this Agreement, the following shall be the order of precedence:

1. Mandatory and Additional Standard Provisions
2. The Cover Letter and Schedule
3. The Program Description
4. The Recipient's Proposal

END OF THE SCHEDULE

PURPOSE OF ACTIVITY

The principal objective of the proposed activity is to support environmental non-governmental organizations (NGOs) in participating in and strengthening both environmental public awareness and the democratic process throughout the NIS region. This is fully consistent with the U.S. Government's strategy for environmental assistance to the NIS. The primary geographic focus is in Russia, Ukraine and Kazakhstan--with secondary efforts in other new states. The proposed program responds to both U.S. strategic priorities and the highest priority needs for environmental quality improvement.

ISAR will provide in-country representatives knowledgeable in the local language and institutions and will work with indigenous NGOs to: encourage their professionalism; help them establish appropriate management norms and related infrastructure; and build links between and among local NGOs, nascent business communities and governments. ISAR will also establish a US-based support facility which will broker environmental expertise as it relates to the strengthening of NIS NGOs and to provide appropriate financial resources. ISAR will set up field programs in Russia, Kazakhstan and Ukraine for awarding and distributing small grants to independent environmental groups throughout the NIS. Once the first three project offices are established, ISAR will engage in expanding its in-country representation in other states to the extent that local need dictates and current political conditions and opportunities allow.

BACKGROUND

Along with support for the development of improved environmental policies and private sector environmental demonstration work, the promotion of environmental public awareness and accountability is one of the three pillars of the environmental technical assistance strategy for the NIS region. A technical review (See Attachment B) of an unsolicited proposal received from ISAR indicated that the organization could provide services which were in the U.S. Government's interests regarding environmentally-related technical assistance to the NIS. On this basis, ISAR was offered the opportunity to resubmit its ideas (See Attachment C) for the establishment of an environmental NGO assistance program in the NIS region.

The revised proposal lays out a two-year work program which should allow ISAR to provide strategic support to a broad range of environmental NGOs in Russia, Ukraine and Kazakhstan. There will

also be the opportunity to focus on environmental NGO support and development needs in other states of the former Soviet Union. The in-country institutional affiliations proposed by ISAR for Russia in its revised proposal of 12/18/92 will be amended within 30 days of the effective date of the agreement to provide for ISAR to exercise responsibility for the Russia program without bias in favor of or against any particular Russian NGO. The proposed new arrangement will be subject to USAID approval in line with Section G of Enclosure 1 (the Cooperative Agreement Schedule). (This takes precedence over the 12/18/92 ISAR program proposal.)

MANAGEMENT STRUCTURE AND REPORTING REQUIREMENTS

Washington Based Activities:

Activities to be carried out under this cooperative agreement will be managed by an Executive Program Director and Project Manager with administrative support based in Washington, D.C. This management team is expected to maintain close contact with NIS/TF/EET, and a representative will be invited to periodic meetings of the USAID Environmental Policy and Technology Project Steering Committee, when necessary, to report on proposed activities as well as accomplishments.

Field Activities:

While the field offices of ISAR will report to ISAR's Washington management team, due regard will be paid to USAID's internal division of responsibilities between Washington and the field. This division, described in the parent project, is as follows:

USAID field staff will be responsible for identifying and proposing country specific activities, developing country specific strategies, and monitoring all field activities conducted under this project within their respective jurisdictions. They will also have direct daily management responsibility over both the resident staff and field teams provided under the core contract mechanism, and will be responsible for requesting assistance from the various project mechanisms to carry out their country specific strategies.

Clearances for all inter-country travel will be cleared in advance by the respective (receiving) USAID Mission. Field Representatives of ISAR will work in close coordination with designated representatives of the respective USAID Mission. Within their respective jurisdictions, USAID Missions will exercise USAID rights and responsibilities concerning substantive USAID involvement in Program activities.

A NIS/TF/EET staff member will be assigned to serve as a contact point and to sit on ISAR's Program Steering Committee, which will

review all major proposed actions and see that they are put into the form of "Activity Implementation Plans" (AIP) and submitted for the clearance of the respective USAID Mission and approval of the USAID Parent Project Steering Committee. ISAR is also responsible for ensuring compliance with A.I.D. Environmental Regulations 22CFR 216 through the review process provided for in the AIP. At the respective field or Washington level, USAID will be involved in all significant project decisions, including the following: selection of key personnel; choice of in-country institutional affiliations; and the design and oversight of major technical assistance and/or training activities. ISAR also will be expected to participate in annual planning workshops of the Parent USAID project, that are scheduled to be held in September/October.

ISAR shall submit both general and country-specific Program Workplan Report and Quarterly Progress Reports. The first Program Workplan Report will be submitted by no later than 45 days following the effective date of the Agreement. Subsequent plans will be submitted at least 30 days prior to the start of the period that they cover. Quarterly Progress reports will be submitted within 30 days of the last day of the period that they cover. The Program Workplan must be approved by the A.I.D. Project Officer prior to the initiation of activities funded under this cooperative agreement.

The format and content of the annual reports and progress reports will be as ISAR, the respective concurrence from USAIDs and NIS/TF/EET office. Unless otherwise agreed in writing, progress reports will include but not be limited to the following: (1) cumulative expenditures for the reporting period; (2) summary description of activities over the reporting period; (3) progress toward achieving the activity's purpose and objectives; (4) issues and problems; (5) status of actions scheduled to be implemented during the last reporting period; and (6) actions to be undertaken during the next reporting period. No later than 30 days after the completion date of the program, ISAR shall submit a final report to A.I.D.

Both the Program Workplan Reports and Quarterly Progress Reports shall be submitted to the Office of Energy, Environment and Technology, New Independent States Task Force, Room 2636 NS, A.I.D., Washington, DC 20523 after having obtained the concurrence and or comments of each of the respective USAID Missions.

END OF PROGRAM DESCRIPTION

**Sowing the Seeds of Democracy:
A Project for Environmental Grant-Making
in the NIS**

Submitted by:

ISAR (formerly the Institute for Soviet-American Relations)
1601 Connecticut Ave. NW
Suite 301
Washington, DC 20009
(202) 387-3034
(202) 667-3291 (fax)

December 18, 1992

Total Grant Request:
\$1,000,000 over two years
with an option to renew for a third year

Contact Person:

Eliza K. Klose
Executive Director

A handwritten signature in cursive script that reads "Eliza K. Klose". The signature is written in black ink and is positioned above a solid horizontal line.

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Sowing the Seeds of Democracy:
A Project for Environmental Grant-Making in the NIS**

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EXECUTIVE SUMMARY

ISAR, a US nonprofit organization founded in 1983, has been working to enhance the capabilities of nongovernmental environmental groups in the Soviet Union since 1990, when it first became possible for Westerners to join forces openly with such organizations. In cooperation with the Socio-Ecological Union (SEU), the largest environmental umbrella group in the country, ISAR organized a joint NGO conference on the environment in Moscow in March 1991. With funding from the US EPA, ISAR and the SEU established an International Clearinghouse on the Environment with offices in Moscow and Washington to facilitate the exchange of information and specialists. And with a grant from the National Endowment for Democracy, we have established an electronic mail network that links over 40 environmental groups in 13 of the 15 former republics and is slated to include 60 cities by the end of 1993. ISAR staff members work in the offices of the SEU in Moscow, and we have placed American volunteers in environmental NGOs from St. Petersburg to Odessa, from Tashkent to Vladivostok. These joint activities have given ISAR on-the-ground experience with local green groups that render it uniquely qualified to cooperate with AID in supporting the growth of a strong NGO sector in the NIS.

The goals of the Sowing the Seeds of Democracy Project are fourfold:

- to strengthen democratic process by providing institutional and financial support for environmental NGOs throughout the region. Support for green NGOs in the NIS is particularly warranted since these groups played a critical role in toppling the totalitarian Soviet system of government and are consistently pressuring new governments toward reform. Also, although they are in great need of assistance, these green NGOs constitute the most developed nongovernmental sector in the NIS.

- to develop a reliable in-country mechanism by which to build local organizational and administrative skills and channel funds, both public and private, to indigenous NGOs in the NIS. The first offices for the program would be established in Kazakhstan, Russia and Ukraine with outreach capabilities to other republics.

- to expand the program as necessary and feasible in year two of the project in order to better serve groups in Belarus, Moldova, Central Asia and the Caucasus.

- to foster cooperation among private US groups involved in assistance to green NGOs in the former Soviet Union, and between such groups and potential funders, by organizing meetings and conferences for strategy development and the exchange of information. ISAR's collaboration-building efforts could evolve into an organized NIS Environmental Forum to target specific technical assistance needs in the NIS, match them with American expertise and, in time, serve as a mechanism to funnel AID funds on a matching basis to US NGOs.

ISAR will pursue these goals by setting up field programs in Kazakhstan, Russia and Ukraine for distributing small grants to independent environmental groups throughout the NIS. The project will be modeled on the German Marshall Fund's successful Environmental Partnership for Central Europe. This program works to empower local NGOs by assigning and maintaining in-country representatives to oversee the distribution of carefully targeted grants backed by an American organization in Washington. As the program develops, the direct link between ISAR's in-country representatives and the Washington office will be an important means of avoiding Moscow-centrism, which increasingly impairs joint activities in the non-Russian areas of the NIS. Once the first three project offices are established, ISAR will expand its in-country representation in other states to the extent that local need dictates and current political conditions allow.

ISAR will manage the distribution of grant monies through its Washington staff and in-country representatives in cooperation with members of ISAR's network of environmental contacts in Kazakhstan, Russia and Ukraine. Much of the staff necessary for taking the first steps in the program is already in place in Alma-Ata, Moscow and Washington, and we have identified strong candidates for Kiev. The in-country staff all have local language ability and experience in the countries to which they have been posted. The typical profile recalls the Peace Corps volunteer—young, energetic, eager to contribute to the building of democracy and ready to work for minimal wages just to participate in the creation of civil society in the former Soviet Union. In addition, we have identified regional specialists who can assist us in designing the program for regions like Central Asia where ISAR has had less local experience to date.

Working directly with leading environmental groups in each region, the ISAR in-country representatives will solicit, monitor and evaluate local projects. Together the local groups and the ISAR representative will select appropriate advisory boards to review prospective projects, and upon choosing the strongest proposals, communicate with Washington by electronic mail for final confirmation of all grants. The local ISAR representatives will then work with their NIS teammates to develop appropriate reporting and follow-up procedures for all successful grantees.

The initial grants will be small—from \$500 to \$10,000—and all decisions will be based on site visits. Many of the first grants will go towards building organizational infrastructure by enabling groups to purchase equipment, develop communications and hire staff. Appropriate reporting guidelines will be established for each region. Success with a small grant will entitle a group to apply for a larger one. The program will be based on the premise that one must start small in order to build trust and trustworthiness.

ISAR expects the project to encourage the growth of the nongovernmental sector and deepen the process of democratic reform in the NIS with the following results:

- An expanding network of strong nongovernmental environmental groups to buttress democratization in the emerging nations of the former Soviet Union.

- Creation of a hitherto nonexistent model of support for nonprofit environmental activity in the NIS. Offering US government funding for NIS nongovernmental organizations will grant them and those who participate in them new respect and power in the post-Soviet era.

- A growth in and rationalization of Western funding for NGO environmental projects ensuring broader distribution of available monies and a lessening of the destructive jealousy between local groups competing for Western support.

- The creation of a public-private partnership between private US foundations and government agencies for the funding of the most active nongovernmental sector in the NIS. This partnership could in time grow to include European funders as well.

- A strengthening of links between NGO environmental groups in the NIS and their counterparts in the United States through partnership efforts in the funding process.

- A growing cadre of environmentalists with managerial skills who can analyze and articulate the needs of their organizations, understand the principles of budgeting and financial reporting and inspire confidence in potential funders, both local and Western.

- The increased capability of citizen groups in the NIS to lobby for better political, legislative and technological means for improving the critical environmental situation in the NIS.

Program Concept

The Sowing the Seeds of Democracy Project will be modeled on the German Marshall Fund's (GMF) Environmental Partnership for Central Europe, which was established in 1991 with the support of several Western philanthropies, including the Rockefeller Brothers Foundation and the C.S. Mott Foundation. The program, which has distributed \$253,595 to 101 environmental NGOs in Czechoslovakia, Poland and Hungary in its first year, offers a proven template for grant-making in countries just emerging from the grip of the totalitarian system. An ISAR program structured according to the GMF model would allow AID to build infrastructure for, foster cooperation within and enhance the effectiveness of the NIS environmental movement, the largest, most broadly based citizens' movement in the former Soviet Union.

The Environmental Partnership came about as a result of the difficulties experienced by Western foundations when they tried to help Central European NGOs address the critical environmental problems of the region. Working from offices in the West, these philanthropists found they could not adequately target and monitor their funding so the results were often disappointing. Years of centralized decision-making had undermined individual initiative and creativity. Western notions of independent NGOs with well-defined roles in national and local policy-making seemed strange and unfamiliar. The leaders of many of the strongest organizations had left them for government positions, but this did not heal the split between citizen groups and government. Public distrust of officialdom remained high and resentment between those groups that received money and those that did not further undermined the positive aims that motivated Western donations.

It was clear that the independent environmental sector needed western support, but it was equally clear that it was necessary to build the infrastructure of indigenous NGOs before such groups could make good use of larger grants. Western funders were not in a position to undertake the kind of funding that was required: grants to cover such needs as hiring a fulltime staff person, purchasing a telephone or computer, paying for electronic mail communication or sending an environmentalist to an international conference. Since the effort to meet the small, concrete needs of such applicants was too time-consuming and unwieldy for existing institutions, yet the desire to help was strong, an on-the-ground program of small grants and technical assistance to indigenous NGOs and local government organizations was created—the Environmental Partnership for Central Europe.

The Partnership includes two components: 1) in-country representatives fluent in the local language who work with local environmentalists to encourage the emergence of NGO infrastructure, establish links between regional and Western NGOs and forge links between and among local NGOs, their business communities and their governments; and 2) a support facility in the United States to broker environmental know-how and provide financial resources. The German Marshall Fund office in Washington, D.C., took upon itself the role of US support facility since it had been working with environmental NGOs in Central Europe since 1989.

In March 1991 the GMF sent knowledgeable American environmentalists to Poland, Hungary and Czechoslovakia to carry out a feasibility study and identify possible host organizations, advisory board members and local staff. In the summer of 1991, the partnership opened offices in Czechoslovakia and Hungary* and the Polish program

* The in-country agent for the program in Hungary is a local foundation.

began last fall. Since then the partnership has supported over 100 projects in the three countries. Program grants range from \$500 to buy ecological books for a small town library to \$5,000 to provide start-up equipment and a full-time staff salary for several local green groups.

The grant-making process consists of two types of grants. In-country representatives have an annual \$25,000 discretionary account from which they may make grants under \$1,500 for small equipment needs, obtaining documents, buying film and so forth. Such discretionary grants may be made on the spot with the telephone approval of three of the seven local board members. Larger grants—up to \$5,000—require approval by the advisory boards for each country at their bi-monthly meetings and confirmation by the Washington office. A standard proposal format has been developed for both types of grants as have procedures for reporting on the use of such monies. Groups that successfully use and account for smaller grants become natural candidates for larger ones. Those groups that successfully carry out more ambitious projects and seek to continue their efforts can apply to the Partnership for help in contacting larger funders in the West.

The Environmental Partnership Program has proven itself to be an effective way to get resources quickly to NGOs in Central Europe to help them develop their institutional capacity, address local environmental problems and play the watchdog role so crucial in the development of civil society. The program is successful because it responds directly to local need, is based on a solid Western funding commitment and is run by an organization with extensive experience in the region it serves. The independent environmental movement in the NIS today is in much the same shape as the movement in Central Europe—eager for and in need of western support, but unprepared as yet to handle a large influx of Western money. The Seeds of Democracy project, organized and administered through ISAR, would enable AID to offer assistance to green NGOs in the NIS in a way that would help ensure its proper use and slowly and carefully build the infrastructure of the most promising nongovernmental sector in the region. ISAR is the natural partner for AID in this project because it, more than any other US organization, has worked in direct collaboration with NIS environmental groups to help them help themselves.

Management Plan:

Initiating the Seeds of Democracy project will require certain basic steps before the first grant can be made. Some of these steps must take place in Washington; most must occur in the field:

Defining the AID/ISAR cooperative agreement: The DC offices of AID and ISAR need to outline the management issues requiring consultation, determine what the consultation process will be and design a steering committee mechanism to oversee the project. It will also be necessary to develop reporting and evaluation schedules, including on-site evaluation and consultation procedures for the ISAR in-country representatives and the AID field offices in each region.

Hiring ISAR in-country representatives: The first step towards actual implementation of the program will be to hire, brief and place ISAR in-country representatives in Kazakhstan, Russia and Ukraine. Since appropriate candidates for each post have been identified and are ready to begin as soon as the program is funded, this step is close to complete. The fact that AID representatives have met each of these candidates will speed the process.

Partner organization and office space: During the first months of the program, the ISAR staff in Kazakhstan and Ukraine must assess how most effectively to organize the program. They must decide whether to establish a partnership with a local NGO or remain an independent organization. They must find and furnish an office. It is difficult to predict how long this process will take since the post-Soviet Union is famed for bureaucratic delay, but we believe six months should be adequate time for these preliminaries. The situation in Russia is different as explained below.

Financial issues: Financial and banking arrangements will require careful study. In each country it will be important to determine whether foreigners may set up hard currency bank accounts with non-taxable status and whether local NGOs may receive grants free from tax. The issue of nonprofit legislation is currently under study in all three states, but the project managers will have to explore the local situation before receiving funds from Washington. Since grant-making funds will be held in a common pool, the three NIS offices, in consultation with ISAR and AID, will need to agree how much should be made available for each region. They must also consider whether grants may be made in dollars or only in local currencies. Assistance from the local AID mission on these questions will be welcome.

Grant-making procedures: Each in-country office will need to develop appropriate procedures, including standardized response letters, filing and cataloguing systems, site visit requirements, and general guidelines for grant applicants. The GMF program has eased the process for their East European clients and for themselves by developing standardized proposal forms, grant acknowledgement letters and itemized reporting requirements. They also have set up follow-up procedures for unsuccessful applicants so such groups can improve their proposals and try again. The Moscow, Kiev and Alma-Ata program offices will want to develop similar forms and procedures prior to soliciting proposals.

The GMF in-country representatives have invited the ISAR staff to visit their program offices in Czechoslovakia and Poland to observe their operations and borrow whatever is applicable for the NIS. It will make sense to schedule such visits soon after the Seeds of Democracy program begins.

Determining grant categories and priorities: In cooperation with local NGOs, the ISAR staff must determine project priorities. Under the GMF program, grants are made in four categories: capacity-building, communications and public outreach (newsletters, documentaries, etc.), action programs (recycling, monitoring) and training and technical assistance (exchanges, travel grants, etc.) Each ISAR office will want to convene local groups to discuss and decide on regional priorities.

Selecting a local advisory board: Once program guidelines and schedules are established, it will be necessary to develop the advisory board that will advise the ISAR teams on local issues and select the winning grants. In cooperation with local groups, the ISAR in-country team will need to identify appropriate individuals to participate on the grant selection committees and schedule meetings to prepare the board for participation in the program. Board members for the GMF program represent a broad spectrum of the green movement, including local and national environmental officials, grassroots activists, journalists and scientists.

Publicizing the program and soliciting proposals: When program procedures have been settled, the ISAR representatives and their local NGO partners will inform regional green groups about the program and solicit proposals by calling meetings and using existing green publications as well as the ISAR/SEU environmental e-mail network.

Training and support programs: Technical as well as financial assistance is an important component of the Seeds of Democracy program. Many of the NIS groups which win grants may need help in the use of equipment, staff and organizational development, e-mail usage and so forth. ISAR's volunteer and e-mail programs, which place young Russian-speaking Americans in NIS groups and sends circuit riders to troubleshoot communications problems, will be able to offer useful back-up to the grant-making program. In addition, many other US environmental groups are ready to offer a range of valuable assistance if funding can be made available. It will be the responsibility of the ISAR-DC office to keep track of groups and individuals who can perform such services.

The steps described above must be completed in each region before grant-making can begin, however, the time and type of effort needed to lay the groundwork for the program will be different in each republic. It therefore makes sense to describe project plans separately for Russia, Kazakhstan and Ukraine, beginning with Russia, the most advanced of the three in terms of environmental NGO development.

Regional Strategies:

Russia: The NGO situation in Russia is more unified and well-defined than in Kazakhstan or Ukraine largely due to the existence of the Socio-Ecological Union (SEU). The SEU's long-standing efforts to support and unite NGO environmentalists in the former Soviet Union prepare it to play a lead role in the Seeds of Democracy program. Sviatoslav Zabelin, founder and coordinator of the SEU, is known throughout the movement for his fair-mindedness and commitment to cooperative activities. Because he has been tracking the efforts of independent environmentalists for 20 years, he knows which groups are doing effective work all over the country. One hundred and eighty of these groups in 11 of the 15 former republics have gathered under the umbrella of the SEU and stay in touch through the Center for Coordination and Information, which Zabelin founded in 1987. Thanks to a recent AID grant from World Learning, this Center will be able to strengthen its efforts to coordinate the activities of these groups and assure the free flow of information about the critical environmental situation in the former Soviet Union.

Zabelin currently serves as chief assistant to Alexei Yablokov, Boris Yeltsin's adviser on ecology and health. In his government position he drafts environmental policy and legislation and maintains contacts with legislators from the West. He also continues his involvement with the SEU on a volunteer basis. In this capacity he has served as the point person on an SEU contract with the World Bank to perform an environmental assessment for the bank's first major operation in Russia, an oil and gas development loan. Further, he regularly represents the SEU in conversations with Western philanthropies, international nonprofit groups and public agencies on support for environmental protection projects of all kinds.

ISAR's two years of collaborative work with the SEU make it the natural American NGO link for the Seeds of Democracy project in Russia. ISAR is in daily electronic mail contact with SEU member groups, using this essential communication tool for everything from arranging visas to writing grant proposals, from transmitting environmental SOS messages to making banking decisions. In the time since ISAR began to work with the SEU, the Moscow branch has developed from a loose group of volunteers operating out of crowded private apartments to a professional organization with four separate offices and paid staffs. ISAR bought two of these offices and helped equip all of them. ISAR staff members have been working in Moscow with the SEU since February 1991, and there are now three Russian-speaking ISAR representatives in Moscow.

Eliza Klose, ISAR executive director, has raised money for SEU programs from the W. Alton Jones Foundation, the C.S. Mott Foundation, Rockefeller Family Associates, the National Endowment for Democracy and the US EPA to enable the SEU to build institutional capacity and carry out a broad spectrum of projects. ISAR's Lynn Richards, US director for the environmental e-mail project, travels to the NIS several times a year to establish new e-mail stations and assist groups that have trouble with the system. In addition, she runs training sessions for new users and, together with Pacific Energy and Resources Center in California, recently won an equipment grant from Apple Computer to bring on-line five NGOs campaigning to protect the Siberian boreal forest. ISAR "circuit riders" travel in company with Russian computer specialists to assist groups that are experiencing difficulties with their equipment or their electronic connections, and ISAR was asked to offer an e-mail workshop at the SEU's annual conference in October.

In addition to ISAR, SEU member groups have engaged in cooperative projects with a whole range of American and European environmental organizations, including World Wildlife Fund, the World Conservation Union (IUCN), the National Audubon Society, and the Natural Resources Defense Council. SEU members participate in international conferences and write for western environmental publications. Having more experience with the west than most other NIS groups, the SEU leadership understands the importance of introducing western organizational practices in the NIS and is eager to participate in a grant-making program to empower its member groups. To this end, the SEU signed a cooperative agreement with the US Agency for International Development in August 1992 to strengthen NGOs and private enterprises in the NIS. Because the SEU has reached a significant level of institutional sophistication, the organization is in a position to move ahead quickly to develop a grants program in conjunction with ISAR.

The ISAR/SEU International Clearinghouse on the Environment is the natural mechanism to administer the Seeds of Democracy project for Russia. The organization works with SEU member groups all over the country arranging seminar and exchange projects. During the winter it coordinated a program for the University of California/Irvine and the Natural Resources Defense Council that introduced Russian parliamentarians involved in shaping nuclear safety legislation to American policy and policy makers. In May 1992 the clearinghouse worked with three US NGOs and several Russian groups to organize a conference that brought 50 American specialists to the city of Chelyabinsk in the Urals region to study the health effects of nuclear weapons production. The clearinghouse also made all the in-country arrangements for ISAR's volunteer placement program, which has sent 11 American environmentalists to cities all over the NIS.

The coordinator of the clearinghouse program, Mila Bogdan, would serve as the SEU coordinator for the program while ISAR's Moscow clearinghouse coordinator Ann Rubin would serve as the ISAR in-country representative. Mila has worked in international environmental activities for the last ten years at the All-Union Research Institute on Nature Conservation. She joined the SEU in 1990 and is a masterful facilitator and organizer. Ann studied Soviet environmental issues as an assistant to demographer Murray Feshbach at Georgetown University and lived and conducted research in Moscow as a graduate fellow prior to becoming an ISAR staffer in 1991.

In the implementation of the Seeds of Democracy project, the clearinghouse will work closely with the Center for Coordination and Information (CCI), benefiting from the center's extensive knowledge of regional environmental groups to develop a grant-making program responsive to the needs of the green movement at large. In consultation with Svet Zabelin and other SEU council members, Mila and Ann will make the required management decisions: developing a board, a proposal format, a schedule, and a

mechanism for soliciting and evaluating proposals. Once grants have been awarded, they will arrange the distribution of grant money and establish procedures for monitoring spending. In a country accustomed to hiding from government scrutiny, the reporting process will inevitably run into resistance, but the risk will be limited since grants will be small and groups ineligible for more until they account for what they have.

The SEU has already solicited a number of proposals and once funding is guaranteed, it will further advertise the project. As with the ISAR/SEU e-mail project, 25 percent of which is made up of non-SEU members, the SEU will offer access to the grant-making project for any active NGO with a credible proposal. In order to ensure that no Russian environmental group feels it is being excluded from the program, the ISAR/SEU office in Moscow will initially entertain proposals from all over the country. Since the number of registered groups is still relatively small, we anticipate that we can respond to Russia-wide proposals in the first year.

As the country opens up, however, and the independent green movement grows, it will be more and more difficult to serve the entire Russian NGO community from Moscow. As a result, it will make sense to plan to expand the infrastructure of the grant-making program by opening additional branch offices in the second and third years of the program. ISAR is preparing for this contingency by seeking private funding to set up EcoInformation Centers in cities outside Moscow during 1993. If funding comes through, we will send ISAR staffers to Nizhny Novgorod, Krasnoyarsk and the Far East to gather information about NGO activities in the area and strengthen the communication structures among these groups and between them and western organizations. These offices, which would work closely with the strongest green NGOs in each area, could easily assist the Moscow office in processing proposals from local groups and serve as a base for expansion of the grant-making program if AID decides to increase its support for environmental NGOs in Russia in the future.

Preparations for the grant-making program in Russia are well underway. We expect that actual grant-making can begin three to four months after the AID/ISAR cooperative agreement is signed. The first three-month grant cycle should consider a small number of small institution-building grants—a total of approximately \$25,000—to work out initial problems. Once the first set of grants has been made, it will be possible to plan a second, larger round—up to \$50,000—to be accomplished by the end of 1993. Meanwhile perhaps \$20,000 in seed grants, from \$500 to \$1,500, can be made available as soon as grant priorities and procedures are adequately defined. A formal evaluation of first year results should take place in January-February 1994, at which time plans for the second year of the program can be set forth. Assuming satisfactory results, the program should be able to distribute more money at more frequent intervals, preferably every two to three months, during the second year and gradually expand the grant-making infrastructure as described above.

Kazakhstan: As in Russia, environmental crisis has sparked citizen activism in many parts of Kazakhstan. Because of a vastly different economic, political and cultural context, where informal economic and political activity, cultural values, the allocation of power and growing ethnic/national awareness are in many ways more complicated than in other parts of the former Soviet Union, environmental activism here has acquired a very different shape from that in Russia. The well known Nevada-Semipalatinsk nuclear test ban movement organized by poet/politician Olzhas Suleimenov has had a dramatic impact in effectively halting nuclear testing in Kazakhstan. Most other groups, however, including the SEU member groups in Alma-Ata, Dzhambul, Leninogorsk, Pavlodar and Uralsk, remain in their infancy, with the challenges facing them more local, but often more formidable to address.

The challenge in Kazakhstan, for local citizens as well as for us, is to shape activity so that it will not only address the environmental problems themselves, but will begin to reshape the societal structures that gave rise to these problems. In other words, it is only by planting the "seeds of democracy" in these regions that one can hope to begin to address these environmental, human ills in any lasting way.

In planning the Seeds of Democracy program for Kazakhstan, ISAR enlisted the assistance of Central Asian specialist Dr. Nancy Lubin. Dr. Lubin, a professor at Carnegie Mellon University, is an adviser to ISAR and a board member of the ISAR/SEU International Clearinghouse on the Environment. She has extensive environmental and governmental contacts in Kazakhstan, as in Central Asia as a whole, and believes that because governments continue to play such a strong role in Central Asia, it will be important to gain at least tacit acceptance of the program from governmental institutions. She is prepared to help us build such support without compromising the essential nongovernmental focus of the project and will help us develop a program model that can be replicated elsewhere in Central Asia in the future.

Lynn Richards, currently the environmental program director for ISAR in Washington, will spearhead the project in Kazakhstan. Lynn served as ISAR's first representative in Moscow in connection with the ISAR/SEU environmental conference in Moscow in 1991 and has been in charge of the ISAR/SEU e-mail project, bringing green groups on-line all across the NIS. Her extensive on-the-ground experience in the NIS and her work in developing the Seeds of Democracy program will make her a valuable resource for the new ISAR in-country representatives involved in the project.

We have also recruited Eric Sievers, a bright young environmentalist who is fluent in Russian, to work in Alma-Ata. Eric spent six months in Alma-Ata last year teaching English and learning Kazakh. He returned to Alma-Ata this year to catalogue the activities of environmental groups throughout the country. Since Eric is well-versed in the use of computers and electronic mail, he can assist local groups that wish to become part of the environmental e-mail network and help us develop a database of local NGOs upon which to build the Seeds of Democracy project. Eric and Lynn made contact with Paula Feeny in the local AID mission in early November, briefing her about ISAR activities, and Eric has remained in touch with the mission since that time.

The indications are that in Alma-Ata, at least for the first year or so, the grant-making program should operate independent of any local group or groups. At this time no clear coalition of environmental NGOs exists in the region, and the program will be more able to establish itself as an impartial grant-maker if it is not allied with either a Russian or Kazakh organization. The first steps for the ISAR team, therefore, will be to set up an office, clarify the local banking and financial regulations, prepare grant-making procedures and become familiar with local environmental groups. To that end, ISAR will convene regular meetings for the local NGO community to learn their concerns and priorities and inform them about the goals and activities of the Seeds of Democracy project. At the end of the first three to six months, Lynn and Eric will prepare a report on their findings and hope to begin actual grant-making in the late summer.

Selecting a board of advisers satisfactory to both Russian and Kazakh environmentalists may prove a significant challenge. Achieving a fair and balanced position will take skill and cultural sensitivity, but because all groups will need to work with ISAR to be eligible for grants, the program may serve as a catalyst to cooperation among participating organizations.

We expect that the Seeds of Democracy program for Central Asia can be handled out of Kazakhstan at least for the first two years. There are some excellent groups and notable environmental activists in other areas like Karakalpakstan and Turkmenistan, but their number is small and they can be serviced adequately from Alma-Ata. By the time the number of authentic NGO groups in the area becomes large enough to require program representation in other republics, perhaps there will be additional funding to support a broader infrastructure.

Ukraine: The Chernobyl accident served as an early and bitter goad to nongovernmental environmental activism in Ukraine. Within a year after the accident, *Zelenyi Svit* (Green World), the countrywide environmental movement, had swelled to hundreds of thousands. Branch groups were formed in tiny hamlets and large cities across Ukraine. By June 1991, Yuri Shcherbak, founder of *Zelenyi Svit* and creator of the Ukrainian Green Party, had been appointed Ukrainian Environment Minister and a number of green activists followed him into government service. Recently, Dr. Shcherbak has been appointed Ukraine's ambassador to Israel. His departure will weaken the Environment Ministry and deal a blow to the Ukrainian NGO movement, which has become seriously factionalized in the last year. There are still numerous groups, but they are not linked under a strong umbrella like the SEU in Russia. Designing a grant-making program for Ukraine thus offers a different challenge for a Western organization wishing to strengthen the NGO sector in that country.

The program must take into account three different organizations: the National Ecological Center, *Zelenyi Svit* and the SEU groups located in Ukraine. The EcoCenter is a group of enterprising and independent scientist/activists who have united under the leadership of the internationally known biologist Academician Yuri Gleba. Registered in 1991, the EcoCenter plans to offer the services of its scientific staff on behalf of environmental protection, to undertake monitoring and database development and publish the results of its studies in its magazine *Oikumena* (from *oikos*, the Greek word that is the root of ecology). The EcoCenter has branches in Kiev and 14 other cities and its members lobby for environmental legislation at all levels of government. While the EcoCenter is emerging as a strong NGO player, *Zelenyi Svit* continues to be plagued by a divided leadership. Individual groups within the organization are doing good work and should be considered as candidates in the grant program, but the larger organization is not in a position to serve as a partner in the grant-making program.

Given the divisions in the Ukrainian green movement, ISAR will need to take a leading role in structuring the grant-making program for Ukraine. This will probably be the only way to guarantee that proposals from all groups, including SEU member groups, are handled impartially. Fortunately Jon Spaulding, an American who has been working with environmentalists in Ukraine for over a year, has agreed to help ISAR establish the grant-making program in Kiev in cooperation with the local AID mission. We have asked Jon to begin assessing the situation and come up with a plan for administering the Seeds of Democracy program for Ukraine, which could also include some funding for groups in Belarus and Moldova.

Jon will expect to work closely with the National EcoCenter in analyzing and responding to the needs of Ukrainian NGOs since the organization has entered into active discussions with US AID and they are in a good position to take part in joint environmental activities with environmentalists in many parts of the country. The highly respected scientists who serve as patrons for the EcoCenter give it credibility both inside the country and in the West, and its members are well regarded for their

scientific expertise, their professionalism and their political neutrality, qualities which augur well for the projects they undertake.

Dr. Andriy Demydenko, a Zelenyi Svit leader who now serves as public liaison for the Ministry of the Environment, has offered ISAR space in the new office of World Information Transfer, a nonprofit organization linked with the United Nations that promotes environmental literacy. We will explore that option carefully. In addition, Demydenko has suggested a number of candidates for the local advisory board, asserting that it will be important to schedule regular board meetings so there will not be long delays between the receipt of proposals and their consideration. Further, he expressed his conviction that projects must be well-defined and grants small at the beginning of the program so that NGO groups can become accustomed to clarifying their goals and producing concrete results. His certitude lends local validation to the underlying rationale of the Seeds of Democracy program.

The action plan for Ukraine will begin with a visit to Washington in January by Jon Spaulding. He will bring the DC office up to date on the situation in Kiev and we will come up with a general program outline for the region. He will also have an opportunity to confer with Lynn Richards and Eric Sievers, the ISAR team for Kazakhstan, who will be in Washington in January, too, and the whole team will schedule discussions with AID. Upon his return to Kiev, Jon will take the initial management steps outlined earlier, with the goal of making the first small grants within six to nine months. After the first-year evaluation of the project, we will consider whether the number of grant requests from Moldova and Belarus dictates establishing a presence in those states or whether it will be enough to hire additional staff for Kiev who can travel regularly to those regions.

Washington: The ISAR end of the program will be administered initially by Eliza Klose with the help of environmental program assistant, David Baker. Lynn Richards will spend half her time in the early months of the project in Washington as well. In the summer, once we have hired a replacement for her in Moscow, Ann Rubin will return to take on the major responsibility for the Washington end of the program. Ann's return will free Eliza to travel regularly to Ukraine, Kazakhstan and Russia to oversee the progress of the grant-making program as well as ISAR's new EcoInformation Centers in Alma-Ata, Kiev, Nizhniy Novgorod and Krasnoyarsk. Eliza will make her first planning trip to all three republics in March and report back to AID upon her return.

Evaluating the Results of the Program:

The Seeds of Democracy project is designed to produce a number of concrete results. Among them, we expect to see that

- The process of developing proposals will teach environmental NGOs in the NIS to better articulate project goals and begin long-term planning. Competing for grants on the basis of merit will offset the competition based on "who you know," which was practiced under the Communist party system. Project reporting and accounting requirements will foster practical results and personal responsibility among successful grantees. Follow-up work with unsuccessful applicants will give them an opportunity to learn from their mistakes and rewrite their proposals.

- Capacity-building grants, providing basic computer and communications equipment, will allow green NGOs to gather and distribute information more efficiently and reach out more effectively to their local communities.

- Project-oriented grants will hasten the development of small local activities like recycling or monitoring projects which can draw in community volunteers of all ages and serve as models for other groups.

•Grants for training, specialist exchanges and professional travel will offer NIS NGOs the opportunity to participate in conferences and seminars related to specific areas of expertise, whether organizational or scientific. Bringing NIS environmentalists in contact with Western and Central European colleagues to discuss everything from conflict resolution to monitoring toxic waste, such grants will help local NGOs learn more about the range of information available and enable them to better target their requests for assistance.

•The program at every level will be structured to encourage local initiative. As soon as groups or individuals prove ready to assume responsibility for a task themselves, the Americans involved will be prepared to leave the work in local hands. The greatest tribute to the program's success will be to see that the need for it has been outgrown.

By the end of the possible third year of the project, we would hope that the grant-giving project in Moscow might begin to attract some local funding. It also should be administered increasingly by Russian staff. The programs in Ukraine and Kazakhstan, in the same period of time, will hopefully have allied with a reliable local partner and begun to develop a cadre of local people ready to participate responsibly in an impartial grant-making process and ready to understand its value to the NGO community.

The first results of the grant-making project should be quickly visible in the number of local groups and projects which become viable and active within a few months after the distribution of grant money. Since all grants will be made on the basis of site visits and all grantees will be expected to produce regular reports on their work, the program managers will have ample illustration of the results of individual projects. These on-the-ground reports will form the basis for regular ISAR field reports to AID-DC. In addition, AID field representatives will be welcome to visit local grantees and discuss the status of the program with the ISAR in-country representatives at any time. They will also be welcome to sit in on grant selection meetings once the process has adequately evolved.

The ISAR in-country representatives will talk often and meet regularly to compare notes on the progress of the program in each region and share ideas on how to deal with organizational issues. They will be in regular contact with ISAR-DC by e-mail, report every three months on the status of the program and return to the US once a year for consultation. In addition, ISAR Executive Director Eliza Klose will travel several times a year to the NIS to monitor the program.

The US Component:

In addition to developing partnerships in the NIS, the Seeds of Democracy project will be designed to foster cooperative efforts among American NGOs involved in NIS joint projects. ISAR will organize meetings on issues pertinent to such collaborations, such as funding and financial issues, logistical problems and programming and equipment questions. We will also continue to sponsor luncheon seminars for visiting NIS environmentalists and American specialists in the area. The ultimate goal will be to develop an NIS environmental forum similar to existing environmental groupings such as the Asia Group organized by World Resources Institute. A preparatory meeting to discuss the environmental forum concept has been scheduled for January 13 and an AID representative has been invited to attend.

The charter members of the NIS Environmental Forum will be groups already actively involved in joint projects in the region. ISAR has been working with these groups since October 1989, when we convened the first meeting of what has become an informal working group on joint NGO environmental activities. Representatives of many of these organizations now serve as advisers to the ISAR/SEU International

Clearinghouse on the Environment. (See list attached.) The collective wisdom of these organizations and individuals is considerable, and we anticipate that they will assist with the Seeds of Democracy Project in many ways.

They can, for instance, help identify potential NIS candidates for funding. We have found that some of the most promising NGO projects attract Western partners, partners that in turn can become the project's strongest advocates. These partners can help both their NIS counterparts and the grant program by assisting the NIS participants in writing proposals, implementing programs and fulfilling accounting requirements. Such partnerships will work to the benefit of all involved and reinforce the sense of sharing and cooperation upon which the entire project is based. In some instances, these US groups may even be able to take on project management for an entire geographic area or handle a specific aspect of technical assistance, like staff training and environmental management.

In addition, many other US environmental organizations are becoming interested in offering technical assistance to groups in the NIS. The NIS Environmental Forum could offer an opportunity for groups with expertise in specific technical and training areas, but no experience in the NIS, to join forces with groups active in the NIS, but lacking in needed technical expertise. Once operational, the Forum could also serve as a mechanism for providing matching funds for promising US sponsored programs in the NIS. Plans for a matching grant program for American NGOs can be developed at a later date, after the NIS grant-making program is successfully underway.

Key Program Personnel for ISAR/ AID Seeds of Democracy Program

ELIZA KELLOGG KLOSE, Executive Director, has shaped ISAR's innovative partnership with environmental nongovernmental organizations (NGOs) in the United States and the former Soviet Union. Under her leadership, ISAR has developed exchanges for Soviet environmentalists, organized the first US-USSR NGO conference on the environment, initiated an electronic mail network linking Soviet and American scientists and activists, established an International Clearinghouse on the Environment with offices in Moscow and Washington and obtained funding from American foundations and federal agencies for Soviet NGO environmental activities.

A fluent Russian speaker, Eliza Klose lived in Moscow from 1977-81 and was a translator for her husband, the Moscow bureau chief for the *Washington Post*. She is the translator of Lydia Chukovskaya's memoir of pre-revolutionary literary life *To the Memory of Childhood* and the corrected edition of Chukovskaya's novel *Sofia Petrovna*, an underground dissident classic from the Stalinist era which is used widely in US colleges today. In 1987 Eliza Klose was aide and interpreter to George Soros on his initial fact-finding mission to Moscow, which led to establishment of the Soros Foundation-Soviet Union, and she worked as a consultant to Helsinki Watch and the Fund for Free Expression at the Moscow Book Fairs of 1987 and 1989. She has lectured about Russia to business and civic groups across the US and initiated ISAR's informal seminar series, which provides a regular forum linking interested Americans with important environmental figures from the emerging nations of the former Soviet Union. Eliza, who also serves as a co-editor of ISAR's quarterly journal *Surviving Together*, holds a BA from Radcliffe College in English literature and is a member of Phi Beta Kappa.

LYNN RICHARDS, environmental program director for the Washington office of the International Clearinghouse on the Environment, will serve as in-country representative for the Seeds of Democracy program in Alma-Ata. Lynn has led the US team working to establish an environmental electronic mail network in the former Soviet Union. In cooperation with the Socio-Ecological Union (SEU) she organized and instructed e-mail training courses for Soviet environmentalists in Bryansk, Ryazan and Krasnoyarsk, Russia, in November 1991, April 1992 and October 1992, which added 40 new e-mail stations to the environmental network. In addition, she travels to cities where e-mail groups are experiencing problems to provide on-the-spot technical assistance. Lynn, who speaks Russian, went to Moscow in the spring of 1991 as ISAR coordinator for the Joint US-USSR NGO Conference on the Environment, providing the SEU with computer training and logistical assistance. With Svet Zabelin of the SEU and Grant Pendill of the Organization for Soviet-American ExchangeS, she compiled the first *Soviet Environmental Directory*. Prior to her work with ISAR she led a number of youth delegations to the Soviet Union. She holds a BA in history and political science from Allegheny College.

ANN RUBIN, ISAR'S Moscow coordinator for the International Clearinghouse on the Environment, will serve as the Russia in-country representative for the Seeds of Democracy program. She has a BA in Russian Studies from William Smith College and an MA in Russian Area Studies from Georgetown University. Prior to representing ISAR in Moscow, she worked for two years as a research associate in the Georgetown University office of demographer Murray Feshbach, researching and writing on health and environmental issues in the Soviet Union. From 1990 to 1991, Ann, who speaks Russian fluently, was an ACTR research fellow, spending ten months in Moscow doing research on the Soviet environmental movement. Ann prepared the final report on the Joint US-USSR NGO Conference on the Environment and writes articles on the environmental situation in the former Soviet Union.

ERIC SIEVERS, ISAR's Central Asian field representative, will join Lynn Richards in the **Alma-Ata** office of the Seeds of Democracy program. He serves as a regional liaison for several US environmental and humanitarian organizations while doing research on nongovernmental environmental groups in Central Asia in preparation for the grant-making program. In addition, he is a coordinator for the Save the Tiger Campaign, an international group dedicated to publicizing the situation of the endangered tigers of the Russian Far East. Eric first traveled to Alma-Ata in the spring of 1991, where he taught English to local school children and worked as an interpreter for the Sputnik Travel Agency. A 1992 graduate of Swarthmore College, Eric is an MA candidate at Norwich University (Vermont) in Russian Language and Literature.

JON SPAULDING, resident director of the Kiev office of the Institute of European Studies, is to serve as in-country representative for the Seeds of Democracy program in Ukraine. Jon, who has worked closely with Ukrainian nongovernmental environmentalists in the last year in addition to his work with US students at the University of Kiev, has coordinated exchanges in Russia and Ukraine for a number of US organizations including World College West and International Peace Walk. A graduate in Soviet and East European Studies from the University of Massachusetts, Amherst, in 1986, he completed a program in Russian language and area studies at Leningrad University in 1988-89 and Ukrainian language at the Harvard Institute of Ukrainian Studies in Summer 1991.

Program Advisors

Gary Cook, Earth Island Institute, is a general consultant to the US-USSR Environmental Exchange and works with the Baikal Watch program. He has also served as a volunteer coordinator and financial consultant to the International Marine Mammal Project and continues to serve as a financial consultant to various other nonprofit organizations. In addition to earning a masters degree in Slavic languages, Mr. Cook holds a degree in natural resource economics.

Ted Hunter, Pacific Energy Institute (a public interest organization which promotes the efficient use of natural resources) has been actively involved in nuclear issues for over 12 years as a citizen activist and as an attorney. His roles have included attorney/advisor on environmental issues to the US Department of Energy, chief negotiator for Washington State in interactions with DOE on nuclear and hazardous wastes and as citizen chair of the Solid Waste Forum. He currently practices law in Seattle and is active in many environmental organizations, several of which he represents as an attorney.

Bradford Johnson, Institute of World Affairs (which focuses on international issues with increasing attention to the environmental arena) is involved in environmental activities through joint ventures with the Housatonic River Valley Association and Connecticut's Department of Mental Retardation. He studied Soviet affairs and has served as the assistant director of the Kennan Institute for Advanced Russian Studies. He is also a practicing lawyer with knowledge of the legal issues surrounding environmental concerns.

Randy Kritkauský, is the president of ECOLOGIA, a grassroots environmental movement in Northeastern Pennsylvania. He founded ECOLOGIA after making several trips to the former Soviet Union and Baltic States, living and working with environmental leaders at all levels of the nongovernmental community in the NIS. He is the former leader of Rescue, a 3,000 member regional environmental organization. A professional historian, he is presently completing a comparison of Soviet and American grassroots environmental politics.

Bill Leland is the new Executive Director of the Global Action Information Network (GAIN). GAIN is a computerized environmental education and communication system that provides vital information on a range of environmental issues and provides a method of communication between environmental activists and organizations. The network consolidates information from prominent environmental organizations, congressional offices, and research institutions and stores its material on EcoNet, an international computer network. Prior to this appointment, Leland served as the Director of EcoNet and most recently as Program Director for the Institute for Global Communications (IGC).

Nancy Lubin, a professor at Carnegie Mellon University, has traveled frequently to the former Soviet Union since 1974 both as an academic and as a consultant to private industry, various foundations, television productions and small non-profit organizations interested in pursuing a range of cooperative activities between the US and the FSU. She also lived for one year in Uzbekistan. For eight years Lubin was the sovietologist at the Congressional Office of Technology Assessment, and during the last two years she has focused her work on environmental issues in the NIS.

Francis Macy of the Center for Commonwealth Initiatives, has made some thirty trips to the former Soviet Union visiting most of the republics since 1961. In 1989, Macy organized and co-led the Center's first delegation of environmentalists to the FSU to meet with representatives of Soviet NGOs concerned with environmental problems as well as officials of Goskompriroda. His own environmental work focuses on sustainable and clean energy sources and the safe management of nuclear waste. Mr. Macy was recently appointed to serve as consultant to MacArthur on their programs in the NIS.

Grant Pendill directs the Soviet Family Farm Project, which promotes family farms in the NIS, and is also an interpreter with Russian Interpreting Services. In addition, he has been active in promoting exchanges between the US and the former Soviet Union for the last three decades. From 1957-65 he was Executive Secretary of Arms of Friendship, a private group of the Veterans' Committee of President Eisenhower's People to People Program. In 1963 he co-founded the Citizen Exchange Corps (Council) and served as its president from 1974-80. More recently, from 1985-1990, Pendill was the Executive Director of OASES-DC, a nonprofit NGO that coordinated a wide variety of joint Soviet-American projects.

Kristen Suokko is an international program associate and exchange coordinator for programs dealing with the states of the former Soviet Union at the Natural Resources Defense Council, a nonprofit membership organization dedicated to protecting America's natural resources and to improving the quality of the human environment. Prior to joining NRDC, she worked for two years as an assistant to Congressman Gerry Studds. Suokko graduated from Middlebury College with an AB in Russian language and has worked extensively on translating Roy Medvedev's book *Let History Judge* from Russian to English.

Shaw Thacher is a Project Coordinator for Bisson Exploration Service Company and a consultant for Environmental Systems Research Institute (ESRI). Fully trained in geographic information systems (GIS) by ESRI, he served as the first Voluntary Affiliate of ESRI's conservation program and recently attended the Earth Summit as part of a remote sensing GIS exhibit. Thacher also has been a consultant to Volunteers in Technical Assistance, a private nonprofit organization that specializes in appropriate information dissemination and communications technology transferal to developing countries.

Robbin Lee Zeff, a consultant on American environmental issues, is an associate director at the Environmental Research Foundation. ERF provides technical assistance to grassroots environmental groups by publishing a weekly newsletter about hazardous wastes and maintaining RACHEL, a fully indexed on-line database. Dr. Zeff uses a social and cultural perspective in investigating environmental problems. She has spoken widely on the rise of grassroots environmentalism, the role of women in the environmental movement, and the importance of cultural sensitivity in the environmental decision making process. She received her Ph.D. in 1989 from Indiana University in folklore and American studies and wrote her dissertation on the rise of grassroots environmentalism.

Budget Narrative

In this Seeds of Democracy proposal ISAR is requesting a total of \$1,000,130 over two years through a cooperative agreement with AID. The purpose of the project will be to develop a program for making small grants to nongovernmental environmental groups in the former Soviet Union through ISAR in-country representatives working with indigenous NGOs in three former republics, Kazakhstan, Russia and Ukraine. The ISAR office in Washington will provide back-up and administrative support.

The projected costs of setting up and managing the three field offices comes to \$249,250 for the first year and \$250,000 for the second year, for a total of \$499,250. ISAR is requesting \$300,000, or \$150,000 a year, to serve as a grant-making pool and ISAR's Washington office costs will be \$200,880, or \$91,800 in the first year and \$109,080 in the second year. The sum dedicated to establishing and administering the grant-giving is more than that dedicated to actual grants for two reasons. One is to insure adequate accountability for each grant awarded. The other is that the administrative component of the program is a key element of the project itself.

Designed to serve as a training mechanism for developing indigenous grant-giving capacity, not just as a pass-through operation, the program is staff intensive. Each office will require two ISAR staffers as well as local personnel in order to carry out the project mission of training local groups in management and professional skills, working with potential grantees, both successful and unsuccessful, and making site visits to potential applicants in many parts of the former Soviet Union. Program salary costs are extremely low relative to comparable government and business salary levels because our committed staff is willing to work at NGO rates. Local salaries are also low because they conform to local norms. In addition, we are able to keep on-the-ground costs like rent low because the program will be carried out in cooperation with local NGOs. Nonetheless, in order to succeed the project must establish two new offices, in Alma-Ata and Kiev, and beef up an existing office in Moscow. In addition, significant funds must be allotted for travel within each region and between regions.

The budget also includes monies for the printing of program bulletins, grant forms and training manuals of many different kinds. These will be needed to inform the environmental community about the program and ease their participation in it. The monies set aside for language services will permit translations of grant proposals and local reports whenever required for reporting purposes and grant-making decisions on larger grants. Another important budget item will cover telephone and e-mail communications, insuring the rapid and reliable information exchange required to administer the program regionally and internationally.

A certain portion of the budget is designated for equipment purchases, specifically laptop computers, printers and copiers needed to set up the program offices in Alma-Ata and Kiev. Much of the basic office equipment already exists at the clearinghouse office in Moscow. In addition, we expect that many of the projects which will receive funding under this program will require similar equipment, none of it costing more than \$1,500 to \$2,000. A computer, with its versatility for gathering, storing and manipulating data, producing letters, maps and other reproducible documents and, when equipped with a modem, serving as a communication device, is often more important to a grassroots group than direct dollar or ruble grants. It will be important to understand the nature of any regulations on the use of AID money for projects that require this type of small equipment purchase.

We have computed the indirect cost rate for this budget by taking 20% of ISAR's Washington, DC, program costs. These program costs come to \$76,500 and \$90,900 for years one and two respectively and do not include the purchase of any equipment. The indirect costs include a portion of office rent, equipment leasing, service contracts, liability insurance, repairs and maintenance.

By building the kind of infrastructure described in this proposal, ISAR together with its local partners will be able to create a grant-making program capable of distributing more money than will be made available under this grant request. Therefore, once the program is established, ISAR will be in a good position to seek additional monies from private sources to augment the US government contribution. The structure carefully created with government funds could thus become the foundation for an unusual new private-public partnership designed at once to protect the environment and build civil society in the former Soviet Union.

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

Page 1 of Pages

1. Cooperating Country New Independent States	2. PIO/T No. 110-0003-3-366-2653	3. PIO/T Amend No. Original
4. Project/Activity No. and Title 110-0003 Environmental Policy and Technology	5. Appropriation Symbol(s) 72-11X1093	
	6. Budget Plan Code(s) WNIX-93-36110-EG-12 (393-68-110-06-69-31)	
7. Pro Ag No. or Project Authorization Date February 4, 1993	8. Obligation Status <input checked="" type="checkbox"/> Administrative Reservation <input type="checkbox"/> Implementing Document	
9. Project Assistance Completion Date (Month, Day, Year) January 31, 1995	10. Authorized Agent FA/OP/A/FAO	

11. Type of Action and Governing A.I.D. Handbook [B]	12. Contract/Grant/Cooperative Agreement/ Reference Number (if this PIO/T is for an order or a modification to an award)
A. A.I.D. Contract (HB14) B. A.I.D. Grant or Cooperative Agreement (HB 13)	C. PASA/RSSA (HB 12) D. Other

13. A.I.D. Funding (Attach a detailed budget in support of column (2) as Attachment A.)				
	(1) Previous Total	(2) Increase	(3) Decrease	(4) Total to Date
A. Dollars		1,000,130		1,000,130
B. U.S.-Owned Local Currency				

14. Mission References

15. Instructions to Authorized Agent In accordance with A.I.D. Handbook 13, please execute a cooperative agreement to support activities described in the attached proposal dated November 30, 1992, as submitted by ISAR (formerly the Institute for Soviet-American Relations). Please refer to Attachments A-E for supporting documentation regarding the proposed set of activities and justification for less than full and open competition. ~~Period~~ Period of performance is two years, o/a February 1, 1993 to January 31, 1995. Current estimates are that assistance will be approximately 48% to Russia, 32% to Ukraine and 20% to Kazakhstan.

**FEB 17 1993
RECEIVED**

Reserve
2/17/93 **RA**

16. Address of Voucher Paying Office Agency for International Development; FA/FM/CPMD/DCB
Room 700, SA-2; Washington, DC 20523-0909

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

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

Signature: <i>ok MAB</i> Robert Beckman, NIS/TF/EET Date: 8 Feb 93 Phone No: X64400	C. Susan Hodge, NIS/EE/PAC Date: 2/16/93
Signature: Carlos Pascual, NIS/TF/PAC Date: 2/16/93	Signature: Winn, NIS/TF/CONT Date: 2/16/93
D. Funds for the services requested are available.	E. Dennis Long, NIS/TF/EET Date: 2/16/93
Signature: R. Anderson, FA/FM Date:	Signature: Date:

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

Signature:	Title:	Date:
Signature: <i>Barbara Turner</i> Barbara Turner, NIS/TF/OD	Title: Deputy Director, NIS Task Force	Date: 2/18/93

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

PIO/T No.
110-0001-3-366-2653

20. Special Provisions

A. Language Requirements (specify) (Include funds in budget for testing, as required.) Strong preference will be given to both long-term and short-term experts who have local NIS language capabilities.

B. Access to classified information will will not be required by technical specialists. (Indicate level)

C. Duty post(s) and duration of technical specialist(s) services at post(s) (months): Alma-Ata (24 months); Moscow (24 months); Kiev (24 months); Washington, D.C. (24 months)

D. Dependents' travel and support will will not be funded by A.I.D.

E. Geographic code applicable to procurement under this PIO/T is: (If other than authorized in Project Authorization, attach waiver(s))
 1. 000 3. 935 5. Other (specify)
 2. 899 4. 941

F. Salary approval to exceed FS-1 salary ceiling are:
 1. attached 2. in process 3. N/A

G. Cooperating country acceptance of this project:
 1. has been obtained 2. is in process
 3. is not applicable to services required by PIO/T

H. Justification for use of external resources for advisory and assistance services is:
 1. attached 2. N/A

I. clearance for procurement of ADP equipment, software, and services is:
 1. attached 2. in process 3. N/A

J. OMB approval of any report to be completed by ten or more members of the general public under the statement of work is:
 1. attached 2. in process 3. N/A

K. Participant Training is is not being funded as part of this PIO/T.

(If so, attach Budget Estimate Worksheet, Form AID 1382-10)

L. Requirement (contracts only) is recommended for:

1. small-business set-aside 2. SBA 8(a) program
 3. disadvantaged-enterprise set-aside 4. No recommendation

M. Other (specify)

21. Provisions for Logistic Support

A. Specific Items (Insert "X" in applicable column at right. If entry needs qualification, insert asterisk and explain in C. "Comments")

	IN KIND SUPPLIED BY		FROM LOCAL CURRENCY SUPPLIED BY		TO BE PROVIDED OR ARRANGED BY SUPPLIER	N/A
	A.I.D.	COOPERATING COUNTRY	A.I.D.	COOPERATING COUNTRY		
(1) Office Space					X	
(2) Office Equipment					X	
(3) Housing and Utilities					X	
(4) Furniture					X	
(5) Household Appliances (Stoves, Refrig., etc.)					X	
(6) Transportation in Cooperating Country					X	
(7) Transportation To and From Country					X	
(8) Interpreter Services/Secretarial					X	
(9) Medical Facilities (Health Room)	X					
(10) Vehicles (official)					X	
(11) Travel Arrangements/Tickets					X	
(12) Nightwatchman for Living Quarters					X	
(13)						
(14)						
(15)						
(16)						

B. Additional Facilities Available From Other Sources:

1. Diplomatic Pouch 2. PX 3. Commissary
 4. Other (specify, e.g., duty free entry, tax exemptions) See below.

C. Comments: Tax status as negotiated for implementing organizations of U.S. technical assistance programs described bi-lateral aid agreements with Russia, Ukraine and Kazakhstan--including duty free entry of personal effects--will apply. Commissary privileges, access to the Embassy Health Unit, and other benefits subject to Post

PIO/T No.

110-0001-3- 366-2653

22. Relationship of Contractor, Recipient, or Participating Agency to Cooperating Country and to A.I.D.

A. Relationships and Responsibilities: A.I.D. involvement in the cooperative agreement is spelled out in the attached program description. Both NIS/TF/EET and A.I.D. field staff will be involved in the oversight and monitoring of this activity.

B. Cooperating Country Liaison Officials: Primarily staff from environmental ministries.

C. A.I.D. Liaison Officials: NIS/TF Environmental Officer and USAID field staff involved with the oversight of environmental and economic assistance.

23. Background Information (additional information useful to authorized agent)

This Cooperative Agreement results from an unsolicited proposal submitted to A.I.D. by ISAR (see Attachment E). Additional information on the procedure followed and the proposed set of activities and budget may be found in the following:

Attachment A: Budget Estimate

Attachment B: Technical Evaluation of the ISAR proposal

Attachment C: Justification for Non-Competitive Award

Attachment D: Proposal from ISAR (dated December 18, 1992)

Attachment E: Program Description

Attachment F: Sub-Grantee Audit Clause

Attachment G: Section 599 Requirements

24. Summary of attachments that accompany the PIO/T (check applicable boxes)

- A. Detailed budget estimate in support of increased funding (Block 13) (See Attachment E)
- B. Evaluation criteria for competitive procurement
- C. Justification for procurement by other than full and open competition or noncompetitive assistance
- D. Statement of work or program description (See Attachment E)
- E. Waiver(s), justification(s), clearance(s), certification(s), approval(s) (specify number)
(See Attachments F and G)

25. Distribution of PIO/T FA/FM/CMPD; NIS/TF/PAC; NIS/TF/OD; FA/OP/CC/N