



United States Agency for
International Development

Contract Information Management System
(CIMS)

DIRECT ACTION DATA FORM
FOR GRANTS & COOPERATIVE AGREEMENTS

1. Basic Award Number 674-0301-G-SS-9015-00

2. Recipient Name People's Express

3. Award Description (This description will be seen by high level Agency officials, as well as members of Congress.)
The purpose of this project is to train young black journalism students.

4. Principal Place of Performance

South Africa

5. Benefiting Country

South Africa

6. Project Officer

Office Symbol

COLD

Name (Last, First)

Wendel, Dennis

7. Grant Agreement Type

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

8. Basic Purpose

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

7a. Extent Competed

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

9. Taxpayer Identification Number

10. Business Organization Type

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

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

12. If obligated amount is in local currency, provide U.S. Dollar amount

\$80,000

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

Wendel, Dennis *for*

13.b. Signature

Dennis P. Barrett

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

Barrett, Dennis P. *for*

14.b. Signature

Dennis P. Barrett

COPY OF AWARD DOCUMENT MUST BE ATTACHED TO THIS FORM

EMBASSY OF THE
UNITED STATES OF AMERICA

Office of Development Affairs
April 19, 1988

People's Express
P.O. Box 24289
LANSDOWNE 7780

Attention: Jeffrey Kleinsmith

Subject: Agreement No. 674-0301-G-SS-9015
Human Rights Project
People's Express Training Project

Dear Mr. Kleinsmith:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development ("AID") hereby obligates to People's Express ("Recipient") the sum of \$80,000 to pay for costs associated with its In-Service Media Trainee Program, as more fully described in Attachment 1, "Schedule," and Attachment 2, "Program Description."

This Agreement is effective as of March 31, 1989 and shall apply to work performed and commitments made by the Recipient in furtherance of program objectives during the period beginning with the effective date. This Agreement will remain in effect until April 30, 1992.

This Agreement is made on condition that the funds will be administered in accordance with the terms and conditions set forth in Attachment 1, Attachment 2 and Attachment 3, "Standard Provisions." This letter and its four attachments, which have been agreed to by People's Express, constitute the Agreement.

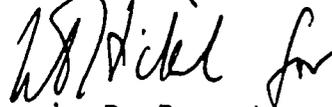
[Handwritten signature]
8/15/17
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If these terms are agreeable to you, please sign the original and one copy of this Agreement letter to acknowledge your receipt and acceptance of those terms, and return the original to the Office of Development Affairs, U.S. Embassy, Pretoria.

Sincerely,



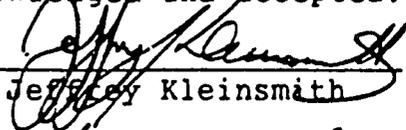
Edward J. Perkins
Ambassador



Dennis P. Barrett
Counselor

Acknowledged and accepted:

By:



Jeffrey Kleinsmith

Title: Managing Editor Coordinator

For: People's Express

Date: 1989-05-17.

Attachments:

Schedule
Program Description
~~Standard Provisions~~
Request for Advance

Attachment 1

SCHEDULE

A. PURPOSE OF AGREEMENT

The purpose of this Agreement is to provide support for People's Express's In-Service Media Trainee Program. The program aims at training young black journalism students and is being conducted in collaboration with the Peninsula Technikon, the School of Journalism in Bellville and Eastern Cape news agencies. Funds are provided for up to three successive 12-month programs for two students per year.

B. PERIOD OF AGREEMENT

The effective date of this Agreement is March 31, 1989. Its expiration date is April 30, 1992, meaning that costs incurred for goods and services provided after that date will not be eligible for funding under this Agreement.

C. AGREEMENT FUNDING AND PAYMENT

1. The total estimated amount of this Agreement for the period shown in B.1 above is \$83,075.
2. AID hereby obligates the amount of \$80,000 for program expenditures for the period March 31, 1989 to April 30, 1992 as shown in the Financial Plan below.
3. Additional funds up to the total amount of the Agreement shown above may be obligated by AID subject to availability of funds and the requirements set forth in Attachment 3 under "Revision of Financial Plan."

D. FINANCIAL MANAGEMENT

1. The Recipient shall be responsible for accounting for all funds provided under this Agreement. Reimbursement for expenses incurred shall be in the form of a monthly submission of invoices marked paid, cancelled checks, signed payroll sheets and other appropriate documentation, as further described below. Included in this Agreement, as Attachment 4, is a one-year budget based upon expected expenditures covered by this Agreement. This budget also reflects quarterly cash flow requirements and represents the Recipient's request for a 30-day advance. A sufficient advance of funds will be provided to cover expenses for three months of operations. Execution of this Agreement constitutes USAID approval of the advance and, for AID's internal purposes, earmarks and commits all funds obligated under the Agreement. Any interest earned from funds provided under this Agreement will be returned to USAID.

2. Disbursement Procedures

- a. Reimbursement. Local currency disbursements from USAID to the Recipient will be made through monthly reimbursements for expenses incurred during the previous month. Each reimbursement request will include (i) a summary sheet listing, in a format compatible with the budget shown in the Financial Plan below, the purpose and amount of each (individual) expense incurred together with a sub-total for expenses under each budget line-item and a grand total; and (ii) copies of paid invoices (not pro forma invoices), checks or other documentary evidence showing that funds were expended and the payee received such funds (e.g., invoices stamped "Paid", cancelled checks, payroll sheets signed by the employees).
- b. Advances. It is recognized that an advance of funds is required, as working capital, to carry out the purposes of this Agreement. See D.1 above and Attachment 4 which requests such an advance.
- i. Consistent with B.1 above, AID will reimburse the Recipient for recurring expenses financed from the advance. Non-recurring expenses financed from the advance will not be reimbursed, but rather will be used to partially liquidate the advance and consequently reduce the advance total. When the Recipient submits its monthly reimbursement request, it must therefore indicate clearly which expenses will be used to reduce the advance balance.
- ii. At the end of the Agreement period, any advance balance will be liquidated through submission of paid invoices, cash or both.
- iii. Should there be a need to increase the level of the advance, USAID should be notified in writing at least 90 days before the required increase. USAID will advise in writing of any approved increases. Likewise, USAID reserves the right to decrease the level of the advance if expenditures fall below projected levels.

E. FINANCIAL PLAN

1. Illustrative financial plan. An illustrative financial plan is set forth in Table 1 below. Revisions of this plan shall be made in accordance with the requirements set forth in Attachment 3 under "Revision of Agreement Budget." All line-item adjustments must receive prior USAID approval.

TABLE 1
ILLUSTRATIVE FINANCIAL PLAN
(Calendar years)

	1989		1990		1991		TOTAL	
	SAR	US\$	SAR	US\$	SAR	US\$	SAR	US\$
1. One-time expenses:								
a. Computer								
16,460	6,858						16,460	6,858
b. Camera								
1,700	708						1,700	708
c. Furniture & accessories								
5,300	2,208						5,300	2,208
2. Salaries of trainees								
20,400	8,500	23,460	9,775	26,980	11,242	70,840	29,517	
3. Travel								
6,450	2,687	7,420	3,092	8,530	3,554	22,400	9,333	
4. Material								
3,230	1,346	3,710	1,546	4,270	1,779	11,210	4,671	
5. Contribution to salary of training officer/journalist								
10,000	4,167	11,500	4,792	13,220	5,508	34,720	14,467	
6. Other*/								
10,580	4,408	12,170	5,071	14,000	5,833	36,750	15,312	
TOTALS**	74,120	30,883	58,260	24,275	67,000	27,917	199,380	83,075

*Costs of extramural training (training fee, travel, accommodation, insurance, telex/telegram/courier and minor incidentals): total payment R2,116/2,434/2,800 annually to each of five outside training agencies.

**Slight variations in dollar figures are due to rounding.

2. Level of assistance. Total U.S. dollar assistance anticipated to be provided during the period of this Agreement is based on the financing estimated to be required to carry out those activities during the period of the Agreement. The rand requirements have been converted to dollars, at a rate of 2.4 rands to one dollar, to determine the total estimated amount of this Agreement as shown in paragraph C.1 above. The U.S. dollar total, and not its rand equivalent, is the binding maximum level of assistance. The rand figures in paragraph D.1 above are shown for planning and illustrative purposes only.

3. Exchange rate fluctuation. Due to exchange rate fluctuations, South African rands available under the Agreement may exceed planning levels and allow additional costs of the kinds listed in paragraph E.1 above to be incurred by the Recipient. In such an event, Recipient may use such funds to cover additional costs under each line item, provided that the total dollar amount under each line item may not be exceeded unless such line-item adjustment receives prior AID approval. If exchange rate fluctuations result in availability of fewer rands than estimated, financing of the shortfall will be Recipient's responsibility.

F. REPORTING

1. Performance reporting. In addition to financial reports, the Recipient will provide AID quarterly reports on general progress in Agreement activities. The reports will summarize activities planned during the previous reporting period, actual accomplishments during the current period, obstacles encountered, plans to deal with these obstacles and general implementation plans during the next period.

If activities are funded from sources other than this Agreement, the report will indicate the overall proportion of the cost of activities undertaken by the Recipient that is attributable to this Agreement. A composite report will be submitted within 30 days of the termination date of this Agreement.

2. Financial reporting and accountability. The Recipient shall be responsible for accounting for all funds provided under this Agreement. Financial reporting shall be in the form of submission of invoices, as described in paragraph D.2 above. There are no other financial reporting requirements.
3. Evaluation. The Recipient agrees to participate in an external evaluation if so requested by AID. If an evaluation is to be conducted, AID and the Recipient will agree on the scope of work and timing of the evaluation.

G. SPECIAL PROVISIONS

1. Accounting. Prior to the disbursement of funds or the issuance of any commitment documents under the Agreement, the Recipient shall provide in form and substance satisfactory to AID evidence that proper financial management systems for accounting and recordkeeping exist with respect to funds provided under this Agreement. If AID so requests, the Recipient agrees to allow AID to conduct a financial review to confirm that proper financial management systems exist and thereafter to resolve any outstanding financial issues to AID's satisfaction prior to further disbursement of funds.
2. The Recipient will establish a separate account to handle all financial transactions under this Agreement.
3. Procurement
 - a. Scope. This provision is applicable insofar as local cost financing is otherwise authorized by the Agreement. It does not require procurement in South Africa where the Agreement otherwise permits off-shore procurement.

b. Policy. In procuring goods and services in South Africa, the Recipient shall, to the maximum extent practicable, award contracts to individuals or organizations which are disadvantaged by apartheid and which are appropriate and responsive providers of goods and services.

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

4. Except as provided in paragraph G.3. above, all procurement transactions shall be conducted in a manner providing, to the maximum extent practicable, free and open competition.

5. Standard Provisions B1 through B21, contained in Attachment 3, are not applicable to this Agreement.

H. OVERHEAD RATE

Not applicable.

I. TITLE TO PROPERTY

Title to any property acquired under this Agreement shall vest in the Recipient.

J. AUTHORIZED GEOGRAPHIC CODE

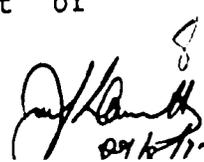
All goods and services financed by this Agreement shall have their source and origin in the United States or the Republic of South Africa.

K. LOCAL COST FINANCING WITH U.S. DOLLARS

The amount of U.S. dollars authorized to be used for local cost financing is the entire amount obligated under this Agreement.

L. OTHER IMPLEMENTATION GUIDELINES

1. In providing these funds AID does not endorse the specific views of the recipient, nor in any way seeks to influence the editorial viewpoint of the Recipient or suggest the substantive content of People's Express.

A handwritten signature in black ink, possibly reading 'J. Smith', is written over the date '09/11/77'.

2. If in its opinion circumstances make it desirable to do so, AID may generally or selectively reveal the fact or terms of this Agreement. AID does not intend to release such information without cause, and will endeavor to inform the Recipient in advance in the event it appears likely that such information will be revealed.
3. The Recipient agrees to collaborate with the Peninsula Technikon in conducting on-going monitoring of training provided under this Agreement to ensure the program meets the trainees' needs.

ATTACHMENT 4
REQUEST FOR ADVANCE

FIRST YEAR BUDGET BY QUARTERS
(SAR)

	1st	2nd	3rd	4th	TOTAL
1. One-time expenses:					
a. Computer	16,460				16,460
b. Camera	1,700				1,700
c. Furniture & accessories	5,300				5,300
2. Salaries of trainees	5,100	5,100	5,100	5,100	20,400
3. Travel	1,612	1,613	1,612	1,613	6,450
4. Material	808	807	808	807	3,230
5. Contribution to salary of training officer/journalist	2,500	2,500	2,500	2,500	10,000
6. Other*/	2,645	2,645	2,645	2,645	10,580
TOTALS	36,125	12,665	12,665	12,665	74,120

*Costs of extramural training (training fee, travel, accommodation, insurance, telex/telegram/courier and minor incidentals): total payment R2,116 in first year to each of five outside training agencies.

Ko-b
28/5/17
10

PROGRAM DESCRIPTION

Peoples Express Community Communication Centre.

Introduction:

Depriving the black, disadvantaged communities of meaningful education and relevant information has been one of the single most 'damaging' strategies, employed by the State, in maintaining the apartheid system in South Africa over the last four decades.

Relevant education and information at every level is the key to social upliftment, economic development and political liberation. The growth - and subsequent State restrictions - of alternative mediums and publications has been the response to the desperate thirst for information and knowledge from the black communities.

The Peoples Express Community Communication Project.

In 1985, mainstream media apathy to community issues and State propoganda, led black business and community leaders in the townships of Guguletu to initiate the establishment of Peoples Express newspaper as a community - based mouthpiece, information and developmental tool for black advancement for 20 000 readers.

In four years, the Peoples Community Communication project has grown. Now publishing and distributing 65 000 copies to 300 000 readers fortnightly, it serves the disadvantaged black communities of the greater Western Cape.

An independant non-profit community based, alternative source of news and information, it enjoys the co-operation and support from diversified community groupings and organisations. Its mandate is to provide meaningful, relevant information to educate, inform, inspire and develop the disadvantaged, black community of the Western Cape, with a balanced, credible, quality, professionally run and self-supporting tabloid newspaper and information service.

Its successful and positive contribution to community development has led to increased demands for information services, content and publication frequency of the project. It is financed solely by concerned business advertisements.

With a small dedicated staff of only three, Peoples Community Communication Centre presently operates from Lansdowne, a black suburb on the Cape Flats, producing a quality, community tabloid and important information and support service to black individuals, businesses, civic and community organisations in the Western Cape.

PEOPLES EXPRESS IN-SERVICE MEDIA TRAINEE PROGRAMME FOR 1989.

Proposed Programme:

In response to the community need, for an in-service training facility for young black journalism students, Peoples Express intends conducting an in-service training programme, in collaboration with the Peninsula Technikon, School of Journalism in Bellville and Eastern Cape News agencies, to meet this need.

The twelve month in-out programme, was designed in conjunction with senior Peninsula Technikon staff and students to provide less fortunate, black student journalist, with the practical and theoretical training opportunity to become a responsible journalist and community contributor.

A non-profit, community-based organisation, Peoples Express, publishes a freesheet newspapers - Peoples Express and Peoples Business Review - read by 300 000+ readers in the townships of the Western Cape. Funded entirely by advertisers, the organisation is in no position to fund the extra trainees of the planned programme. We thus appeal to concerned organisations to assist us by funding one or more trainees for one year and hereby help develop good, black journalist.

The cost of the jointly devised programme will be an estimated R 175 120 for the next three years inclusive of salaries, training, equipment and travelling expenses (see attached budget).

The trainee will emerge at the end of the year skilled, informed, trained and networked with academic, business, community and media resources to the degree that he/she will have completed the mandatory in-service requirement to obtain his / her journalism diploma, confident and skilled enough, to work in the field and assist others.

Organisation Mission as mandated in 1985:

- * Peoples Express is to inform, educate and develop the community it serves. The training programme is a mere extension of that mission and an enhancement of its responsibility.
- * The specific mission of the training programme is to give the skills, training and opportunity to an aspirant black journalist that he/she may emerge as a confident and dynamic individual able to apply him/herself to the demand of the profession - to the extent of starting up his/her own media organization for the community in its struggle.

The In-set Programme:

The two trainees will be selected from academic students at Technikon and work on the programme for one year. The trainees will be stationed at the Peoples Express office during which time will participate in structured programmes formulated conducted and monitored quarterly by senior staff of Peninsula Technikon in consultation with the profession.

The in-set programme will instruct the trainee in -

- * community media services
- * basic writing and reporting skills
- * fundamentals in journalism, the law and the community
- * provide basics to research, resource and aid usage
- * train in photographic skills, procedure and processing
- * electronic and desk top publishing facilities training
- * media, politics diplomacy and public affairs briefing
- * basic business and financial consideration and practices
- * basic advertising and marketing information and practices
- * practical production, editing, printing and distribution of news releases, news sheets and tabloids for a varied readership reporting assignments.

Each trainee will then spend some time outside of Cape Town as a correspondent/ journalist in the Eastern Cape and Transvaal. During this period the trainee will be required to file copy for Peoples Express and local progressive publications as a practical exercise to develop the skills required for the differing demands of the different mediums and their audiences.

The trainee will return to Cape Town and take up the position as acting-production editor of the months edition of Peoples Express or Peoples Business Review. Responsibilities will include editorial, financial, production and distribution aspects of the edition.

Benefactor:

The trainee will emerge at the end of the programme, having had the benefit of an intensive, varied and diversified training, learning and working experience. The programme provides not only the journalist skills, but also the experience in other areas important to a well balanced functional vocation.

The community will benefit from the skills and resources acquired by the trainee who will in turn apply his/her knowledge to assisting and aiding the community he/she serves.

The Peoples Express and Eastern Cape news agencies will benefit from the services of a journalist/editor, gaining the new dimensions and insight the trainees may provide the organisations.

J. K. ...
8/15/77.13

PROPOSED BUDGET FOR THE TRAINING OF FOUR BLACK JOURNALISTS.

Overhead cost of trainees:	- R 10 200	
Salary for one year at R 850.00pm		
Travel Allowance	- R 3 225	
Material (film, papers, chemicals)	- R 1 600	
Training costs: per trainee	R 15 025	
Two trainees per year at a cost	R 30 050	
Cost for three years		R 90 150

Additional equipment needed to facilitate the training of trainees. This will be a one off purchase and setting up cost.

1x 40 mb hard drive 1.2mb ram floppy XT IBM compatible computer with a 14 " monitor graphic card and electronic mouse facility	R 16 300
1x 135mm Reflex camera with flash and case	R 1 680
Furnished office facility and accessories to accommodate trainees comfortably for the next three years.	R 5 250

- 2 x desks	700.00
- 2 x office chairs	308.00
- 2 x casual chairs	280.00
- a computer workstation	365.00
- ergo - computer chair	295.00
- filing cabinet	380.00
- Central Hard top worktable	208.00
- overhead light & 1/table	517.00
- book & recordshelves	110.00
- stationery and accessories including diskettes, pads, trays, books etc for six persons over three years.	

In order to provide sufficient control, guidance and practical assistance to the trainees we wish to appoint a training officer/journalist who will be responsible for the trainees, the application of the programme and the managing of the grant. Half the cost of this appointment is to be borne out of the training scheme budget - R 10 000pa- for 3 years

R 30 000

Cost of extra mural training, activities and incidental cost that include the cost of accommodating, and placing trainees with outside training agency such as East London News Agency, Port Elizabeth News, South, Muslim Views, and Capital News.

R 31 750

Each centre will be paid a per dium for the duration of stay of trainee to set off unproductive time spent assisting and training each trainee. Total of R 10 580 per year

The Organisation.

MANPOWER.

The project is run from a central location with a core networking expertise, facilities and resources of other organisations such as the Universities of Cape Town, Stellenbosch, Western Cape, Peninsula Technikon, Centre for African Studies, Centre for Continued Education, National African Federation of Chamber and Commerce (Nafcoc), Black Management Forum (BMF) Black Caucus, and others to achieve its objectives -

Trustees:

The organisation has five unpaid trustees ie -

Martin Shebesha - Past President of BMF National, present chairperson of the Johannesburg Central Business District Traders Associations, businessman, U.S. appointed management consultant to NAFCCC, and industrial relations consultant to blue chip companies.

Dr Mandla Tshabalala - senior lecturer in social studies at the University of Cape Town, board member of a number of social action groups community co-ordinator and BMF executive member.

Dr Mzobs Mboya - senior lecturer in the Department of Education at the University of Cape Town, local businessman, active community leader and former assistant to the Chancellor of U.C.T. Dr Saunders.

Jeffrey Kleinsmith - Managing Editor of Peoples Express, active sports and community figure, qualified Mechanical Engineer.

Leighland Reed - Publisher of Medical Journal and socially active christian.

Impact:

Since its inception in 1985, a new dimension in community communication has evolved.

Peoples Express, the free independant community tabloid has directly contributed to :-

- 1) Bringing current community issues into the spotlight
- 2) Initiated and supported more than 127 community aid, development and educational projects and programmes.
- 3) Promoted local sport, cultural, health, education, unemployment schemes and development.
- 4) Promote local, community and worker organisations/institutions
- 5) Supported and promoted small and informal business sector
- 6) Maintained and encourage historical and cross cultural links
- 7) Provides a vehicle for local talent, writers, cartoonist, photographers etc to publish and display their work.

This has been in association with community organisations ie:

- * Teachers Research Centre - Guguletu
 - * Advice Office Forum - Elsie's River, Hanover Park, Athlone etc.
 - * Centre for Child Care - Athlone and Wynberg
 - * Maths Outreach - Peninsula wide
 - * Equal Employment Opportunity - Peninsula wide
 - * W.E.P.C.O.C. - Langa & Guguletu
 - * Western Cape Traders Association
 - * Peoples Educational Trust
 - * Career Research and Information Centre (C.R.I.C.)
 - * Matroosfontein Community Youth Group
 - * Hanover Park Old Age Assistance Unit
 - * Child Welfare - Athlone, Wynberg
 - * Development and Training of informal and Small Business - Bellville, Mitchells Plain and Guguletu
 - * Grassroots, Molo Songolo, Muslim News,
 - * National Institute for Social and Economic Development (NISED)
 - * Small Business Development Unit - University Stellenbosch
 - * W.P. Senior School Sports Union
 - * Centre for African Development
 - * Western Cape Taverners Association
 - * Co-operative Forum
- and many others, maintaining continuous community participation.

Evaluation :

Daily community contact, rapport and involvement keeps our service dynamically responsible to grassroot needs. Regular quarterly 'surveys' monitors relevance and progress of programme.

John
8/15/85

ACTION MEMORANDUM

April 19, 1989

TO: The Acting Director

FROM: HRO - Peter Olson

SUBJECT: Agreement with People's Express for
Technikon-Related Training Project
(COLD, 674-0301-G-SS-9015)

I. Problem

Your approval is required to obligate \$80,000 of FY89 COLD funds through an agreement with People's Express.

II. Authority

Pursuant to Redelelegation of Authority No. 452, the Director, USAID/SA, has authority to execute grants with indigenous non-governmental organizations in an amount not to exceed \$5,000,000.

III. Background

In 1985, People's Express was established as a non-profit community-based newspaper. From the beginning it has been financed wholly from advertising purchased almost entirely (if not exclusively) by black businesses serving the black communities of the Western Cape. The paper is distributed free of charge in runs of approximately 65,000 every two weeks; total readership is estimated at 300,000. The paper's editorial content is community and "alternative" in orientation, but does not reflect a particular political perspective. It describes its mandate as providing "meaningful, relevant information to educate, inform, inspire and develop the disadvantaged black community of the Western Cape with a balanced, credible, quality, professionally-run and self-supporting tabloid newspaper and information service." Its staff of three operates from modest offices in Lansdowne, a black Cape Flats suburb.

Peoples' Express has been approached by the Peninsula Technikon to participate in an in-service training program for black journalism students. Such training is required to obtain a Diploma in Journalism from the Technikon, and is provided by several other newspapers in the Cape Town area as well. People's Express anticipates that interns attracted to its program will disproportionately be those interested in small community newspapers or similar publications, and will thus gain particularly relevant experience from such a stint at People's Express.

We have been approached to assist with funding because People's Express is not in a financial position to cover the costs of such additional staff and training.

IV. Discussion

The Peoples' Express In-Service Media Trainee Program got underway a year ago with one trainee; the two 1989 trainees are joining the paper imminently. The training program itself will include both formal and extensive on-the-job training, culminating in each trainee's assuming full responsibility for the preparation and production of an entire issue of the paper. Trainees will be sent to other parts of the country (on a reciprocal basis) to receive experience at such other news entities as East London News Agency, South, Muslim Views and Capital News. It is intended that at the end of the training period trainees will be familiar with all aspects of editorial, reportorial and technical preparation and production of a newspaper, as well as with advertising and other financial aspects of the business. A fuller description of the program is set forth in Attachment 2 to the Agreement.

This grant is made under the COLD project. It is intended to have a long-term supportive effect on both black media and white media operations which are beginning to open up to black professionals and perspectives. In supporting an initiative promoting the development of democratic processes and institutions and programs providing leadership and technical training and increased access to information and resources, the grant is fully consistent with the COLD sector strategy and project paper supplement.

The proposed agreement will obligate \$80,000, a sum which will cover three years' program costs at current exchange rates. To account for a possible but unlikely drop in the exchange rate, an additional \$3,075 is provided for but not obligated.

V. Project Issues

A. Development of the project

The history of this grant is a tangled one. In mid-1988 DEVO became aware of the National Endowment for Democracy's plan to use DEVO-provided funds to fund a similar program at People's Express. It became clear in pursuing the matter that NED had provided grants to media recipients on other occasions as well. At that time DEVO had just completed development of guidelines for grants to media, an exercise which highlighted Embassy and USIS concerns about such grants. In light of those concerns, and the potential for difficulties regarding grants in this sphere both in the United States and in South Africa (on the part of both the government and some of its opponents), the Office decided to place the NED grant on hold while the matter was pursued with the Embassy and USIS.

Although initial views of the wisdom of proceeding with a grant were negative, based largely on USIS perceptions of People's Express as a low-quality paper which could not provide training to a high standard, and of the grant proposal as being extremely expensive as compared to other forms of training. Subsequent discussions with People's Express, however, led DEVO to recommend that the issue be revisited, and the Ambassador approved proceeding with the grant. Those discussions satisfied

DEVO that People's Express is a politically active paper with community support, that the training it would provide would be highly relevant to anyone interested in running a small, community paper, and that the practical training it would provide was comparable in cost per person to other in-service training programs and could not properly be compared to academic training programs. (Indeed, the intern program for which funds are to be provided has been developed in conjunction with the Peninsula Technikon's academic training program precisely in order to provide required training not available in the classroom.)

B. Media policy

The media guidelines referred to above permit grants to be made to individual media recipients when the activity to be funded provides a general service to the media which is relevant to change in South Africa. Journalists' training is cited as an example of an activity for which a grant to an individual recipient could be appropriate.

The review discussed above focussed, inter alia, on People's Express's ability and readiness to provide training that would encourage trainees to continue their work in contexts relevant to achieving change in South Africa. Both the Assistant Director and the HRO came away from visits to People's Express satisfied that this would be the case. (This conclusion parallels that of former USIS Cape Town BPAO Shamir Kouttab, who had himself recommended a HR Small Grant to Peoples' Express in early 1988.)

The HRO is satisfied that People's Express is a proper recipient for funds for a training program under the media guidelines. While USIS continues to have reservations on the ground that the cost of training is too high, it does not appear that these costs are in fact out of line in comparison with other in-service media training programs.

C. Financial management capability

No financial review has been done on People's Express. Its accountants, P.C. Jones, are known to this office and have a good reputation for working effectively with community organizations. The agreement provides for a financial review at AID's request and for resolution before further disbursement of any problems which may arise. It is recommended that such a review be completed before any disbursements are made.

D. Personnel and travel policies

Training will be conducted by existing People's Express staff members and a new staff member who has already been identified and brought on board. The trainees will be identified and selected on the basis of applications presented by Peninsula Technikon students. Travel policies will be reviewed in the context of the financial review referred to above.

E. PVO Registration

For the reasons noted below, Peoples Express does not qualify as a PVO and therefore need not be registered. USAID has determined that it does not meet all of the definitional criteria for a PVO set forth in Handbook 3, Appendix 4C and Annex 1 and 88 State 74046.

People's Express neither solicits nor receives contributions from the public. With the exception of the present agreement, its sole source of funding is advertising purchased on a purely commercial basis by local businesses.

F. Recurrent costs

This grant of funds is for training costs incurred for a training course which will, if successful, run for the foreseeable future. The Agreement commits AID to fund these costs for three years; no formal or informal commitment has been made for costs beyond early 1992. The course can be terminated at the end of any given training year at no cost to Peoples' Express, simply by not taking on new trainees for the year following.

G. Action plan and sectoral strategy

In supporting initiatives which promote the development of democratic processes and institutions and programs which provide leadership and technical training and increase access to information and resources, the grant is fully consistent with the COLD sector strategy and project paper supplement. Support for the media is becoming an ever-larger element in the Mission portfolio, and media training projects have been discussed and approved as appropriate COLD activities in the context of FY89 action plan discussions. This grant has been approved in principle by you and by the Ambassador.

H. Competition

Handbook 13, Chapter 2B, Sections 4.b and 3.a and b permit you to approve without competition assistance awards based on an unsolicited application which "is unique, innovative, or proprietary, and acceptance [of which] would represent appropriate use of AID funds to support or stimulate a public purpose" or for an award "for which one recipient is considered to have exclusive or predominant capability, based on experience, specialized facilities or technical competence, or based on an existing relationship with the cooperating country or beneficiaries". It is our determination that such an award is appropriate in this case under both criteria, as Peoples' Express's application to us was unsolicited, its proposal is unique and proprietary as well as serving a public purpose as described in this memorandum, and it possesses a predominant capability deriving from the fact that it is to our knowledge the only community-oriented black newspaper participating in the Peninsula Technikon's training program.

VI. Recommendation

That, for the reasons cited above, you (A) approve noncompetitive selection in accordance with the justification provided above and (B) approve by signing below and at the places indicated on the attached original and one copy the proposed agreement with Peoples' Express to fund its In-Service Media Trainee Program.

Approved: _____

Disapproved: _____

Date: _____