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U.S. AGENCY FOR
INTERNATIONAL
DEVELOPMENT

Mr. Ken Wollack
President
National Democratic Institute for
International Affairs
Suite 503
1717 Massachusetts Avenue, N.W.
Washington, D.C. 20036

Subject: Grant No. LAG-0591-G-00-3028-00

Dear Mr. Wollack:

Pursuant to the authority contained in the Foreign Assistance Act of 1961 and the Federal Grant and Cooperative Agreement Act of 1982, as amended, the Agency for International Development (hereinafter referred to as "A.I.D.") hereby provides to the National Democratic Institute for International Affairs (hereinafter referred to as "NDI" or "Grantee") the sum set forth in Section 1C.2. of Attachment 1 of this Grant to provide financial support for the program described in Attachment 2 of this Grant entitled "Program Description."

This Grant is effective as of the date of this letter and funds obligated hereunder shall be used to reimburse the Grantee for allowable program expenditures for the period set forth in Section 1B. of Attachment 1 of this Grant.

The total estimated amount of this Grant is the amount set forth in Section 1C.1. of Attachment 1, of which the amount set forth in Section 1C.2. is hereby obligated. A.I.D. shall not be liable for reimbursing the Grantee for any costs in excess of the obligated amount. However, subject to Section 1C.4. of Attachment 1, additional funds may be obligated by A.I.D. until such time as the obligated amount may equal the total estimated amount of this Grant.

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Rev:06/28/93(TM13:61+Lobbying/TM1B:87)
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This Grant is made to the Grantee on the condition that the funds will be administered in accordance with the terms and conditions as set forth in the attachments listed under my signature below, which together constitute the entire Grant document and have been agreed to by your organization.

Please acknowledge receipt and acceptance of this Grant by signing all copies of this Cover Letter, retaining one copy for your files, and returning the remaining copies to the undersigned.

If you have any questions, please contact Kathie Frascella of my staff at (703) 875-1220.

Sincerely yours,

Jay M. Bergman
Grant Officer
Chief, LA Branch
Division B
Office of Procurement

Attachments:

1. Schedule
2. Program Description
3. Standard Provisions
4. Special Provision entitled "Restrictions on Lobbying"

ACKNOWLEDGED:

NATIONAL DEMOCRATIC INSTITUTE FOR INTERNATIONAL AFFAIRS

BY: _____

TYPED NAME: Kenneth D. Wollack

TITLE: President

DATE: September 30, 1993

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FISCAL DATA

A. GENERAL

A.1. Total Estimated A.I.D. Amount: $970,000
A.2. Total Obligated A.I.D. Amount: $250,000
A.3. Cost-Sharing Amount (Non-Federal): $ 0
A.4. Other Contributions (Federal): $ 0
A.5. Project No.: 598-0591
A.6. A.I.D. Project Office: LAC/DI, J. Mendelson
A.7. Funding Source: A.I.D./W
A.8. Tax I.D. No.: 52-1338892
A.9. CEC No.: 149-04-641K
A.10. LOC No.: 72-00-1609

B. SPECIFIC

B.1.(a) PIO/T No.: 598-0591-3-3652203
B.1.(b) Appropriation: 72-113/41037
B.1.(c) Allotment: 370-65-598-00-69-31
B.1.(d) BPC: LES3-93-35598-KG12
B.1.(e) Amount: $250,000

ATTACHMENT 1

SCHEDULE

1A. PURPOSE OF GRANT

The purpose of this Grant is to provide financial support for the program described in Attachment 2 of this Grant entitled "Program Description."

1B. PERIOD OF GRANT

1B.1. The effective date of this Grant is the date of the Cover Letter and the estimated completion date is September 30, 1996. Funds obligated hereunder (see Section 1C.2. below) shall be used to reimburse the Grantee for allowable program expenditures incurred by the Grantee in pursuit of program objectives at any time during the period beginning on the effective date of this Grant and ending on the estimated completion date.

1B.2. However, because this Grant is incrementally funded (see Section 1C.4. below), funds obligated hereunder are only anticipated to be sufficient for program expenditures through September 30, 1994.

1C. AMOUNT OF GRANT AND PAYMENT

1C.1. The total estimated amount of this Grant for its full period, as set forth in Section 1B.1. above, is $970,000.

1C.2. A.I.D. hereby obligates the amount of $250,000 as partial funding of the total estimated amount set forth in Section 1C.1. above for program expenditures during the indicated period set forth in Section 1B. above. Notwithstanding said total estimated amount, A.I.D. shall not be liable for reimbursing the Grantee for any costs in excess of the obligated amount, except as specified in paragraph (f) of the Standard Provision of this Grant entitled "Revision of Grant Budget" (see also Section 1C.4. below).

1C.3. Payment shall be made to the Grantee in accordance with procedures set forth in the Standard Provision of this Grant entitled "Payment - Letter of Credit," as shown in Attachment 3.

1C.4. As indicated in Section 1C.2. above, this Grant is partially funded. Until such time as the obligated amount (see Section 1C.2. above) shall equal the total estimated amount (see Section 1C.1. above) of this Grant, additional increments of funds may be obligated by A.I.D. under this Grant (by a

Grant modification), subject to availability of funds, possible evaluation of the program, program priorities at the time, and the requirements of the Standard Provisions of this Grant entitled "Revision of Grant Budget" and, if applicable (see Section 1K.2. for applicability) "Cost Sharing (Matching)," as set forth in Attachment 3.

1D. GRANT BUDGET

1D.1. The following is the Budget for the total estimated amount of this Grant (see Section 1C.1. above) for its full period (see Section 1B. above). The Grantee may not exceed the total estimated amount or the obligated amount of this Grant, whichever is less (see Sections 1C.1. and 1C.2., respectively, above). Except as specified in the Standard Provision of this Grant entitled "Revision of Grant Budget," as shown in Attachment 3, the Grantee may adjust line item amounts as may be reasonably necessary for the attainment of program objectives. Revisions to the budget shall be in accordance with Section 1C. above and the Standard Provisions of this Grant entitled "Revision of Grant Budget" and, if applicable, "Cost Sharing (Matching)."

1D.2. Budget

Cost Element	Honduras	Colombia	Guatemala	Guyana
Salaries/Benefits	$ 52,391	$ 62,759	$ 43,969	$ 42,807
Supplies/Equipment	5,000	1,500	2,900	3,500
Communications	3,950	1,000	1,100	1,000
Travel/Per Diem	47,753	36,254	25,732	16,390
Contractual Serv.	7,500	1,400	1,600	1,250
Consult Fees/Exp.	1,000	1,000	1,000	1,000
Subagreements	0	25,000	20,000	30,000
Other Direct Costs	4,300	1,825	2,350	2,291
Indirect Costs	32,611	28,489	20,849	18,017
Total	$154,505	$159,227	$119,500	$116,255

Cost Element	Mexico I	Mexico II	Guatemala Elections	Total
Salaries/Benefits	$ 30,726	$ 30,726	$ 18,451	$281,829
Supplies/Equipment	3,500	3,500	9,000	28,900
Communications	1,500	1,500	5,000	15,050
Travel/Per Diem	22,862	22,862	66,542	238,395
Contractual Serv.	3,740	3,740	11,732	30,962
Consult Fees/Exp.	1,000	1,000	8,000	14,000
Subagreements	25,000	25,000	45,000	170,000
Other Direct Costs	2,750	2,750	6,950	23,216
Indirect Costs	17,429	17,429	32,824	167,648
Total	$108,507	$108,507	$203,499	$970,000

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1D.3. Inclusion of any cost in the budget of this Grant does not obviate the requirement for prior approval by the Grant Officer of cost items designated as requiring prior approval by the applicable cost principles (see the Standard Provision of this Grant set forth in Attachment 3 entitled "Allowable Costs") and other terms and conditions of this Grant, unless specifically stated in Section 1I.2. below.

1E. REPORTING

1E.1. Financial Reporting

1E.1.(a) Financial reporting requirements shall be in accordance with the Standard Provision of this Grant entitled "Payment - Letter of Credit," as shown in Attachment 3. If a Standard Form 269 is required by the aforesaid Standard Provision, the "Long Form" of said form shall be used.

1E.1.(b) All financial reports shall be submitted to A.I.D., Office of Financial Management, FA/FM/CMPD/DCB, Room 700 SA-2, Washington, D.C. 20523-0209. In addition, three copies of all financial reports shall be submitted to the A.I.D. Project Office specified in the Cover Letter of this Grant, concurrently with submission of the Quarterly Technical Reports (See Section 1E.2. below).

1E.1.(c) The frequency of financial reporting and the due dates of reports shall be as specified in the Standard Provision of this Grant referred to in Section 1E.1.(a) above.

1E.2. Program Performance Planning and Reporting

1E.2.(a) Quarterly Reports

The Grantee shall submit five (5) copies of brief quarterly program performance reports, which coincide with the financial reporting periods described in Section 1E.1. above, to the A.I.D. Project Office specified in the Cover Letter of this Grant. In addition, two copies shall be submitted to A.I.D., POL/CDIE/DI, Washington, DC 20523-1802. These reports shall be submitted within 30 days following the end of the reporting period, and shall briefly present the following information:

1E.2.(a)(1) A comparison of actual accomplishments with the goals established for the period, the findings of the investigator, or both. If the output of programs can be readily quantified, such quantitative data should be related to cost data for computation of unit costs.

1E.2.(a)(2) Reasons why established goals were not met, if applicable.

1E.2.(a)(3) Other pertinent information including the status of finances and expenditures and, when appropriate, analysis and explanation of cost overruns or high unit costs. See also Section 1I.4. of this Grant.

1E.2.(b) Special Reports

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

1E.2.(b)(1) 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.

1E.2.(b)(2) Favorable developments or events that enable time schedules to be met sooner than anticipated or more work units to be produced than originally projected.

1E.2.(b)(3) If any performance review conducted by the Grantee discloses the need for change in the budget estimates in accordance with the criteria established in the Standard Provision of this Grant entitled "Revision of Grant Budget," the Grantee shall submit a request for budget revision to the Grant Officer and the A.I.D. Project Officer specified in the Cover Letter of this Grant.

1E.2.(c) Environmental Impact

If it appears that outputs of this project will result in an adverse environmental impact, the Grantee shall notify the A.I.D. Project Officer prior to implementation, in order to allow for orderly preparation of an environmental impact statement. The Grantee shall assure that appropriate U.S. Government, A.I.D., and/or host country procedures are followed.

1E.2.(d) Training Reports

1E.2.(d)(1) If the Grantee conducts participant training under this Grant, (see the Standard Provision entitled "Participant Training" for the definition of participant training), the Grantee shall comply with reporting and information requirements of the Standard Provision of this Grant entitled "Participant Training," as well as Chapters 5 and 24 of A.I.D. Handbook 10.

1E.2.(d)(2) The Grantee shall also provide five (5) copies of quarterly training reports to the A.I.D. Project Officer, covering this Grant. The report shall include the following information:

- Total number of new trainees during the period; and
- The following information for each LDC trainee:
  - name
  - citizenship
  - gender
  - training site
  - beginning and ending dates of training
  - purpose of training
  - type of training activities
  - source of funding

1E.2.(d)(3) The Grantee shall provide ten (10) copies of all training manuals produced under this Grant to the A.I.D. Project Officer.

1E.2.(e) Technical and Research Reports and Publications

The Grantee shall summarize technical and research activities of the project in reports, and distribute such reports to the appropriate USAID Missions, developing countries, and host country and international institutions in order to encourage use of the technology developed. Such reports will be completed within 60 days after completion of the activity. Journal articles and other publications are encouraged. See also the Standard Provision of this Grant entitled "Publications" (if the Grantee is a U.S. organization) or "Publications and Media Releases" (if the Grantee is a non-U.S. organization).

1E.2.(f) Final Report

Within 90 days following the estimated completion date of this Grant (see Section 1B. above), the Grantee shall submit five (5) copies of a final report to the A.I.D. Project Office specified in the cover letter of this Grant. In addition, two copies shall be submitted to A.I.D., POL/CDIE/DI, Washington, DC 20523-1802. It will cover the entire period of the Grant and include all information shown in this Section 1E.2., specifically including, but not necessarily limited to: (1) a summarization of the program's accomplishments or failings; (2) an overall description of the activities under the program during the period of this Grant; (3) a description of the methods of work used; (4) comments and recommendations regarding unfinished work and or program/continuation and direction; and 5) A fiscal report that describes in detail how the Grant (and any matching) funds were used.

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1E.2.(g) Annual Workplans

1E.2.(g)(1) The Grantee shall submit annual workplans for this Grant. Each annual workplan shall contain the following:

1E.2.(g)(1)(A) An action-oriented workplan describing planned activities during the next year, delineated by calendar quarter, and linked to the project goals and objectives, which describes the individuals to be involved, the activities to be conducted, and where and when they will be conducted. Planned activities shall be grouped by subject category, and then related to project objectives;

1E.2.(g)(1)(B) A projected budget, utilizing the same budget line items as are set forth in the budget of this Grant, for each calendar quarter, corresponding to the workplan; and

1E.2.(g)(1)(C) Publications, reports, workshops, seminars, and other information dissemination activities planned, by calendar quarter.

1E.2.(g)(2) The Grantee may develop the annual workplans in consultation with the A.I.D. Project Officer for this Grant.

1E.2.(g)(3) Five (5) copies of each annual workplan will be submitted to the designated A.I.D. Project Officer for this Grant and one copy submitted to the Grant Officer. The first annual workplan covering the first year of this Grant shall be submitted by the Grantee not later than sixty (60) days from the effective date of this Grant (see Section 1B. above). Thereafter, the annual workplan for each successive year of this Grant shall be submitted by the Grantee not later than sixty (60) days prior to the beginning of each year.

1E.2.(h) Trip Reports

Within 30 days following the completion of each international trip, the Grantee shall submit 3 copies of a trip report summarizing the accomplishments of the trip to the A.I.D. Project Officer specified in the cover letter of this Grant. If several individuals are travelling together to one site, a single report representing the group will suffice. The report shall include the purpose of the trip, technical observations, suggestions and recommendations, overall impressions of the site situation (if appropriate), and a list of persons visited with their title and organization affiliation.

1E.2.(i) Annual Activity Reports

Within thirty (30) days following the annual anniversary date of this Grant, the Grantee shall submit to the A.I.D. Project Office specified in the cover letter of this Grant five (5)

copies of an annual technical progress report which will be a description of the past year's activities, including technical, scientific, managerial, and fiscal information. The report shall include, both for each field site or subcontractor/subrecipient individually and for project activities as a whole, a review of program and problems to date, and a discussion of technical and managerial issues significant to the success or failure of this Grant. The report will also address regulatory issues related to the project. Although principally a technical document, it nevertheless must include pertinent statistics or quantitative information regarding the project and its activities. An Impact Analysis Report will be appended to this report, which will be considered an instrument for Technology Transfer. The Impact Analysis Report will summarize and provide a feedback system for measurement and evaluation of the impact of the Grantee's activities in the public and private sector. The impact analysis will generally be qualitative in nature, and quantified only as appropriate. The Annual Activity Report shall also include an annual expenditure report corresponding to each annual workplan (see Section 1E.2.[b] above). These expenditure reports will cover A.I.D. and, if applicable, cost-sharing amounts by budget line item (see Section 1D.2. above) and by estimated distribution amongst project components, e.g., research, training, technical assistance, technology transfer, information dissemination, or networking.

1E.2.(1) Project Implementation Plan

Not later than sixty (60) days from the effective date of this Grant (see Section 1B. above), the Grantee shall prepare and submit to the A.I.D. Project Officer specified in the Cover Letter of this Grant five (5) copies of a project implementation plan, with critical path indicators (as described in Appendix 9A of A.I.D. Handbook 3), for the full term of this Grant.

1F. TITLE TO PROPERTY

Title to property acquired hereunder shall vest in the Grantee, subject to the requirements of the Standard Provision of this Grant entitled "Title To and Use of Property (Grantee Title)" regarding use, accountability, and disposition of such property, except to the extent that disposition of property may be specified in Section 1I. below.

1G. PROCUREMENT AND (SUB)CONTRACTING

1G.1. Applicability

This Section 1G. applies to the procurement of goods and services by the Grantee (i.e., contracts, purchase orders, etc.) from a supplier of goods and services (see the Standard

Provisions of this Grant entitled "Air Travel and Transportation," "Ocean Shipment of Goods," "Procurement of Goods and Services," "AID Eligibility Rules for Goods and Services," and "Local Cost Financing"), and not to assistance provided by the Grantee (i.e., a subgrant or [sub]agreement) to a subrecipient (see the Standard Provision of this Grant entitled "Subagreements").

1G.2. Requirements

1G.2.(a) In addition to other applicable provisions of this Grant, the Grantee shall comply with paragraph (b)(1) of the Standard Provision of this Grant entitled "AID Eligibility Rules for Goods and Services," concerning Grants funded under the Development Fund for Africa (DFA) and Grants with a total procurement value of less than $250,000 under this Grant. However, paragraph (b)(1) of the Standard Provision entitled "AID Eligibility Rules for Goods and Services" does not apply to:

1G.2.(a)(1) The restricted goods listed in paragraph (a)(3) of the Standard Provision entitled "AID Eligibility Rules for Goods and Services," which must be specifically approved by the Grant Officer in all cases, except to the extent that such approval may be provided in Section 1I.3. below;

1G.2.(a)(2) Paragraph (d) of the Standard Provision entitled "AID Eligibility Rules for Goods and Services" pertaining to air and ocean transportation, to which the Standard Provisions entitled "Air Travel and Transportation" and "Ocean Shipment of Goods" apply, respectively;

1G.2.(a)(3) Paragraph (c) of the Standard Provision entitled "AID Eligibility Rules for Goods and Services;"

1G.2.(a)(4) Construction implemented by U.S. firms, regardless of dollar value, which requires that at least 50% of the supervisors and other specified key personnel working at the project site must be U.S. citizens or non-U.S. citizens lawfully admitted for permanent residence in the United States; and

1G.2.(a)(5) Engineering services, regardless of dollar value, which shall be limited to the United States (Geographic Code 000).

1G.2.(b) Paragraph (b)(2) of the Standard Provision entitled "AID Eligibility Rules for Goods and Services" does not apply.

1G.3. Approvals

Inclusion of costs in the budget of this Grant for the purchase of nonexpendable equipment obviates neither the requirement of Section J.13. of OMB Circular A-21 (for educational institutions) or Section 13 of Attachment B of OMB Circular A-122 (for nonprofit organizations other than educational institutions) for prior approval of such purchases by the Grant Officer, nor any other terms and conditions of this Grant, unless specifically stated in Section 1I.2. below.

1G.4. Title to Property

See Section 1F. above.

1H. INDIRECT COST RATES

1H.1. Pursuant to the Standard Provision of this Grant entitled "Negotiated Indirect Cost Rates - Provisional (Nonprofits)," an indirect cost rate or rates shall be established for each of the Grantee's accounting periods which apply to this Grant. Pending establishment of final or revised provisional indirect cost 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:

Type	Rate	Base
Overhead	27.2%	1/
Fringe Benefits	39.4%	2/

1/ Base of Application: Total direct costs, excluding equipment procurements and sub-grants and sub-contracts.

2/ Base of Application: Total salaries excluding compensated absences.

1I. SPECIAL PROVISIONS

1I.1. Limitations on Reimbursement of Costs of Compensation for Personal Services and Professional Service Costs

1I.1.(a) Employee Salaries

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

1I.1.(b) Consultant Fees

Compensation for consultants retained by the Grantee hereunder shall not exceed, without specific approval of the rate by the Grant 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.

1I.2. Equipment Purchases

1I.2.(a) Requirement for Prior Approval

Pursuant to Sections 1D.3. and 1G.3. above and the Standard Provisions of this Grant entitled "Allowable Costs" and "Revision of Grant Budget," and by extension, Section 13 of Attachment B of OMB Circular A-122, the Grantee must obtain A.I.D. Grant Officer approval for purchases of the following:

1I.2.(a)(1) General Purpose Equipment, which is defined as an article of nonexpendable tangible personal property which is usable for other than research, medical, scientific or technical activities, whether or not special modifications are needed to make them suitable for a particular purpose (e.g., office equipment and furnishings, air conditioning equipment, reproduction and printing equipment, motor vehicles, and automatic data processing equipment), having a useful life of more than two years and an acquisition cost of $500 or more per unit); and

1I.2.(a)(2) Special Purpose Equipment, which is defined as an article of nonexpendable tangible personal property, which is used only for research, medical, scientific, or technical activities (e.g., microscopes, x-ray machines, surgical instruments, and spectrometers), and which has a useful life of more than two years and an acquisition cost of $1,000 or more per unit).

1I.2.(b) Approvals

In furtherance of the foregoing, the Grant Officer does hereby provide approval for the following purchases, which shall not be construed as authorization to exceed the total estimated amount or the obligated amount of this Grant, whichever is less (see Section 1C. above):

N/A

1I.2.(c) Exception for Automation Equipment

Any approval for the purchase of automation equipment which may be provided in Section 1I.2.(b) above or subsequently provided by the Grant Officer is not valid if the total cost of purchases of automation equipment (e.g., computers, word processors, etc.), software, or related services made hereunder will exceed $100,000. The Grantee must, under such circumstances, obtain the approval of the Grant Officer for the total planned system of any automation equipment, software, or related services.

1I.2.(d) Compliance with A.I.D. Eligibility Rules

Any approvals provided in Section 1I.2.(b) above or subsequently provided by the Grant Officer shall not serve to waive the A.I.D. eligibility rules described in Section 1G. of this Grant, unless specifically stated.

1I.3. Restricted Goods

Pursuant to Section 1G. above and paragraph (a)(3) of the Standard Provision of this Grant entitled "AID Eligibility Rules for Goods and Services," the Grant Officer's approval is required for purchase of the restricted goods described therein. In furtherance thereof, the Grant Officer does hereby provide such approval to the extent set forth below. The Grant Officer's approval is required for purchases of such restricted goods if all of the conditions set forth below are not met by the Grantee. Any approval provided below or subsequently provided by the Grant Officer shall not serve to waive any terms and conditions of this Grant unless specifically stated.

1I.3.(a) Agricultural Commodities

Agricultural commodities may be purchased provided that they are of U.S. source (generally, the country from which the commodities are shipped) and origin (generally, the country in which the commodities are mined, grown, or produced) and purchased from a U.S. supplier, except that wheat, rice, corn, soybeans, sorghums, flour, meal, beans, peas, tobacco, hides and skins, cotton, vegetable oils, and animal fats and oils cannot be purchased under any circumstances without the prior written approval of the Grant Officer. However, if this Grant is funded under the Development Fund for Africa (DFA) (see Section 1G.2.[b][4] above), procurement of agricultural commodities from Special Free World countries (Geographic Code 935) is authorized, except that procurement of agricultural commodities outside the United States must have the advance written approval of the Grant Officer when the domestic price of the commodity is less than parity, unless the commodity cannot reasonably be procured in the U.S. in order to meet the needs of the project

1I.3.(b) Motor Vehicles

Motor vehicles, if approved for purchase under Section 1I.2.(b) above or subsequently approved by the Grant Officer, must be of U.S. manufacture and must be of at least 51% U.S. componentry. The source of the motor vehicles, and the nationality of the supplier of the vehicles, must be in accordance with Section 1G.2. above. Motor vehicles are defined as self-propelled vehicles with passenger carriage capacity, such as highway trucks, passenger cars and busses, motorcycles, scooters, motorized bicycles, and utility vehicles. Excluded from this definition are industrial vehicles for materials handling and earthmoving, such as lift trucks, tractors, graders, scrapers, and off-the-highway trucks. However, if this Grant is funded under the Development Fund for Africa (DFA) (see Section 1G.2.[b][4] above), procurement of motor vehicles from Special Free World countries (Geographic Code 935) is authorized; provided, however, that procurement of non-U.S. vehicles shall be held to an absolute minimum.

1I.3.(c) Pharmaceuticals

Pharmaceuticals may be purchased provided that all of the following conditions are met: (1) the pharmaceuticals must be safe and efficacious; (2) the pharmaceuticals must be of U.S. source and origin (see Section 1G. above); (3) the pharmaceuticals must be of at least 51% U.S. componentry (see Section 1G. above); (4) the pharmaceuticals must be purchased from a supplier whose nationality is in the U.S. (see Section 1G. above); (5) the pharmaceuticals must be in compliance with U.S. Food and Drug Administration (FDA) (or other controlling U.S. authority) regulations governing United States interstate shipment of pharmaceuticals; (6) the manufacturer of the pharmaceuticals must not infringe on U.S. patents; and (7) the pharmaceuticals must be competitively procured in accordance with the procurement policies and procedures of the Grantee and the Standard Provision of this Grant entitled "Procurement of Goods and Services."

1I.3.(d) Pesticides

Pesticides may only be purchased if the purchase and/or use of such pesticides is for research or limited field evaluation by or under the supervision of project personnel. Pesticides are defined as substances or mixtures of substances: intended for preventing destroying, repelling, or mitigating any unwanted insects, rodents, nematodes, fungi, weeds, and other forms of plant or animal life or viruses, bacteria, or other micro-organisms (except viruses, bacteria, or other micro-organisms on or living in man or other living animals); or intended for use as a plant regulator, defoliant, or dessicant.

1I.3.(e) Rubber Compounding Chemicals and Plasticizers

Rubber compounding chemicals and plasticizers may only be purchased with the prior written approval of the Grant Officer.

1I.3.(f) Used Equipment

Used equipment may only be purchased with the prior written approval of the Grant Officer.

1I.3.(g) Fertilizer

Fertilizer may be purchased if it is either purchased in the U.S. and used in the U.S., or if it is purchased in the cooperating country with local currency for use in the cooperating country. Any fertilizer purchases which do not comply with these limitations must be approved in advance by the Grant Officer. However, if this Grant is funded under the Development Fund for Africa (DFA) (see Section 1G.2.[b][4] above), procurement of fertilizer from Special Free World countries (Geographic Code 935) is authorized; provided, however, that procurement of more than 5,000 tons of non-U.S. fertilizer must have the advance written approval of the Grant Officer.

1I.4. Limitation on Use of Funds

1I.4.(a) The Grantee shall not utilize funds provided by A.I.D. for any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference or training in connection with the growth or production in countries other than the United States of an agricultural commodity for export which would compete with a similar commodity grown or produced in the United States.

1I.4.(b) The reports described in Section 1E.2. shall contain a statement indicating the projects or activities to which United States funds have been attributed, together with a brief description of the activities adequate to show that United States funds have not been used for the purpose in Section 1I.4.(a) above.

1I.4.(c) The Grantee agrees to refund to A.I.D. upon request an amount equal to any United States funds used for the purposes prohibited by Section 1I.4.(a) above.

1I.4.(d) No funds provided by A.I.D. under this Grant shall be used to provide assistance, either directly or indirectly, to any country ineligible to receive assistance pursuant to the Foreign Assistance Act as amended, related appropriations acts, or other statutes and Executive Orders of the United States (also see the Standard Provision of this Grant entitled "Ineligible Countries").

1I.5. Compliance With Federal Guidelines and Regulatory Procedures Pertaining to Recombinant DNA

1I.5.(a) The Grantee shall implement any research activities under this Grant which involve recombinant DNA in accordance with:

1I.5.(a)(1) The National Institutes of Health Guidelines for Research Involving Recombinant DNA Molecules;

1I.5.(a)(2) Procedures issued by the U.S. Department of Agriculture (USDA), the Environmental Protection Agency (EPA), or other appropriate Federal agency;

1I.5.(a)(3) A.I.D.'s environmental procedures; and

1I.5.(a)(4) Such other Federal guidelines and procedures as may apply during the course of research.

1I.5.(b) The Grantee cannot commence testing in any foreign location until written approval for such testing is obtained from the A.I.D. Project Officer and the government of the country where testing is planned. Testing shall be conducted in accordance with all applicable regulations of that country.

1I.5.(c) In addition, and prior to commencement of any such testing, the Grantee shall make a judgement and communicate same to the A.I.D. Project Officer as to whether the regulations, procedures, or facilities of the country in question are adequate to ensure testing in an environmentally sound manner. In the event such judgement is that they are not, the Grantee and the A.I.D. Project Officer will consult and agree on the conditions to be applied to the testing which will have such environmental effect.

1I.5.(d) Reports submitted to A.I.D. under this Grant will address regulatory issues as noted above related to the activity.

1J. **RESOLUTION OF CONFLICTS**

Conflicts between any of the Attachments of this Grant shall be resolved by applying the following descending order of precedence:

Attachment 1 - Schedule
Attachment 3 - Standard Provisions
Attachment 4 - Special Provision entitled "Restrictions on Lobbying"
Attachment 2 - Program Description

1K. STANDARD PROVISIONS

The Standard Provisions set forth as Attachment 3 of this Grant consist of the following Standard Provisions denoted by an "X" which are attached hereto and made a part of this Grant:

1K.1. Mandatory Standard Provisions For U.S., Nongovernmental Grantees

(X) Allowable Costs (November 1985)
(X) Accounting, Audit, and Records (August 1992)
(X) Refunds (September 1990)
(X) Revision of Grant Budget (November 1985)
(X) Termination and Suspension (August 1992)
(X) Disputes (August 1992)
(X) Ineligible Countries (May 1986)
(X) Debarment, Suspension, and Other Responsibility Matters (August 1992)
(X) Nondiscrimination (May 1986)
(X) U.S. Officials Not to Benefit (November 1985)
(X) Nonliability (November 1985)
(X) Amendment (November 1985)
(X) Notices (November 1985)
(X) Metric System of Measurement (August 1992)

1K.2. Additional Standard Provisions For U.S., Nongovernmental Grantees

(X)	OMB Approval Under the Paperwork Reduction Act (August 1992)
(X)	Payment - Letter of Credit (August 1992)
( )	Payment - Periodic Advance (January 1988)
( )	Payment - Cost Reimbursement (August 1992)
(X)	Air Travel and Transportation (August 1992)
(X)	Ocean Shipment of Goods (August 1992)
(X)	Procurement of Goods and Services (November 1985)
(X)	AID Eligibility Rules for Goods and Services (June 1993)
(X)	Subagreements (August 1992)
(X)	Local Cost Financing (June 1993)
(X)	Patent Rights (August 1992)
(X)	Publications (August 1992)
( )	Negotiated Indirect Cost Rates - Predetermined (August 1992)
(X)	Negotiated Indirect Cost Rates - Provisional (Nonprofits) (August 1992)
( )	Negotiated Indirect Cost Rates - Provisional (For-Profits) (August 1992)
(X)	Regulations Governing Employees (August 1992)
(X)	Participant Training (August 1992)
( )	Voluntary Population Planning (June 1993)
( )	Protection of the Individual as a Research Subject (August 1992)
( )	Care of Laboratory Animals (November 1985)
(X)	Title To and Use of Property (Grantee Title) (November 1985)
( )	Title To and Care of Property (U.S. Government Title) (November 1985)
( )	Title To and Care of Property (Cooperating Country Title) (November 1985)
( )	Cost Sharing (Matching) (August 1992)
(X)	Use of Pouch Facilities (August 1992)
(X)	Conversion of United States Dollars to Local Currency (November 1985)
(X)	Public Notices (August 1992)
(X)	Rights in Data (August 1992)

ATTACHMENT 2

PROGRAM DESCRIPTION

The Grantee's proposal entitled "Latin America: Democratic Transition Assistance" is attached hereto as the Program Description (Attachment 2) and is made a part of this Grant.

NATIONAL DEMOCRATIC INSTITUTE
FOR INTERNATIONAL AFFAIRS
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LATIN AMERICA: DEMOCRATIC TRANSITION ASSISTANCE

U.S. GRANTEE:	**National Democratic Institute for International Affairs**
DATES OF PROJECT:	**1993 THROUGH 1995**
AMOUNT REQUESTED:	**$970,000**

PROJECT SUMMARY

NDI proposes to conduct political assistance programs in Latin American and Caribbean countries from FY1994 through FY1996 to strengthen new democracies. The programs are designed to promote free elections and democratic values and to improve the ability of newly elected officials to govern effectively. Program activities will include: 1) election monitoring and the promotion of election reform and 2) training of national and local elected officials.

BACKGROUND

NDI programs in Latin America are designed to strengthen the fragile institutions critical to the survival and evolution of democracy. Recent events in Haiti, Venezuela, Peru and Guatemala are reminders that much work remains to be done to help consolidate democracy in the region. The challenge for Latin Americans now is to expand participation and build confidence in the democratic process, consolidate democratic institutions and strengthen civilian rule. It is critical that newly elected leaders have the capacity to deal with the problems that affect people's daily lives.

Unfortunately, many of today's leaders have the best of intentions but are frustrated by their states' institutional incapacity. Many new officials lack experience and training. Legislatures have historically been rubber stamps rather than forums for national debate and a source of policy initiatives. Today, legislatures are often perceived as obstructing government action. Municipal governments have historically been debilitated by systems that have concentrated resources and power in the central government. Now, many central governments are decentralizing, but local governments are ill equipped to assume new responsibilities. Officials who staff bureaucracies at the national and local levels are often political appointees with little if any experience or training in public affairs, rather than professional civil servants.

In the aftermath of transition elections, opportunities arise in which democratic assistance can be critical. Although long-term support for political parties, legislatures and other democratic institutions is crucial, it is also necessary to support the immediate efforts of newly elected officials seeking to restructure entire economic and political systems. These officials often lack knowledge of the experiences of other democratic countries or countries that have recently gone through a transition process. Timely assistance can contribute to an informed public debate on such issues as election reform and local government legislation, as well as promote citizen awareness of and involvement in the formation of public policy. If new democratic leaders are perceived to be ineffective and inefficient, citizens may become disillusioned with democratic rule, thereby threatening the survival of democracy.

This proposal is designed to provide NDI with modest resources to respond quickly to democratic development opportunities during critical moments of the transition process. Such assistance can lay the foundation for longer term institution building.

Given the challenges that civilian officials confront in Latin America, NDI is prepared to develop programs to train municipal and legislative officeholders and support civic and voter education efforts. NDI has already implemented these types of programs in Latin America, but they now must be expanded. Election monitoring programs, which will still be important in some countries, will become less necessary as countries acquire successful track records administering free and fair elections and parties and civic groups develop their own monitoring capabilities.

During the past three years, NDI has utilized funds from AID for election-related programs throughout the hemisphere. AID provided NDI with a $300,000 grant during fiscal year 1990 to support election-related activities in Latin America and the Caribbean. That grant was extended in fiscal year 1991 for an additional $200,000. With the second tranche of funding NDI conducted programs in Mexico and Paraguay.

In Mexico, a civic group utilized financial assistance and technical advice from NDI to organize an independent vote count in Mexico City for the mid-term congressional elections in August 1991. NDI also helped the civic group, the Council for Democracy, organize an international forum on election reform in April 1992. The forum, which was attended by the major political parties, civic groups and the electoral council, dealt with registration lists, identification cards, the composition of election boards and campaign financing. The council published a report, with recommendations, on the seminar and has distributed copies throughout the country to election officials, political and civic leaders and the press.

In Paraguay, NDI organized a 16-person international delegation to observe the May 26, 1991 municipal elections. A 97-page report on the electoral process has been produced and has been widely distributed. Also in Paraguay, NDI entered into a cooperative agreement with the Center for Democratic Studies to enable the center to conduct civic and voter education programs to increase participation in the December 1, 1991, constituent assembly elections.

In response to a request from the city council of Asuncion, the Center for Democratic Studies used a portion of its grant funds to organize a "national encounter" discussion in which 180 town council members participated. Topics discussed in the November 1991 conference included decentralization, constitutional reform, tax reform, urban planning and transportation. The program resulted in the council members agreeing to form an association to conduct training seminars on local governance issues.

PROPOSAL

NDI plans to develop programs in the following areas during the next three years in Latin America and the Caribbean:

A. Election Observing/Technical Assistance

NDI has extensive experience in electoral issues. The Institute has organized international observer delegations around the world and has provided funding and technical assistance to organizations that have carried out voter education programs, monitored elections and conducted parallel vote counts.

NDI has developed a reputation as the leading nongovernmental organization in the field of election observing. NDI missions have encouraged participation in the process, deterred irregularities and, where necessary, denounced fraudulent elections. This has been accomplished by focusing attention on the process before, during and after election day, recruiting high profile leaders and delegates, developing specific techniques for identifying fraudulent practices and issuing comprehensive reports on the process.

NDI election-related activities, however, include more than just election observing. NDI missions in Haiti, Czechoslovakia and Senegal have advised on election reforms. NDI training programs in Chile, Panama, Nicaragua, Zambia, Bulgaria, Guyana, Paraguay and elsewhere have encouraged more effective election monitoring of the balloting and counting processes by domestic observers.

Election-related programs would involve the following:

1. Electoral Reform

At the request of political parties, electoral bodies, legislatures and foreign governments, NDI has organized international teams of election experts to assess other countries' electoral systems.

In 1991, recommendations by an NDI-sponsored international delegation were endorsed by a multiparty commission established by Senegalese President Abdou Diouf to review the country's electoral system. At the request of Diouf, and with the approval of opposition groups, NDI organized the delegation of election experts from five countries, led by former U.S.

Ambassador to the United Nations Donald McHenry. The delegation visited Dakar to assess the country's elections laws and procedures and to recommend reform options. The delegation's recommendations formed the basis of an agreement between the ruling and opposition parties on the conduct of future elections. The NDI delegation's findings, which have been published in English and French, have also been the subject of interest in other countries seeking to strengthen their electoral systems.

NDI organized similar teams of election experts to study the electoral laws in Cameroon, Czechoslovakia and Slovenia. In April 1992, NDI supported a seminar in Mexico City to deal with such technical electoral issues as compiling registration lists and distributing voter identification cards. In August 1993, NDI sponsored a three days seminar in Argentina to discuss the reform of the electoral law.

1993-95 Work Plan

With this grant, NDI will continue to support efforts in Mexico and the Dominican Republic to promote discussion on election reform. NDI will conduct multi-year programs in both countries.

The Council for Democracy in Mexico City has requested NDI assistance to support a series of seminar and workshops to discuss electoral reform. The Mexican government, major political parties and mexican civic groups have recently presented electoral reform bills to the Congress. While there seems to be an agreement on the need to reform the electoral code, the different groups disagree on specifics aspects of the law. These workshops will bring the different sectors together with the purpose of reaching a consensus on reforms to be implemented.

NDI and the Carter Center observed the May 1990 elections in the Dominican Republic. It was concluded that the elections were flawed. The observation team recommended that the consolidation of democracy "requires that the institution that manages the electoral process be independent, competent and perceived as completely fair by all the candidates and parties participating in the process." NDI will therefore support seminars and workshops to openly discuss the administration of the elections in preparation for the 1994 elections.

2. Observer Delegations

The dominican Republic and Guatemala are likely candidates for election observing.

In both cases, a pre-election monitoring mission would first visit the country two to three months before the elections. Through meetings with election officials, political party leaders and others connected with the election process, these missions are designed to assess and gather information on the pre-election environment.

In addition to identifying potential problems, the missions will encourage participation

in the process, augment confidence in the system and where necessary, urge changes in electoral procedures by the government and/or electoral council. These missions will assess the feasibility of an NDI-organized election observer mission and identify the approach necessary for a credible observation (i.e. size of delegation, cities to visit, aspects of the process requiring the most intense scrutiny, etc.). Upon its return, the survey mission will issue a report of its findings.

The size of the delegation would be determined according to the anticipated outcomes and objectives of the monitoring process. Before arrival, the delegation members will receive briefing material, which will include the pre-election monitoring report, the terms of reference for the delegation, the country's election law and constitution, and other relevant materials concerning the election process. Upon arrival in the country, NDI staff will conduct briefing sessions for the delegation and organize meetings with representatives of the government, political party leaders, the election tribunal and important government organizations.

Before election day, the delegates will be divided into teams and deployed to various regions of the country. Within their assigned regions, the teams will meet with local officials, political party representatives and others involved with the electoral process. The purpose of these meetings is to identify problems in the pre-election phase, which is critical for a comprehensive evaluation of the process.

On election day, the teams will observe the opening of the polls and travel to polling sites in their assigned region. Throughout their visits to the various polling sites, the team will interview party pollwatchers, election officials and voters to ascertain whether problems have occurred. To deter fraud in the counting process, the teams will remain in their assigned regions until a significant portion of the counting process is concluded.

One or two days after the elections, the delegation will regroup for a debriefing session and, based on its observations and other credible information received by the delegation, prepare a statement. As with previous observer missions, a consensus statement will be released at a press conference by the delegation leaders.

1993-95 Work Plan

NDI plans to conduct a comprehensive election monitoring program in the Dominican Republic to begin a few months before the 1994 elections. The presence of observer delegations in the Dominican Republic will promote confidence in the electoral processes and help deter irregularities. NDI and the Carter Center sent an international delegation to observed the last presidential elections in the Dominican Republic, held in May 1990. The May 1990 elections were marred by serious administrative shortcomings. These were most evident on election day, which was marked by confusion and chaos in many areas. The presence of President Carter and the NDI delegation helped to averted a national crisis after election day.

A 27-member NDI delegation observed the November 11, 1990 Guatemalan elections for

president, congress, municipal offices and the Central American Parliament. These elections and the presidential runoff elections of January 6, 1991, led to Guatemala's first civilian transfer of power in more than 35 years. The elections marked a major step forward in consolidating democracy in Guatemala. Overall, the balloting and counting procedures occured without incident. The NDI international observer delegation's presence was particulary valuable in adding to the Guatemelan people's confidence in the electoral process.

Since the 1990 election, several politically destabilizing events have occured in Guatemala. The most noteable was the auto-coup in 1993 by then-President Jorge Serrano that led to his downfall. The situation was quickly stabilized with the Legislative appointment of Ramiro de Leon Carpio as the new President of Guatemala. The international community will play an integral role in the next round of elections in supporting the Guatemalan democratic process.

In addition to the planned observer delegations in the Dominican Republic in 1994and Guatemala in 1995, NDI, in consultation with AID, will consider observing presidential elections in Mexico and El Salvador. This will depend upon local developments and NDI's priorities at the time. No final decision will be made until all major parties from these countries agree to an NDI delegation. The size and focus of these delegations will also be determined in consultation with the political parties there and NDI's assessment of the needs of each country.

3. Domestic Election Monitors and Civic Education Groups

NDI has provided assistance to nonpartisan and multipartisan organizations around the world to monitor elections and organize civic education programs. Such assistance can be in the form of technical assistance programs and/or financial support. Although not primarily a grant-making organization, NDI provides "cooperative agreements" to civic groups for specific voter and civic education programs. The local organization normally assumes planning and logistical responsibilities, while NDI supplements these activities by providing technical assistance through international experts. The information rendered by the international participants help the leaders of the nonpartisan organizations to effectively implement their proposed programs.

NDI has assisted various organizations in establishing and implementing programs to encourage voter registration and turnout or to explain the mechanics of the balloting process. NDI provides international faculty for individual consultations or large scale training workshops relating to the activities of the institution. By supporting local civic groups, NDI is better able to identify program possibilities and respond quickly to requests for assistance.

Technical assistance and cooperative agreements have been used by NDI to establish civic organizations, such as the Guyanese Electoral Assistance Bureau, the Pro-Democracy Association in Romania and the Bulgarian Association for Fair Elections and Civil Rights. Others, such as the Namibia Peace Plan Study and Contact Group and Participa in Chile, were organizations that had been created before receiving NDI support.

After transitional elections, election monitoring groups have often evolved into broader organizations engaged in civic education and political training. NDI would support such groups to encourage continued political participation.

In Latin America, NDI has worked extensively with the Center for Democratic Studies (CED) in Paraguay. In preparation for presidential elections, NDI sponsored a February 1989 visit of two Chilean experts, Genaro Arriagada, coordinator of the No Campaign in the 1988 plebiscite, and Edgardo Mimica, a political consultant who designed an independent vote tabulation for the 1988 plebiscite. Arriagada and Mimica provided valuable information to the CED on civic and voter education programs. NDI followed that training with financial support to the CED to enable it to publish and distribute more than 100,000 pamphlets and 5,000 posters explaining the registration process. In 1991, NDI continued its support of the CED by helping to fund a series of training workshops for domestic observers for the 1991 municipal elections. For the 1993 Presidential elections NDI provided assistance for SAKA, a consortium of groups including the CED that NDI had worked with in the past. SAKA conducted a PVT quick count that was instrumental to the success of the overall transparency and therefore success of the elections.

NDI also provided financial and technical assistance to the Electoral Assistance Bureau, a nonpartisan civic organization in Guyana. With the help of Selywn Ryan, a noted Caribbean pollster from Trinidad, the EAB conducted a door-to-door check of the voter registry. The findings of the EAB showed the list to be seriously flawed, and the electoral commission agreed to correct the irregularities.

In the Mexican state of Chihuahua, NDI designed a program to help civic groups monitor the gubernatorial election on July 12. The program had three elements: technical and financial assistance for an independent vote tabulation; support for a seminar on election observing; and assistance to civic groups for election-day monitoring.

NDI extended cooperative agreements to two civic organizations based in Mexico City to allow them to support the monitoring efforts in Chihuahua. These groups helped train and deploy hundreds of observers throughout the state and conducted a statewide quick count to project the results of the gubernatorial race. Glenn Cowan, NDI's adviser on independent vote tabulations, worked with the organizers to select a sample, to develop a system to receive the results and to interpret the results.

NDI also supported a seminar on election monitoring, which was organized by the Mexican organization Wave for Democracy, one week before the elections. About 90 people, representing the opposition parties, a dissident PRI faction and local civic groups, attended the seminar. NDI international participants from BAFE in Bulgaria and PARTICIPA in Chile described their experiences in monitoring elections and also explained the role of civic groups in election observation. The international participants also suggested complementary projects to bolster democratic awareness in Mexico.

1993-95 Work Plan

NDI plans to continue its support for domestic election monitoring efforts in Mexico by providing technical and financial assistance to civic groups observing gubernatorial elections before the 1994 presidential elections. Those programs would be modeled after the successful Chihuahua program but will also contain assistance to enable civic groups to verify voter registration lists. The objectives of these programs will be to improve Mexican civic groups' ability to accurately and credibly monitor elections and to help Mexican political parties and civic groups verify official election results. By the 1994 presidential elections, the civic groups will want to have established their credibility as nonpartisan and sophisticated observers of all aspects of the electoral process. NDI plans an extensive program to support civic groups throughout Mexico to monitor the presidential elections.

Later this year, NDI plans to publish a comprehensive manual on election monitoring designed for domestic groups. NDI would use funds under this grant to translate the document into Spanish and distribute it throughout Latin America. Former NDI Senior Associate Larry Garber, has written the handbook. Mr. Garber wrote a book in 1984, Guidelines for International Election Observing, which has become an indispensable tool for election monitors throughout the world. Guidelines, which is in its third printing, has been widely distributed in English, Spanish and French. The new manual will incorporate NDI's experiences during the past eight years with special emphasis on the role of domestic groups in election observing.

4. Participation of Latin American participants in NDI-sponsored programs in other regions and consultations in Washington, DC.

Election observer missions, election-related seminars and workshops and governance programs outside the Western Hemisphere provide excellent opportunities to familiarize individuals from Latin American and the Caribbean about the transitions toward democracy in other countries. For this reason, NDI often invites individuals from Latin American and Caribbean countries to participate in programs in other regions. An example of the importance of such participation is Miles Fitzpatrick, a lawyer from Guyana who participated in NDI's election observer delegation to Paraguay, where he learned about the work of the Center for Democratic Studies. Fitzpatrick returned to Georgetown to found the Electoral Assistance Bureau, a civic organization that has conducted voter education programs throughout Guyana and scrutinized the voter registry. Julio Faesler, the president of the Council for Democracy in Mexico, also learned about election monitoring as a member of NDI's delegation in Paraguay. Two members of the council's board observed elections in Bulgaria and Guatemala.

During the course of the program, NDI might host seminars, workshops, and roundtable luncheons in Washington to consult with regional and country experts on ongoing program activities. The meetings could also include visiting Latin American civic or political leaders who would discuss issues relevant to NDI's democratization programs.

NDI will also engage in ongoing consultations and hold briefing sessions on program

activities with AID, the State Department and Members of Congress and congressional staff.

B. Governance Programs

Governance programs are the most effective way for NDI to support political parties and to increase their capacity to strengthen democratic institutions through effective administration of those institutions. The threat to democracy in Latin America is not necessarily that political parties lack followers or a national organization. In fact, many countries in Latin America have large and well-organized political parties. The real problem lies in the parties inability to govern once in office. In many cases, there are few qualified people to run or staff government offices and present legislative initiatives. It is critical to encourage the strengthening of competent civilian government institutions that will merit public confidence, diminish the concentration of political power and foster public participation.

With this grant, NDI plans to work with national and local legislatures to provide critical assistance on a short-term basis. For example, if a national legislature is considering legislation in a particular area, NDI can respond quickly to a request for international experts to provide information and options and thereby contribute to an informed debate. In December 1991, when the president of the Chilean Congress requested an expert familiar with local government issues, NDI was able to respond quickly and was able to organize the consultations to take place during the debate in the Congress.

Long-term training of the members of the national legislature would not be included in this program. Similarly, NDI would work with newly elected mayors and city councilmen on immediate needs rather than provide long-term governance training. For example, NDI might, as it has in Paraguay and the former Soviet Union, help local officials establish an association or national network to enable them to share experiences and pool resources. In the Soviet Union, NDI's initial training program led to the formation of the Association of Russian Cities, which now include 86 member cities.

1. Legislative Training

The institutionalization of strong, independent legislative branches is essential to the success of democracy. Legislative branches can act as forums for opposition parties, as institutional checks on the executive branch and as the most representative and democratic decision-making institution. Congresses in new democracies face many obstacles, including lack of expertise and resources.

NDI legislative training programs could focus on procedural issues, such as rules of order, the selection of committees or the creation of legislative agendas. Programs dealing with these issues were particularly effective in Eastern Europe when newly elected parliaments struggled to handle the daily tasks of legislation. Legislative training could also focus on legislation before congress that define the relationship between the national and local governments. In Chile, NDI sent George Latimer, former mayor of St. Paul and former

president of the National League of Cities, to consult with Chilean legislators debating a municipal reform bill. The consultations provided legislators with a practical perspective of the responsibilities of state and local government and how they coordinated their activities with the national government.

In Bolivia, following the December 1991 municipal elections, an NDI delegation met with members of congress and political leaders in March 1992 to discuss ways to make congress a more participatory body. The delegation included: Art Torres, a California state representative from Los Angeles; Jose Joaquin Penarrubia, a member of the Spanish Parliament; and Gustavo Ferrari, an advisor to the Argentine Congress. The discussions addressed, among other issues, the unique role of parties and the importance of unity and inclusiveness; the contribution lawmakers make to policy debate and implementation, and the significance to an effective congress of democratized political parties.

1993-95 Work Plan

Under this grant, NDI expects to develop a legislative training program in Guyana.

In Guyana, newly elected legislators accustomed to working in a parliament that is relatively weak compared to the executive branch will need training to carry out their legislative functions effectively. To begin this process, NDI would organize a two-day seminar for the members of Parliament in May 1994. Legislators and congressional staff from Europe, the United States and Latin America would discuss legislative procedures; executive-legislative relations; the budget process; and relations between the majority and minority parties in the legislature.

2. Municipal Reform

Many Latin American countries are engaged in municipal reform efforts designed to increase citizen participation in government decision making at the local level and make the government more responsive to citizens' local needs. A more decentralized political environment often leads to an intensified focus on issues of local government capacity. In order for democracy to be sustained, public trust in local authorities must be won and maintained. The importance of municipal assistance is further enhanced since local governments often provide a training ground for future national leaders.

NDI has organized a series of programs to increase lawmakers' understanding of local governance and the scope and limits of local government power. The programs are designed to help local government officials increase their effectiveness as public servants.

NDI proposes to provide basic information to local government officials through workshops conducted by officials from countries with relevant experience. The programs would be tailored to the immediate needs of the country, but could include issues such as collecting taxes, administering a budget or defining the relationship with the national government.

1993-95 Work Plan

NDI expects to develop local government programs in Columbia and Guatemala. In Guatemala, end of the civil war is providing local leaders in areas of conflict with responsibilities they have not had for more than 30 years. Local leaders throughout the country will be working to administer funds -- 8 percent of the national budget - which has been provided to them since 1985. NDI proposes to organize seminars to train local officials elected in the January 1995 elections. The seminars, to be held in sites throughout the country, would cover municipal budget and finance, interaction between local and national government policy and relations between mayors and city councils. International participants would include mayors, city councilmen and municipal experts from the United States, Europe and Latin America.

In Colombia, democratic reforms, including the holding of elections for mayors and governors, have been instituted in recent years. The domination of the two traditional political parties -- the Liberals and Conservatives -- has been challenged by the M-19, formerly a guerrilla group, and the country's new constitution makes it easier for new political parties to win local and national elections. NDI has received a number of requests from political and civic leaders in Colombia to help consolidate the democratic process by training legislators at the local level. NDI expects to conduct a program of seminars on local governance to begin to familiarize Colombian officials with a variety of different forms of managing municipalities.

Requests for governance programs are sometimes made to NDI on short notice, such as was the case in Chile. In addition to working in Colombia, Guatemala and Guyana, NDI may need to respond quickly to additional requests that necessitate immediate action. NDI will consult with AID on such programs.

PROJECT OBJECTIVES

The main objectives of the programs are to:

1. Strengthen institutions, such as political parties, civic organizations and municipal governments, which foster and sustain democracy.

2. Expand participation and increase confidence in electoral processes.

3. Promote free and fair electoral processes.

4. Provide an opportunity for those living in nondemocratic regimes or newly emerging democracies to be exposed to successful democratic models in other regions.

PROJECT EVALUATION

To evaluate the progress of its programs, NDI will solicit responses from the

international experts and in-country participants through written evaluations. NDI staff will also contact government, political and civic leaders to assess the effectiveness of the programs. NDI will provide a written assessment to AID after the completion of each program. For programs that require a cooperative agreement with a local organization, NDI staff will conduct on-site evaluations and consultations within six months after the completion of the projects.

A. Governance

NDI governance programs are designed to help government officials address local and national issues of concern to the constituencies in their countries. NDI training of government officials will be measured according to the following criteria:

- Have local government officials formulated a development strategy for their communities?

- Has communication between local government officials and the citizenry increased?

- Has communication among local officials increased?
- Has communication and cooperation increased between local and national officials?

B. Support to Nonpartisan and Multipartisan Organizations

Criteria to assess the institutional development and program initiatives of the civic organizations include:

- Has the organization established full-time staff?

- Has a permanent office been opened?

- Has the group been successful in recruiting volunteers and establishing chapters outside the main cities?

- Has the group effectively disseminated information to the population through volunteers and local chapters?

- Have national and local organizations begun to develop and promote programs of civic education independent of NDI?

- Has the group written articles for publication?

C. Election Observing/Technical Assistance

1. Election Reform

Criteria used to measure the effectiveness of election reform missions include the following:

- Were the delegation's recommendations utilized in the drafting of electoral legislation?

To evaluate seminars or publications that NDI helps support financially and technically, NDI would consider the following:

- Were the information and conclusions contained in the reports utilized by lawmakers and electoral officials in the writing of electoral laws?

- Did the seminars help educate political, civic and government leaders about different electoral systems and regulations as well as contribute to the debate over electoral legislation?

2. Observer Delegations

Criteria to measure the effectiveness of international election observation missions include the following:

- How many polling sites were observed by the group?

- How soon after the polls closed did the delegation release its observations to the press?

- Did the presence of the observers, in the view of the government, political and civic leaders, help to increase confidence in the electoral process among the citizenry?

- Did the presence of observers help to deter fraud?

- In the event of fraud, did the delegation's statements help to educate voters and the international community about what had transpired and encourage the government and political parties to respect the results?

3. Election Monitoring

NDI has developed a plan to evaluate domestic monitoring efforts, independent vote tabulations and verification of voter registration lists. The following are criteria by which NDI would measure the relative success of programs.

a) Independent Vote Count:

- From what percentage of the statistical sample were results acquired?

- How quickly were the results available? Was a projection made the night of the elections in order to deter manipulation of the election results?

- Were the results of the quick count disseminated widely?

- Did the international trainers adequately train in-country technicians to organize and implement a parallel vote count for future elections?

b) Election Monitoring:

- Were the public statements and reports of domestic monitoring groups objective and thorough and absent of tendentious phrasing?

- How many volunteers did the groups deploy on election day?

- Were the training sessions and manuals for volunteer observers detailed and informative?

- Were the civic groups' reports and statements disseminated widely?

c) Verification of Voter Registries:

- What percentage of the voter registry was verified?

- Did the sample include a geographical and ethnic cross section of the country ?

- How were the results disseminated?

- Were the results accepted by the public?

- Did the results lead to any action by the government or the election commission?

ADMINISTRATION

Through its extensive involvement in election-related programs, NDI has developed considerable in-house experience and expertise. Additionally, NDI can call upon a wide range of experts to assist in implementing various program activities.

BUDGET

NDI proposes a 1993-1995 budget of $970,000 to carry out the programs outlined above. Every program will be funded by this grant, unless NDI determines, in consultations with AID, to supplement a program with funds from the National Endowment for Democracy or another source. NDI may also wish to use funds from this grant to supplement programs funded by the NED. NDI would request permission from AID to do so.

NDI will update and revise its 1993-95 workplans by presenting one year plans to AID at the beginning of every fiscal year. If a critical need arises somewhere in Latin America, NDI, in consultation with AID, would reprogram funds from the planned programs detailed in this proposal.

National Democratic Institute for International Affairs
Latin America Program Summary
1993-1995

	EL SALVADOR	COLOMBIA	GUATEMALA	GUYANA	MEXICO I	MEXICO II	GUATEMALA ELECTIONS	TOTAL
I. SALARIES AND BENEFITS	52,391	62,759	43,969	42,807	30,726	30,726	18,451	281,829
II. SUPPLIES AND EQUIPMENT	5,000	1,500	2,900	3,500	3,500	3,500	9,000	28,900
III. COMMUNICATIONS	3,950	1,000	1,100	1,000	1,500	1,500	5,000	15,050
IV. TRAVEL AND PER DIEM	47,753	36,254	25,732	16,390	22,862	22,862	66,542	238,395
V. CONTRACTUAL SERVICES	7,500	1,400	1,600	1,250	3,740	3,740	11,732	30,962
VI. CONSULTANTS'	1,000	1,000	1,000	1,000	1,000	1,000	8,000	14,000
VII. OTHER DIRECT COSTS	4,300	1,825	2,350	2,291	2,750	2,750	6,950	23,216
VIII. SUB AGREEMENTS	0	25,000	20,000	30,000	25,000	25,000	45,000	170,000
TOTAL DIRECT COSTS	121,894	130,738	98,651	98,238	91,078	91,078	170,675	802,352
INDIRECT COSTS @ 27.20%	32,611	28,489	20,849	18,017	17,429	17,429	32,824	167,648
TOTAL COSTS	154,505	159,227	119,500	116,255	108,507	108,507	203,499	970,000

BEST AVAILABLE COPY

AGENCY FOR INTERNATIONAL DEVELOPMENT

PROJECT IMPLEMENTATION ORDER/TECHNICAL SERVICES (PIO/T)*

(Kathie)

1. Cooperating Country LAC Regional	2. PIO/T No. 598-0591-3- 3652203	3. PIO/T Amend No. ORIGINAL
4. Project/Activity No. and Title 598-0591, Human Rights Initiatives; National Democratic Institute	5. Appropriation Symbol(s) 72-113/41037 (370-65-598-00-69-31) 6. Budget Plan Code(s) LES393-35598-KG12	
7. Pro Ag No. or Project Authorization Date January 25, 1993	8. Obligation Status [X] Administrative Reservation [ ] Implementing Document	
9. Project Assistance Completion Date (Month, Day, Year) December 31, 1996	10. Authorized Agent FA/OP/B/LAC	
11. Type of Action and Governing A.I.D. Handbook [B] A. A.I.D. Contract (HB14) B. A.I.D. Grant or Cooperative Agreement (HB 13) C. PASA/RSSA (HB 12) D. Other	12. Contract/Grant/Cooperative Agreement/ Reference Number (if this PIO/T is for an order or a modification to an award) N/A	

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	0	$250,000 (ESF)	0	$250,000
B. U.S.-Owned Local Currency				0

14. Mission References N/A

15. Instructions to Authorized Agent FA/OP/B/LAC is requested to negotiate a three-year cooperative agreement with the National Democratic Institute (NDI) to support NDI activities in Latin America and the Caribbean as per the attached program description. The total estimated amount of these activities is $970,000. The amount of $250,000 is being provided as the first increment of funding.

LAG-0591-A-00-3028-00
9786

FA/FM/A/NPA & PA
OFFICE OF FINANCIAL MANAGEMENT
ACTION: Reserved
6/4/93

16. Address of Voucher Paying Office FA/FM/CMP, Room 700, SA-2; Washington, D.C. 20523-0209

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 Johanna Mendelson/Ken Schofield Date: 5-28-93 Phone No: 647-4380

B. The statement of work or program description lies within the purview of the initiating office and approved agency programs.
Signature: Susan Bugg, LAC/DR Date: 6-1-93

C. Signature: Eric R. Bolstad, LAC/DI Date: May 28, 1991

D. Funds for the services requested are available
Signature: Date:

E. Signature: CStradford/RMeehan Date: 6/2/93

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

Signature: Title: Date:

19. For the Agency for International Development:

Signature: Kenneth G. Schofield Title: Director, LAC/DI Date: 6/3/93

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 DISCLOSER 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.

AID 1350-1 (5/91)

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PIO/T No.
598-0591-3-

20. Special Provisions

A. Language Requirements (specify) (Include funds in budget for testing, as required.)
N/A

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

C. Duty post(s) and duration of technical specialist(s) services at post(s) (months):
N/A

D. Dependents' travel and support [ ] will [X] 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)
[X] 1. 000 [ ] 3. 935 [ ] 5. Other (specify)
[ ] 2. 899 [ ] 4. 941

F. Salary approval(s) to exceed FS-1 salary ceiling are:
[ ] 1. attached [ ] 2. in process [X] 3. N/A

G. Cooperating country acceptance of this project:
[ ] 1. has been obtained [ ] 2. is in process
[X] 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 [X] 2. N/A

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

K. Participant Training [ ] is [X] 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 [X] 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 [ ] 2. PX [ ] 3. Commissary
[ ] 4. Other (specify, e.g., duty free entry, tax exemptions)

C. Comments:

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-3-

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

A. Relationships and Responsibilities: The contact person is Johanna Mendelson and the Project Officer is Ken Schofield.

B. Cooperating Country Liaison Officials:

C. A.I.D. Liaison Officials:

23. Background Information (additional information useful to authorized agent)
Programs for countries listed in the proposal are subject to ongoing approval by AID/Washington and the host Mission. All travel to a given country will be cleared with the Mission directly by MDI and AID/Washington will be notified of these plans.

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

[X] A. Detailed budget estimate in support of increased funding (Block 13)

[ ] B. Evaluation criteria for competitive procurement

[X] C. Justification for procurement by other than full and open competition or noncompetitive assistance

[X] D. Statement of work or program description

[ ] E. Waiver(s), justification(s), clearance(s), certification(s), approval(s) (specify number)

25. Distribution of PIO/T

NDI Budget

Salaries and Benefits	$300,800
Supplies and Equipment	14,100
Communications	17,600
Travel & Per Diem	215,511
Contractual Services	22,250
Other Direct Costs	23,034
Cooperative Agreement	150,000
Subtotal	$743,295
Indirect Costs (30.5%)	226,705
Total	$970,000

National Democratic Institute Cooperative Agreement

1. Time Frame - This cooperative agreement will begin as soon as all necessary papers are signed and a contract negotiated. All dates which appear in the proposal and workplan will be amended to reflect the delay in the start-up of this three year project.

2. Substantial Involvement

Work Plan - Every year NDI will submit a plan of work for the following year of the project which will include any budget modifications required to carry out the proposed actions. This work plan will be subject to the approval of the program officer overseeing this project.

Country Clearance - Programs for countries listed in the proposal are subject to ongoing approval by AID/Washington and the host Mission. All travel to a given country will be cleared with the Mission directly by NDI. AID/Washington will be notified of these plans.

Reports - NDI will prepare trip reports and annual reports of the programs it has described in its proposal. All reports will be delivered in a timely fashion.

Mission Coordination - NDI will coordinate all work in any country with the AID Mission or AID Representative. Consultation with AID and members of the country team will be part of NDI's ongoing work in all of the areas proposed in the proposal.

Program Changes - Any plans to change the scope of work of this proposal will require the approval of the program officer overseeing the proposal.

3. For the purposes of this agreement the proposed programs in Guyana are no longer part of this proposal.

4. Reserve Funds - The AID Washington project manager will be consulted with and approve the use of reserve funds for activities/expenses over $25,000. As stated in proposal, and agreed to in the project review, NDI may perform activities on an ad hoc basis as described in the proposal for sums not to exceed $25,000 from the reserve funds without forma AID approval.

5. NDI will coordinate its activities in the region with other non-governmental organizations, depending on the subject matter of these activities. For example, in the case of elections, NDI might want to coordinate planning with the Inter-American Institute of Human Rights project, CAPEL.

Agency for International Development
Washington, D.C. 20523

MAR 23 1993

ACTION MEMORANDUM FOR THE ACTING ASSISTANT ADMINISTRATOR, LAC

FROM: A-LAC/DI, Debra McFarland

SUBJECT: Authorization Amendment of the LAC Regional Human Rights Initiatives Project: National Democratic Institute (NDI)

ACTION REQUESTED: That you authorize an amendment to the Authorization for the LAC Regional Human Rights Initiatives Project: National Democratic Institute (NDI) to include funding from the Development Assistance (DA) account in addition to previously authorized Economic Support Funds (ESF).

BACKGROUND: On January 29, 1993, the Acting AA/LAC authorized support for NDI's efforts to promote free elections and democratic values and to improve the ability of newly elected officials to govern effectively. One of the activities authorized to be carried out by NDI is an election observation mission for the upcoming presidential election in Paraguay scheduled for late April.

DISCUSSION: When the project was authorized it was anticipated that it would be funded using ESF monies. At this time funds from the ESF account are not available pending the ESF apportionment. It is expected that ESF will be available in early April. Given the closeness of the Paraguay elections, it is critical that NDI work quickly to promote confidence in the electoral process and help deter irregularities.

Before the Office of Procurement can allow NDI to incur costs relating to the Paraguay elections, it must have a completed PIO/T indicating that funds are available for this activity. Since ESF is not currently available, the Authorization needs to be amended to include DA funds. The project's authorized life of project will remain at $1.3 million of which approximately $200,000 is for the Paraguay elections. Once you sign the Authorization Amendment, the PIO/T will be finalized and sent to the Office of Procurement for award to NDI. As agreed with representatives of LAC, GC, FVA and NDI given the critical nature of this work, we will request that NDI's expenses be covered retroactive to March 12, 1993, the actual date NDI started work on this activity.

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RECOMMENDATION: That by signing the attached Authorization Amendment you authorize the addition of DA funds for the LAC Regional Human Rights Initiatives Project: National Democratic Institute.

Attachment: Authorization Amendment

Clearances:
LAC/DI:JMendelson (Draft)
LAC/DR:JEvans _____ Date 3/23/93
LAC/DPP:RMeehan _____ Date 23 Mar 93
LAC/DPP:JStepanek _____ Date _____
GC/LAC:RMeighan _____ Date 3/23/93

LAC/DR/PSS:SBugg:sb:3/22/93:NDIAMEND.SB

PROJECT AUTHORIZATION
AMENDMENT NO. 1

Name of Country:	LAC Regional
Name of Project:	Human Rights Initiatives: National Democratic Institute
Number of Project:	598-0591 (Sub-project 598-0591.NDI)

1. Pursuant to Section 531 of the Foreign Assistance Act of 1961, as amended, the Human Rights Initiatives: National Democratic Institute (NDI) project was authorized on January 29, 1993. That Authorization is hereby amended as follows:

Paragraph 1 is amended to delete the phrase "Pursuant to Section 531 of the Foreign Assistance Act of 1961, as amended," and insert in lieu thereof the following: "Pursuant to Sections 531 and 106 of the Foreign Assistance Act of 1961, as amended,".

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

William Stacy Rhodes
Acting Assistant Administrator
Bureau for Latin America and the Caribbean

March 24, 1993
Date

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Agency for International Development
Washington, D.C. 20523

January 14, 1993

TO: Jay Bergman, FA/OP/B/LA

FROM: Kenneth Schofield, Director, LAC/DI

SUBJECT: Justification for Non-Competitive Award to the National Democratic Institute (NDI)

Handbook 13, Chapter 2, Paragraph 3, Exceptions, states that competition in the award of a grant is not required in cases where the technical office has determined that the recipient has "exclusive or predominant capability based on experience, specialized facilities or technical competence, or based on an existing relationship with the cooperating country or beneficiaries." On the basis that the intended recipient meets this criteria, LAC proposes a $1.2 million non-competitive cooperative agreement to NDI in support of their program to promote free elections and democratic values and to improve the ability of newly elected officials to govern effectively.

NDI is a quasi-governmental organization which focusses on governance and political party development abroad. Like its counterpart, the International Republican Institute, these organizations were created with the goal of supporting democracy in regions of the world where the movement toward greater freedom, political participation and thus, party growth, could be fostered through such international support. The international activities consist of non-partisan support for political party development, electoral assistance and other governance related programs. NDI offers programs throughout the world. This request relates to activities in the Latin America region.

To our knowledge, there is no other organization with the same national and international experience in the area of political development, including grassroots education and training in electoral processes working from the United States in the countries designated in the proposal. NDI will provide unique training and education activities in countries where elections are critical to the continuation and evolution of the democratic process. For example, the NDI has worked in Paraguay since the return to democratic rule in 1989, and developed special expertise in the country's electoral system. Likewise, NDI has performed special activities in Mexico on training domestic observers, which will be continued in this new cooperative agreement.

Agency for International Development
Washington, D.C. 20523

Office of the
General Counsel

May 26, 1993

MEMORANDUM

TO: DAA/FHA/PVC, Louis Stamberg (Acting)

FROM: GC/FHA, Renee R. Matalon RRM

SUBJECT: NDI and IRI

As you requested, I have reviewed the opinion letter provided by legal counsel for the National Democratic Institute for International Affairs (NDI) addressing whether NDI and its counterpart organization, the International Republican Institute (IRI), are private and voluntary organizations (PVOs) and subject to the requirements applicable to PVOs. That letter, dated May 6, 1993, and accompanied by a supporting letter from counsel to IRI, concludes that NDI and IRI are not PVOs and should not be subject to registration and other conditions that PVOs must meet to be eligible for most A.I.D. assistance.

The foreign assistance and related appropriations acts do not contain a definition of a PVO. A.I.D. also does not have a formal definition of that term, although the first five conditions of registration in Regulation 3 generally are considered to describe the features of a nongovernmental organization (NGO) that qualify it as a PVO. These are very broad standards that were developed before the recent proliferation in the kinds of NGOs participating in international development. As a result, this loose PVO definition may be inadequate to properly distinguish the kinds of grass roots, people-to-people organizations that Congress and A.I.D. originally intended to qualify for the special A.I.D.-PVO assistance relationship from other NGOs that serve equally important, but different functions in development assistance.

Counsel for NDI and IRI do not believe that institutes established by the major political parties and created for the purpose of promoting democracy in foreign countries under the National Endowment for Democracy Act (NEDA) are the kinds of NGOs that are or should be considered PVOs. Operating units in A.I.D.'s LAC, EUR, and AFR bureaus have supported the programs of NDI and IRI for several years without considering them to be PVOs. Since there is no statutory or formal Agency definition of

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a PVO, and under the circumstances of the creation and operation of NDI and IRI as well as Agency assistance to them, we agree with the consensus which has developed that they are not PVOs.

As explained by NDI's counsel, the legislative history of NEDA supports the position of NDI and IRI. Although these institutes are privately incorporated and not instrumentalities of the U.S. Government, they are government-sponsored and are not private organizations in the same sense as A.I.D. traditionally has considered PVOs. Unlike PVOs, these institutes do not have their origins in grassroots charitable initiative; nor are they intended as organs of support and participation by the general public. Rather, they are legislatively-driven vehicles for bipartisan involvement by the U.S. political establishment in the promotion of democracy in other countries.

The hallmark of a PVO is its people-to-people character and reach. PVO recipients of grant assistance are independent from the government in their origins, domestic constituents, support and operation, as well as in their privately-funded overseas charitable or developmental work.

Although NDI and IRI are not part of the government, they are instrumentalities of the two major political parties from which most of the policy levels of the U.S. Government are drawn. The institutes are twice removed from the government, but they exist only because Congress would not permit funding for NEDA purposes to flow through the political parties themselves, to remove any partisan imprint from their activities. As counsel for NDI noted, Congress took the further step in appropriating funds for USIA to make the institutes ineligible for NEDA or any other USIA funding unless they agreed to bar officers or employees of the Republican or Democratic National Committees from being officers or directors of the institutes.[1]

Neither Congress nor A.I.D. attempts to control the leadership of PVOs in this way. For this reason, and the others outlined above, we agree with counsel for NDI that NDI and IRI are not PVOs. As a follow-up to this discussion, we also believe that the Agency should undertake to review the kinds of nonprofit NGOs considered to be PVOs with an eye toward refining and formalizing this definition. Such a process should include identification of the objectives the Agency and Congress expect

[1] See Departments of Commerce, Justice, and State, the Judiciary and Related Agency Appropriation Act, 1986, Pub. L. No. 99-180, Sec. 501, 1985 U.S. Code Cong. & Admin. News (99 Stat.) 1168.

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PVOs to accomplish and the kind of organizations that are likely to accomplish those objectives.

Memo to DAA/FHA/PVC, Louis C. Stamberg, p. 3

GC/FHA:RRMatalon:bmg:5/24/93:647-8416:NDINRI.MEM

Clearance:
GC/FHA:SRTisa(draft)

cc: GC, JEMullen (Acting)
DGC, RMeighan (Acting)
GC/LP, RMLester
GC/ASIA, GBisson
GC/CCM, KEFries
GC/R&D, GMWinter
GC/AFR, ESpriggs
GC/EUR, HEMorris
GC/NIS, TGeiger
LAC/DI, KSchofield

NATIONAL DEMOCRATIC INSTITUTE FOR INTERNATIONAL AFFAIRS

Suite 503, 1717 Massachusetts Avenue, N.W. Washington, D.C. 20036 (202) 328-3136 ■ FAX (202) 939-3166 ■ Telex 5100015068 NDIIA

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Jean B. Dunn

October 21, 1992

Mr. Kenneth Schofield
Office of Democratic Initiatives, LAC
U.S. Agency for International Development
Room 3253
320 21st Street, NW
Washington, D.C. 20523

Dear Ken:

Enclosed is NDI's revised proposal on democratic transition assistance to Latin America. The proposal, we beleive, clarifies the issues raised during our September meeting.

As requested, we have detailed and budgeted for specific activities and allocated a portion of the grant for "rapid responce" programs. We have also expanded the functional areas of election observation and governance. Election observation will include technical assistance in electoral reform, international observer delegations and support for domestic observers and civic education campaigns. Governance programs will include legislative training and municipal reform activities.

We hope this revised proposal provides you with the necessary details while still allowing NDI to respond quickly to political developments in Latin America. If you have any further questions or want any additional information, please let us know.

Sincerely,

Kenneth D. Wollack
Executive Vice President

Mark Feierstein
Senior Program Officer

KW/shg

PROPOSAL FOR LATIN AMERICAN DEMOCRATIC TRANSITION ASSISTANCE

PROJECT SUMMARY

NDI proposes to conduct political assistance programs in Latin American and Caribbean countries from FY1993 through FY1995 to strengthen new democracies. The programs would be designed to promote free elections and democratic values and to improve the ability of newly elected officials to govern effectively. Program activities will include: 1) election monitoring and the promotion of election reform and 2) training of national and local elected officials.

BACKGROUND

NDI programs in Latin America are designed to strengthen the fragile institutions critical to the survival and evolution of democracy. Recent events in Haiti, Venezuela and Peru are a reminder that much work remains to be done to help consolidate democracy in the region. The challenge for Latin Americans now is to expand participation and build confidence in the democratic process, consolidate democratic institutions and strengthen civilian rule. It is critical that newly elected leaders have the capacity to deal with the problems that affect people's daily lives.

Unfortunately, many of today's leaders have the best of intentions but are frustrated by their states' institutional incapacity. Many new officials lack experience and training Legislatures have historically been rubber stamps rather than forums for national debate and a source of policy initiatives. Today, legislatures are often perceived as obstructing government action. Municipal governments have historically been debilitated by systems that have concentrated resources and power in the central government. Now, many central governments are decentralizing, but local governments are ill equipped to assume new responsibilities. Officials who staff bureaucracies at the national and local levels are often political appointees with little if any experience or training in public affairs, rather than professional civil servants.

In the aftermath of transition elections, opportunities arise in which democratic assistance can be critical. Although long-term support for political parties, legislatures and other democratic institutions is crucial, it is also necessary to support the immediate efforts of newly elected officials seeking to restructure entire economic and political systems. These officials often lack knowledge of the experiences of other democratic countries or countries that have recently gone through a transition process. Timely assistance can contribute to an informed public debate on such issues as election reform and local government legislation, as well as promote citizen awareness of and involvement in the formation of public policy. If new

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democratic leaders are perceived to be ineffective and inefficient, citizens may become disillusioned with democratic rule, thereby threatening the survival of democracy.

This proposal is designed to provide NDI with modest resources to respond quickly to democratic development opportunities during critical moments of the transition process. Such assistance can lay the foundation for longer term institution building.

Given the challenges that civilian officials confront in Latin America, NDI is prepared to develop programs to train municipal and legislative officeholders and support civic- and voter-education efforts. NDI has already implemented these types of programs in Latin America, but they now must be expanded. Election monitoring programs, which will still be important in some countries, will become less necessary as countries acquire successful track records administering free and fair elections and parties and civic groups develop their own monitoring capabilities.

During the past three years, NDI has utilized funds from AID for election-related programs throughout the hemisphere. AID provided NDI with a $300,000 grant during fiscal year 1990 to support election-related activities in Latin America and the Caribbean. That grant was extended in fiscal year 1991 for an additional $200,000. The activities carried out with the second tranche of money include:

- In Mexico, a civic group utilized financial assistance and technical advice from NDI to organize an independent vote count in Mexico City for the mid-term congressional elections in August 1991. NDI also helped the civic group -- the Council for Democracy -- organize an international forum on election reform in April 1992. The forum, which was attended by the major political parties, civic groups and the electoral council, dealt with registration lists, identification cards, the composition of election boards and campaign financing. The council published a report, with recommendations, on the seminar and has distributed copies throughout the country to election officials, political and civic leaders and the press.

- In Paraguay, NDI organized a 16-person international delegation to observe the May 26, 1991 municipal elections. A 97-page report on the electoral process has been produced and has been widely distributed. Also in Paraguay, NDI entered into a cooperative agreement with the Center for Democratic Studies to enable the center to conduct civic and voter education programs to increase participation in the December 1, 1991, constituent assembly elections.

In response to a request from the city council of Asunción, the Center for Democratic Studies used a portion of its grant funds to organize a "national encounter" discussion in which 180 town council members participated. Topics discussed in the November 1991 conference included decentralization, constitutional reform, tax reform, urban planning and transportation. The program resulted in the councilmembers agreeing to form an association to conduct training seminars on local governance issues.

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PROPOSAL

NDI plans to develop programs in the following areas during the next three years in Latin America and the Caribbean:

A. Election Observing/Technical Assistance

NDI has extensive experience in electoral issues. The Institute has organized international observer delegations around the world and has provided funding and technical assistance to organizations that have carried out voter education programs, monitored elections and conducted parallel vote counts.

NDI has developed a reputation as the leading nongovernmental organization in the field of election observing. NDI missions have encouraged participation in the process, deterred irregularities and, where necessary, denounced fraudulent elections. This has been accomplished by focusing attention on the process before, during and after election day, recruiting high profile leaders and delegates, developing specific techniques for identifying fraudulent practices and issuing comprehensive reports on the process.

NDI election-related activities, however, include more than just election observing. NDI missions in Haiti, Czechoslovakia and Senegal have advised on election reforms. NDI training programs in Chile, Panama, Nicaragua, Zambia, Bulgaria and elsewhere have encouraged more effective election monitoring of the balloting and counting processes by domestic observers.

Election-related programs would involve the following:

1. Electoral Reform

At the request of political parties, electoral bodies, legislatures and foreign governments, NDI has organized international teams of election experts to assess other countries' electoral systems.

In 1991, recommendations by an NDI-sponsored international delegation were endorsed by a multiparty commission established by Senegalese President Abdou Diouf to review the country's electoral system. At the request of Diouf, and with the approval of opposition groups, NDI organized the delegation of election experts from five countries, led by former U.S. Ambassador to the United Nations Donald McHenry. The delegation visited Dakar to assess the country's elections laws and procedures and to recommend reform options. The delegations's recommendations formed the basis of an agreement between the ruling and opposition parties on the conduct of future elections. The NDI delegation's findings, which have been published in English and French, have also been the subject of interest in other countries seeking to strengthen their electoral systems.

NDI organized similar teams of election experts to study the electoral laws in Cameroon,

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Czechoslovakia and Slovenia. In April 1992, NDI supported a seminar in Mexico City to deal with such technical electoral issues as compiling registration lists and distributing voter identification cards.

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With this grant, NDI will continue to support efforts in Mexico to promote discussion on election reform. The Council for Democracy has submitted a proposal to NDI to conduct a comparative study on electoral legislation in Latin America and elsewhere. NDI would enter into a cooperative agreement with the Council to finance research and publish and distribute the study. The study would be designed for electoral officials and political and civic leaders. The study would represent a follow-up to the report the Council published after its April 1992 international seminar on election reform [see above] and would provide more detailed information about other electoral systems to contribute to the continued debate over electoral reform.

2. Observer Delegations

The most likely candidates for election observing over the next three years in Latin America are Paraguay, which will hold its first presidential election since the 1989 national elections held just after the overthrow of Alfredo Stroessner, and Bolivia, where concern about electoral irregularities exists.

In both of these cases, a pre-election monitoring mission would first visit the country two to three months before the elections. Through meetings with election officials, political party leaders and others connected with the election process, these missions will assess and gather information on the pre-election environment.

In addition to identifying potential problems, the mission will encourage participation in the process, augment confidence in the system and, where necessary, urge changes in electoral procedures by the government and/or electoral council. These missions will assess the feasibility of an NDI-organized election observer mission and identify the approach necessary for a credible observation (i.e. size of delegation, cities to visit, aspects of the process requiring the most intense scrutiny, etc.) Upon its return, the survey mission will issue a report of its findings.

The size of the delegation would be determined according to the anticipated outcomes and objectives of the monitoring process. Before arrival, the delegation members will receive briefing material, which will include the pre-election monitoring report, the terms of reference for the delegation, the country's election law and constitution, and other relevant materials concerning the election process. Upon arrival in the country, NDI staff will conduct briefing sessions for the delegation and organize meetings with representatives of the government, political party leaders, the election tribunal and important government organizations.

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Before election day, the delegates will be divided into teams and deployed to various regions of the country. Within their assigned regions, the teams will meet with local officials, political party representatives and others involved with the electoral process. The purpose of these meetings is to identify problems in the pre-election phase, which is critical for a comprehensive evaluation of the process.

On election day, the teams will observe the opening of the polls and travel to polling sites in their assigned region. Throughout their visits to the various polling sites, the team will interview party pollwatchers, election officials and voters to ascertain whether problems have occurred. To deter fraud in the counting process, the teams will remain in their assigned regions until a significant portion of the counting process is concluded.

One or two days after the elections, the delegation will regroup for a debriefing session and, based on its observations and other credible information received by the delegation, prepare a statement. As with previous observer missions, a consensus statement will be released at a press conference by the delegation leaders.

FY93 Work Plan

The presence of observer delegations in Paraguay and Bolivia will promote confidence in the electoral processes and help deter irregularities. The most recent elections in **Paraguay**, held in May 1991 to elect municipal officials, were marred by serious administrative shortcomings. These were most evident on election day, which was marked by confusion and chaos in many areas. As a result, elections in 14 municipalities were suspended due to various administrative problems. Had these been national elections, the suspensions and cancellations could have produced a national crisis.

Bolivia has held presidential elections in 1985 and 1989, but party leaders still fear that the process is not completely fair. Election day irregularities, such as double voting and ballot box stuffing, is expected, particularly in the interior. Moreover, there is fear that some candidates may not willingly acknowledge defeat.

In addition to the planned observer delegations in Bolivia and Paraguay in 1993, NDI will consider observing presidential elections in Mexico and the Dominican Republic in 1994. This will depend upon local developments and NDI's priorities at the time. No final decision will be made until all major parties from these countries agree to an NDI delegation. The size and focus of these delegations will also be determined in consultation with the political parties there and NDI's assessment of the needs of each country.

3. Domestic Election Monitors and Civic Education Groups

NDI has provided assistance to nonpartisan and multipartisan organizations around the

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world to monitor elections and organize civic education programs. Such assistance can be in the form of technical assistance programs and/or financial support. Although not primarily a grant-making organization, NDI provides "cooperative agreements" to civic groups for specific voter- and civic-education programs. The local organization normally assumes planning and logistical responsibilities, while NDI supplements these activities by providing technical assistance through international experts. The information rendered by the international participants help the leaders of the nonpartisan organizations to effectively implement their proposed programs.

NDI has assisted various organizations in establishing and implementing programs to encourage voter registration and turnout or to explain the mechanics of the balloting process. NDI provides international faculty for individual consultations or large scale training workshops relating to the activities of the institution. By supporting local civic groups, NDI is better able to identify program possiblities and respond quickly to requests for assistance.

Technical assistance and cooperative agreements have been used by NDI to establish civic organizations, such as the Guyanese Electoral Assistance Bureau, the Pro-Democracy Association in Romania and the Bulgarian Association for Fair Elections and Civil Rights. Others, such as the Namibia Peace Plan Study and Contact Group and Participa in Chile, were organizations that had been created before receiving NDI support.

After transitional elections, election monitoring groups have often evolved into broader organizations engaged in civic education and political training. NDI would support such groups to encourage continued political participation.

In Latin America, NDI has worked extensively with the Center for Democratic Studies (CED) in Paraguay. In preparation for presidential elections, NDI sponsored a February 1989 visit of two Chilean experts, Genaro Arriagada, coordinator of the No Campaign in the 1988 plebiscite, and Edgardo Mimica, a political consultant who designed an independent vote tabulation for the 1988 plebiscite. Arriagada and Mimica provided valuable information to the CED on civic- and voter-education programs. NDI followed that training with financial support to the CED to enable it to publish and distribute more than 100,000 pamphlets and 5,000 posters explaining the registration process. In 1991, NDI continued its support of the CED by helping to fund a series of training workshops for domestic observers for the 1991 municipal elections.

NDI also provided financial and technical assistance to a nonpartisan civic organization in Guyana, the Electoral Assistance Bureau. With the help of Selywn Ryan, a noted Caribbean pollster from Trinidad, the EAB conducted a door-to-door check of the voter registry. The findings of the EAB showed the list to be seriously flawed, and the electoral commission agreed to correct the list.

NDI's most recent program with domestic monitors in Latin America took place in the Mexican state of Chihuahua on the northern border with the United States. The program was designed to help Mexican civic groups monitor the gubernatorial election on July 12. The

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widely distributed in English, Spanish and French. The new manual will incorporate NDI's experiences during the past eight years with special emphasis on the role of domestic groups in election observing.

4. Participation of Latin American participants in NDI-sponsored programs in other regions & consultations in Washington, DC.

Election observer missions, election-related seminars and workshops and governance programs outside the Western Hemisphere provide excellent opportunities to familiarize individuals from Latin American and the Caribbean about the transitions toward democracy in other countries. For this reason, NDI often invites individuals from Latin American and Caribbean countries to participate in programs in other regions. An example of the importance of such participation is Miles Fitzpatrick, a lawyer from Guyana who participated in NDI's election observer delegation to Paraguay, where he learned about the work of the Center for Democratic Studies. Fitzpatrick returned to Georgetown to found the Electoral Assistance Bureau, a civic organization that has conducted voter education programs throughout Guyana and scrutinized the voter registry. Julio Faesler, the president of the Council for Democracy in Mexico, also learned about election monitoring as a member of NDI's delegation in Paraguay. Two members of the council's board observed elections in Bulgaria and Guatemala.

During the course of the program, NDI might host working luncheons or dinners in Washington to consult with regional and country experts on ongoing program activities. The meetings could also include visiting Latin American civic or political leaders who would discuss issues relevant to NDI's democratization programs.

NDI would also engage in ongoing consultations and hold briefing sessions or program activities with AID, the State Department and Members of Congress and congressional staff.

Costs for these consultations would be covered by the reserve funds of the other direct costs line item.

B. Governance

Governance programs are the most effective way for NDI to support political parties and to increase their capacity to strengthen democratic institutions through effective administration of those institutions. The threat to democracy in Latin America is not necessarily that political parties lack followers or a national organization (on the contrary, many countries in Latin America have large and well-organized political parties), but the inability of parties to govern once in office. In many cases, there are few qualified people to run or staff government offices and present legislative initiatives. It is critical to encourage the strengthening of competent civilian government institutions that will merit public confidence, diminish the concentration of

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political power and foster public participation.

With this grant, NDI plans to work with national and local legislatures to provide critical assistance on a short-term basis. For example, if a national legislature is considering legislation in a particular area, NDI can respond quickly to a request for international experts to provide information and options and thereby contribute to an informed debate. In December 1991, when the president of the Chilean Congress requested an expert familiar with local government issues, NDI was able to respond quickly and was able to organize the consultations to take place during the debate in the Congress.

Long-term training of the members of the national legislature would not be included in this program. Similarly, NDI would work with newly elected mayors and city councilmen on immediate needs rather than provide long-term governance training. For example, NDI might, as it has in Paraguay and the former Soviet Union, help local officials establish an association or national network to enable them to share experiences and pool resources. In the Soviet Union, NDI's initial training program led to the formation of the Association of Russian Cities, which now include 86 member cities.

1. Legislative Training

The institutionalization of strong, independent legislative branches is essential to the success of democracy. Legislative branches can act as forums for opposition parties, as institutional checks on the executive branch and as the most representative and democratic decision-making institution. Congresses in new democracies face many obstacles, including lack of expertise and resources.

NDI legislative training programs could focus on procedural issues, such as rules of order, the selection of committees or the creation of legislative agendas. Programs dealing with these issues were particularly effective in Eastern Europe when newly elected parliaments struggled to handle the daily tasks of legislation. Legislative training could also focus on legislation before congress that define the relationship between the national and local governments. In Chile, NDI sent George Latimer, former mayor of St. Paul and former president of the National League of Cities, to consult with Chilean legislators debating a municipal reform bill. The consultations provided legislators with a practical perspective of the responsibilities of state and local government and how they coordinated their activities with the national government.

2. Municipal Reform

Many Latin American countries are engaged in municipal reform efforts designed to increase citizen participation in government decision making at the local level and make the government more responsive to citizens' local needs. A more decentralized political

environment often leads to an intensified focus on issues of local government capacity. In order for democracy to be sustained, public trust in local authorities must be won and maintained. The importance of municipal assistance is further enhanced since local governments often provide a training ground for future national leaders.

NDI has organized a series of programs to increase lawmakers' understanding of local governance and the scope and limits of local government power. The programs are designed to help local government officials increase their effectiveness as public servants.

NDI proposes to provide basic information to local government officials through workshops conducted by officials from countries with relevant experience. The programs would be tailored to the immediate needs of the country, but could include issues such as collecting taxes, administering a budget or defining the relationship with the national government.

FY93 Work Plan

Under this grant, NDI expects to develop a legislative training program in Guyana and local government programs in Guatemala and Colombia.

NDI hopes to begin its work in **Guyana** immediately after the October 5 national elections. These elections are likely to initiate a transition toward democracy that will only be successful if Guyana's weak governing institutions are strengthened. Newly elected legislators accustomed to working in a weak parliament relative to the executive branch will need training to carry out their legislative functions effectively. To begin this process, NDI would organize a two-day seminar for the members of Parliament in January 1993. Legislators and congressional staff from Europe, the United States and Latin America would discuss legislative procedures; executive-legislative relations; the budget process; and relations between the majority and minority parties in the legislature.

In **Guatemala**, the eventual negotiated end to the civil war will provide local leaders in areas of conflict with responsibilities they have not had for more than 30 years. Local leaders throughout the country will be working to administer funds -- 8 percent of the national budget -- which has been provided to them since 1985. NDI proposes to organize seminars to train local officials elected in the January 1995 elections. The seminars, to be held in sites throughout the country, would cover municipal budget and finance, interaction between local and national government policy and relations between mayors and city councils. International participants would include mayors, city councilmen and municipal experts from the United States, Europe and Latin America.

In **Colombia**, democratic reforms, including the holding of elections for mayors and governors, have been instituted in recent years. The domination of the two traditional political parties -- the Liberals and Conservatives -- has been challenged by the M-19, formerly a guerrilla group, and the country's new constitution makes it easier for new political parties to

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win local and national elections. NDI has received a number of requests from political and civic leaders in Colombia to help consolidate the democratic process by training legislators at the local level. NDI expects the program to involve seminars on local governance to begin to familiarize Colombian officials with different forms of managing municipalities.

Requests for governance programs are sometimes made to NDI on short notice, such as was the case in Chile. In addition to working in Colombia, Guatemala and Guyana, NDI will reserve some funds to be able to respond quickly in other cases.

PROJECT OBJECTIVES

The main objectives of the programs are to:

1. Strengthen institutions, such as political parties, civic organizations and municipal governments, which foster and sustain democracy.

2. Expand participation and increase confidence in electoral processes.

3. Promote free and fair electoral processes.

4. Provide an opportunity for those living in nondemocratic regimes or newly emerging democracies to be exposed to successful democratic models in other regions.

PROJECT EVALUATION

To evaluate the progress of its programs, NDI will solicit responses from the international experts and in-country participants through written evaluations. NDI staff will also contact government, political and civic leaders to assess the effectiveness of programs. NDI will provide a written assessment to AID after the completion of each program. For programs that require a cooperative agreement with a local organization, NDI staff will conduct on-site evaluations and consultations within six months after the completion of the projects.

A. Governance

NDI governance programs are designed to help government officials address local and national issues of their countries. NDI training of government officials will be measured according to the following criteria:

- Have local government officials formulated a development strategy for their communities?

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- Has communication between local government officials and the citizenry increased?

- Has communication among local officials increased?

- Has communication and cooperation increased between local and national officials?

B. Support to Nonpartisan and Multipartisan Organizations

Criteria to assess the institutional development and program initiatives of the civic organizations include:

- Has the organization established full-time staff?

- Has a permanent office opened?

- Has the group been successful in recruiting volunteers and establishing chapters outside the main cities?

- Has the group effectively disseminated information to the population through volunteers and local chapters?

- Have national and local organizations begun to develop and promote programs of civic education independent of NDI?

- Has the group written articles for publication?

C. Election Observing/Technical Assistance

1. Election Reform

Criteria used to measure the effectiveness of election reform missions include the following:

- Were the delegation's recommendations utilized in the drafting of electoral legislation?

To evaluate seminars or publications that NDI helps support financially and technically, NDI would consider the following:

- Were the information and conclusions contained in the reports utilized by lawmakers and electoral officials in the writing of electoral laws?

- Did the seminars help educate political, civic and government leaders about different

electoral systems and regulations and contribute to the debate over electoral legislation?

2. Observer Delegations

Criteria to measure the effectiveness of international election observation missions include the following:

- How many polling sites were observed by the group?

- How soon after the polls closed did the delegation release its observations to the press?

- Did the presence of observers, in the view of government, political and civic leaders, help to increase confidence in the electoral process among the citizenry?

- Did the presence of observers help to deter fraud?

- In the event of fraud, did the delegation's statements help to educate voters and the international community about what had transpired and encourage the government and political parties to respect the results?

3. Election Monitoring

NDI has developed a plan to evaluate domestic monitoring efforts, independent vote tabulations and verification of voter registration lists:

a) Independent Vote Count:

- From what percentage of the statistical sample were results acquired?

- How quickly were the results available? Was a projection made the night of the elections in order to deter manipulation of election results?

- Were the results of the quick count disseminated widely?

- Did the international trainers adequately train in-country technicians to organize and implement a parallel vote count for future elections?

b) Election Monitoring:

- Were the public statements and reports of domestic monitoring groups objective and thorough and absent of tendentious phrasing?

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- How many volunteers did the groups deploy on election day?

- Were the training sessions and manuals for volunteer observers detailed and informative?

- Were the civic groups' reports and statements disseminated widely?

C) Verification of Voter Registries

- What percentage of the voter registry was verified?

- Did the sample include a geographical and ethnic cross section of the country?

- How were the results disseminated?

- Were the results accepted by the public?

- Did the results lead to any action by the government or the election commission?

ADMINISTRATION

Through its extensive involvement in election-related programs, NDI has developed considerable in-house experience and expertise. Additionally, NDI can call upon a wide range of experts to assist in implementing various program activities.

NDI Senior Program Officer Mark Feierstein will manage most of the programs under this grant. Mr. Feierstein, a graduate of the Fletcher School of Law and Diplomacy, is the author or co-author of four NDI election reports. He has organized and participated in NDI programs in Chile, Costa Rica, the Dominican Republic, Mexico, Nicaragua, Panama, Paraguay and Uruguay. Mr. Feierstein's experience includes a year as a reporter for *The Mexico City News*, an English-language daily.

NDI Senior Associate for Electoral Processes Larry Garber will help manage most of the election-related programs. Mr. Garber is the author of *Guidelines for International Election Observing* and has observed elections for NDI and the International Human Rights Law Group in more than 25 countries. He is the author of several articles on election monitoring and the promotion of democracy and human rights.

NDI Program Officer and Grant Administrator Donna Huffman will also be involved in administration of the project. She has been involved in NDI projects in 20 countries in Latin America, Africa, Europe and Asia and has participated in 10 election observation delegations. She is also the co-author of the NDI report on the 1992 municipal elections in Paraguay.

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Other NDI staff members also have the necessary expertise to implement these programs.

BUDGET

NDI requests $1,200,000 over three years to carry out the programs outlined above. Every program will be funded by this grant, unless NDI determines to supplement a program with funds from the National Endowment for Democracy or another source. In the latter case, NDI would consult first with AID. NDI also may wish to use funds from this grant to supplement programs funded by the NED. NDI would request permission from AID to do so.

NDI will present one-year plans at the beginning of every fiscal year to provide AID with an outline of NDI's plans for the next 12 months. If a critical need arises somewhere in Latin America, NDI, in consultation with AID, would reprogram funds from the planned programs detailed in this proposal.

Reports and evaluations will be submitted to AID as programs are completed. Each year, NDI will reserve funds to be able to respond to an expected event or request. NDI would reserve the right to initiate expenditures for less than $25,000 without formal approval from AID. NDI, however, would not initiate a program without consulting AID and submitting a written description of the program.

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