

PD-ABM-430

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UNCLASSIFIED

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY  
AGENCY FOR INTERNATIONAL DEVELOPMENT  
Washington, D. C. 20523

LAC REGIONAL

PROJECT PAPER

HUMAN RIGHTS INITIATIVES  
INTERNATIONAL REPUBLICAN INSTITUTE

AID/LAC/P-771

PROJECT NUMBER: 598-0591. IRI

UNCLASSIFIED

<b>AGENCY FOR INTERNATIONAL DEVELOPMENT</b> <b>PROJECT DATA SHEET</b>	<b>1. TRANSACTION CODE</b> <input type="checkbox"/> A = Add <input checked="" type="checkbox"/> C = Change <input type="checkbox"/> D = Delete	<b>DOCUMENT CODE</b> <b>3</b>
<b>2. COUNTRY/ENTITY</b> LAC Regional	<b>3. PROJECT NUMBER</b> 598-0591	
<b>4. BUREAU/OFFICE</b> LAC/DI <span style="float: right;"><input type="checkbox"/> 05 <input type="checkbox"/></span>	<b>5. PROJECT TITLE (maximum 40 characters)</b> <input type="checkbox"/> Human Rights Initiatives <input type="checkbox"/>	
<b>6. PROJECT ASSISTANCE COMPLETION DATE (PACD)</b> MM DD YY 0 2 2 8 9 4	<b>7. ESTIMATED DATE OF OBLIGATION</b> (Under 'B', below, enter 1, 2, 3, or 4) A. Initial FY <input type="checkbox"/> 9 <input type="checkbox"/> 3    B. Quarter <input type="checkbox"/> 2    C. Final FY <input type="checkbox"/> 9 <input type="checkbox"/> 3	

8. COSTS (\$000 OR EQUIVALENT \$1 = )						
A. FUNDING SOURCE	FIRST FY <u>78</u>			LIFE OF PROJECT		
	B. FX	C. L/C	D. TOTAL	E. FX	F. L/C	G. TOTAL
AID Appropriated Total						
(Grant)	( 900 )	( )	( 900 )	( 30,736 )	( )	( 30,736 )
(Loan)	( )	( )	( )	( )	( )	( )
Other U.S.						
1.						
2.						
Host Country						
Other Donor(s)						
<b>TOTALS</b>	900		900	30,736		30,736

9. SCHEDULE OF AID FUNDING (\$000)									
A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH CODE		D. OBLIGATION TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1 Grant	2 Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1)ESF				6,407		137		15,138	
(2)PSEE				15,596				15,596	
(3)EHR				2				2	
(4)									
<b>TOTALS</b>				22,005		137		30,736	

<b>10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)</b> _____	<b>11. SECONDARY PURPOSE CODE</b> _____
<b>12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)</b>	
A. Code	_____
B. Amount	_____

**13. PROJECT PURPOSE (maximum 480 characters)**

The purpose of the project is to support selected regional initiatives aimed at expanding political and civil liberties throughout Latin America and the Caribbean.

<b>14. SCHEDULED EVALUATIONS</b> Interim MM YY MM YY Final MM YY 0 1 9 4	<b>15. SOURCE/ORIGIN OF GOODS AND SERVICES</b> <input checked="" type="checkbox"/> 000 <input type="checkbox"/> 941 <input type="checkbox"/> Local <input checked="" type="checkbox"/> Other (specify)
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**16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a \_\_\_\_\_ page PP Amendment.)**

This amendment is to provide funding to the International Republican Institute for a one-year activity to assist the growth and modernization of the democratic political parties in South America and to foster regional market-oriented economic integration.

<b>17. APPROVED BY</b>	Signature	<b>18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION</b> MM DD YY 0 1 2 9 9 3
	Title A-AA/LAC, Aaron Williams	

## PROJECT AUTHORIZATION

Name of Country: LAC Regional

Name of Project: Human Rights Initiatives:  
International Republican  
Institute

Number of Project: 598-0591  
(Sub-project 598-0591.IRI)

1. Pursuant to Section 531 of the Foreign Assistance Act of 1961, as amended, I hereby authorize the Human Rights Initiatives: International Republican Institute Project for the Latin America and the Caribbean Region involving planned obligations of not to exceed \$136,440 in grant funds over a one year period from the date of authorization, subject to the availability of funds in accordance with the A.I.D. OYB process, to help in financing the foreign exchange and local currency costs for the project. This brings the total amount authorized under the LAC Regional Human Rights Initiatives Project to \$30,736,000. The planned life of the project is one year from the date of initial obligation.

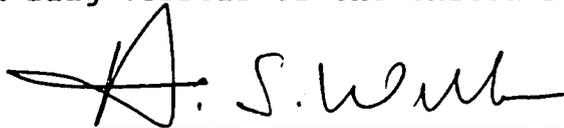
2. The purposes of the project are to assist the growth and modernization of the democratic political parties in South America and to foster regional market-oriented economic integration by providing forums for free-market debates to political leaders in South America and training to political parties so they can better incorporate these reforms into public policies and platforms. Project activities will involve the organization and execution of a series of seminars by Fundacion America in conjunction with a variety of party-affiliated instituites from across the political spectrum, economic centers and other foundations throughout the region.

3. The Agreement(s) which may be negotiated and executed by the officer to whom such authority is delegated in accordance with A.I.D. regulations and Delegations of Authority shall be subject to the following essential terms and covenants and major conditions as A.I.D. may deem appropriate:

a. Source and Origin of Commodities, Nationality of Services: Commodities and services financed by A.I.D. under the project shall have their source, origin and nationality as prescribed in A.I.D. Handbook 1B, Section 16B1b, except as A.I.D. may otherwise agree in writing. Procurement of local goods and services shall be in accordance with the Agency's Buy-America policy.

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b. Ocean Shipping: Ocean shipping financed by A.I.D. under the project shall, except as A.I.D. may otherwise agree in writing, be financed only on flag vessels of the United States.



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Acting Assistant Administrator  
Bureau for Latin America and the Caribbean

1/29/93

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Date

Agency for International Development  
Washington, D.C. 20523

January 13, 1993

TO: Jay Bergman, FA/OP/B/LA  
FROM: Ken Schofield, Director, LAC/DI  
SUBJECT: Justification for Non-Competitive Award to the  
International Republican Institute

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 grantee meets this criteria, LAC proposes a \$111,440 non-competitive grant to IRI in support of their training program on regional-market-oriented economic integration through the education of Latin American political leaders.

The International Republican Institute (IRI) is a quasi-governmental organization whose goal is to provide support for democratic governance and political party development abroad. Like its counterpart, the National Democratic 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. Though an arm of a partisan organization, the international activities consist of non-partisan support for political party development, electoral assistance and other governance related programs. IRI offers programs throughout the world. This request relates to activities in the Latin American region.

To our knowledge, there is no other organization with the same national and international experience in the area of political party development and economic reform. By providing forums for free-market debates to political leaders in South America and training to political parties so they can better incorporate these reforms into public policies and platforms, IRI can assist in fostering regional market-oriented economic integration.

Additionally, IRI has a unique feature of reaching out to Latin American parties through its non-partisan foundation, Fundacion America, located in Buenos Aires, Argentina. This relationship affords a rare opportunity to reach out to a wide array of political actors in Latin America. It also reinforces the project's goal of improving economic education of party leaders by bringing them in contact with regional think tanks as a way of promoting free market economic policies in a variety of Latin

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American countries. Furthermore, this institutional arrangement through the Fundacion America, makes it more attractive for AID financing in countries in which resources to facilitate programs on economic education and political development are limited. IRI has demonstrated a track record in Latin America as a responsible organization which has convened programs on local government, civic-education, and party leader training.

The above facts support a non-competitive award to IRI for a training program on regional-market-oriented economic integration through the education of Latin American political leaders.

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## South America Regional Economic Training Program

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U.S. Grantee:	The International Republican Institute
Foreign Subrecipient:	Fundacion America para la Capacitacion Politica
Duration of Project:	June 1, 1992 - May 31, 1994
Total Amount Requested:	\$200,000.00 (FY92: \$100,000.00) (FY93: \$100,000.00)

### I. Project Summary:

The International Republican Institute (IRI) proposes to launch a two-year, region-wide South America program to work with democratic political parties to encourage greater economic liberalization, emphasizing the role of the Enterprise for the Americas Initiative in the agenda for regional economic reform.

A regional training initiative will be implemented through the Fundacion America para la Capacitacion Politica (FA) based in Argentina. The program will bring political and economic experts from Latin America and the U.S. together in South America to provide free market economic training to and through political parties. This will be done through a series of seminars and debates to be held during the first year. Follow-up workshops and advising are planned for the second year. This work will be supported by a series of publications, quarterly newsletters, and other articles of opinion and analysis produced by Fundacion America.

The Fundacion America, an independent, non-partisan political training institute is headed by economist and IRI-grantee Martin Krause. The FA is currently running its programs with the support of the National Endowment for Democracy through the IRI.

### II. Background:

Latin America's transition to democracy is taking hold -- politically and economically. Military dictatorships in power only a decade ago have given way to freely-elected governments. Voters are rejecting the old paternalistic and mercantilistic economic policies that have sent Latin America into one of its deepest crisis of no growth, high inflation, and huge foreign debt. In most Latin countries, this crisis has pushed governments to shift from

these state interventionist and regulatory policies toward more open markets, privatization and redefinition of the role of government in society.

However, these nascent democracies are still fragile. The new demands of the population are not easily met and consequently there is a high turnover of public administrators throughout the region. Initial enthusiasm and euphoria shown during early elections have been replaced by growing lack of confidence and discontent with politicians, political parties, and the economic situation.

This demise has left the political parties in a difficult position between a growing gap of demands of the population and the abilities of the political leadership to meet these demands. For many years, Latin political leaders had only one aim: democracy. Little thought was devoted to the consequences of this objective, or its maintenance once achieved. This lack of foresight is manifested clearly in many parties' inability to adapt to the demands for new changes resulting from the move towards greater pluralistic participation. Therefore, political parties are currently faced with widespread constituent apathy and ineffective leadership.

It is critical that the parties are trained and modernized in order to close this ever-widening gap. Having a pivotal role in democracy, the parties must be transformed into credible representative institutions in order to foster new confidence in political leadership and greater understanding of the importance of political, economic, and social reform.

Strengthened and enlightened political parties are crucial for economic reform. Political leaders will have better success in implementing the necessary changes for growth when they are supported by effective and modernized parties which have economic platforms dedicated to market-oriented policies.

### III. Project Objectives:

The objectives for this program include:

1. To foster regional market-oriented economic integration by providing forums for free-market debates to political leaders in South America and training to political parties so they can better incorporate these reforms into public policies and platforms.
2. To assist the growth and modernization of the democratic political parties in Bolivia, Colombia, Chile, Ecuador, Argentina, Paraguay, Uruguay, Brazil, Venezuela, and Peru through economic and free market education.

#### IV. Project Activities:

The program will envelope two phases, the initial phase taking place during the first year, and the second phase of the program developing during the following year.

The first phase will involve the organization and execution of a series of seminars by the FA. To ensure the participation of an array of political parties, the seminars will be organized by the FA in conjunction with a variety of party-affiliated institutes from across the political spectrum, economic centers, and other foundations throughout the region.

It is anticipated that these seminars will result in the identification of the individuals in various parties responsible for economic issues. During the second phase of this program, the FA will maintain contact with these individuals to determine which parties require specific technical assistance in revising their economic principles. Small workshops will be given to ensure the information and training received in the initial seminars will reach these particular parties and thus broaden the base of knowledge and consensus.

Specifically, the following details the plan for implementation of this program:

1. The FA is currently working to develop a base of contacts with the various political party-affiliated institutes and other related foundations to introduce the program and begin cooperation. Attachment A lists those foundations already contacted and have expressed interest in participating in the program.

Additionally, the FA plans to involve other institutes, foundations, and groups from outside the region. (See Attachment A)

2. Once the co-hosting organizations are ascertained in each country, topics and agendas will then be developed in coordination with the host institutes. Topics to be included are listed in Attachment B.

The co-hosting organizations will be responsible for the invitations to attendees. The variety of organizations and party-affiliated institutes involved should ensure that a broad array of political representatives participate in the program.

3. Based on the themes and agendas set for the seminars, the FA will then be responsible for obtaining the consultants who will be invited to participate in these meetings. These consultants/trainers will be drawn upon from a cadre of known experts with whom the IRI has contracted for past Latin American and Caribbean programs. The FA hopes to build upon this list of known trainers to eventually have at its disposal a broadly-based group of experts and trainers that can be called upon to meet specific and individual needs of different groups. See Attachment C for a list of potential trainers.

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4. The FA is currently planning the schedule for the seminars. The trainers will travel to three countries to give two day seminars in each country. Given the immensity of Brazil however, it is planned that three seminars will be given there alone; in Rio de Janerio, Brasilia, and Sao Paulo.

A possible schedule for seminars includes the following:

- July 1992: Brazil
- September 1992: Colombia, Venezuela, Peru
- November 1992: Chile, Argentina, Uruguay
- February 1993: Bolivia, Ecuador, Paraguay

5. The above information outlines the anticipated implementation plan for the first phase of the program. The second phase of more intense contact and workshops with individual parties will be developed throughout the course of the first phase of seminars. The specific detail of the second year activities, such as the number of workshops and advisory missions, depend on the development of the first year program, therefore only this broad outline can be given at this time.

V. Evaluation Plan:

Close monitoring and constant evaluation of the program will be made by Fundacion America. Assessments by participants directly following each seminar and workshop will determine strengths and areas of improvements in the organization, content, and execution of these meetings. Fundacion America will in turn evaluate the program by the level of success achieved by the parties to implement the techniques and tactics taught at the seminars. Indicators of success will include membership growth, the increased participation of women and youth, and better results in local elections.

Additional indicators of success for this program will include the extent to which voter confidence is raised in the effectiveness of political leaders and the ability of the political parties to meet the demands of the voters. Success in this can be measured by increased participation of voters in elections, and a lower turnover rate of public administrators.

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ambition  
objectives  
for the  
small  
world

- What do they mean "better results"? What does "increased participation" mean? "youth" how to do with program objectives?  
Do we really think

## VI. Organizational Background:

The Fundacion America para la Capacitacion Politica has been founded specifically to carry out the goals of this project. Fully chartered under the laws of Argentina, it is a private and independent foundation dedicated to strengthening the links between political leaders of the hemisphere, through promoting and organizing the exchange and training of young political leaders who have the responsibility to guide the Latin American countries towards a common goal based in democracy, freedom, and hemispheric integration.

The Fundacion America has drawn together intellectuals, politicians, business leaders, and university representatives who collectively have the same goals to improve the democratic stability of Latin America. The Board of Directors is comprised of: Horacio Martin Ochoa, former President of UPAU, a university political group, Alberto Garcia Carmona, a lawyer and writer, Jose Manny Lalor, a former Representative in the Chamber of Deputies, and Jorge Sagasti, Vice President of the public relations firm, RADUX.

Additionally, the Fundacion plans to integrate an Advisory Council, formed by respected leaders and former Presidents of the participating countries. The members of the council will participate in the activities of the program and will meet periodically throughout the duration of the project.

The Executive Director of Fundacion America will be Martin Krause, currently the Executive Director of the IRI-grantee Fundacion Libertad y Democracia. Mr. Krause has a degree in Business Administration and has been affiliated with the IRI since 1988. He was first Program Director for the Institute for Social Market Economy, and in 1989 became Executive Director of LID. Mr. Krause also served as the in-country Program Director of the joint NDI/IRI Nicaraguan Democratic Development program during the elections of 1990. Mr. Krause's extensive experience in international political development activities with the IRI makes him well qualified to administer and carry out the IRI-sponsored Fundacion America program.

## VII. Budget:

See Attachment D

**URUGUAY**

Centro de Estudios para la Democracia Uruguay  
Centro de Estudios sobre la Realidad Social (CERES)  
Instituto Manuel Oriba

**VENEZUELA**

Instituto de Estudios Superiores de Administracion  
Centro de Divulgacion del Conocimiento Economico.

2. Potential participating institutions from outside the region:

Universidad Francisco Marroquin  
Guatemala

U.S. Global Strategy Council  
Washington, D.C.

Center for International Private Enterprise  
Washington, D.C.

International Center for Economic Growth  
California

Institute for the Americas  
University of San Diego, California

North-South Center  
University of Miami, Florida

## **Attachment B**

Specific topics and agendas will be determined by the FA and the cooperating institutions. Each seminar will place a special emphasis on aspects of the Enterprise for the Americas Initiative and each country's individual relation and agenda to this policy initiative. Overall themes and areas of interest which have already been determined include:

- \* The Social Costs of Economic Reforms: Their Impact in the Future of Democratic Institutions
- \* Shock Therapy and the High Cost of Economic Overhaul
- \* The Path Toward Free Trade and Foreign Investment in Latin America
- \* The Environment and Sustainable Economic Development
- \* Privatization at the Local Level
- \* Development of Capital Markets
- \* The Viability of Debt/Nature Swaps in Latin America

### Attachment C

The FA and the IRI will obtain the economic and political experts to bring to the seminars and workshops by drawing upon a known cadre with whom the IRI has worked throughout Latin America. The following list represents a spectrum of consultants used in the past by the IRI in its Latin American programs. The actual consultants used for this program will not necessarily be limited to those listed below.

- \* Carlos Montelieu - Director of Latin America programs, U.S. Department of Commerce.
- \* Steven Antosh - Director, Interamerican Program, Francisco Marroquin University, Guatemala.
- \* Thomas Fuentes, Chairman, Republican Party of Orange County, California.
- \* William Harris - Harris and Associates. Political consultant. Washington, D.C.
- \* Juan Daniel Aleman - Assistant General Secretary, Secretariat for Central American Integration, Guatemala.
- \* Guillermo Fernandez de Soto - Special Advisor to the Foreign Ministry, former Coordinator of the Rio Group, Colombia.
- \* Leony Yu Way - Foundation for National Development, Honduras. Economist and Director of Organization, National Party.
- \* Gary Clark, PhD. - President, the Clark Council, Inc. Professor of Political Science, University of New Orleans
- \* Courtney Cunningham - Senior Congressional Liaison Officer, U.S. Department of Labor.
- \* Rodrigo Ubilla - Executive Director, Instituto Libertad, Chile.

IRI  
FUNDACION AMERICA  
PROPOSED BUDGET

COST CATEGORY	ANNUAL RATE	MONTHLY RATE	MONTHS	AMOUNT	TOTAL COST
<b>SALARIES</b>					
PROGRAM OFFICER		2,500	2	5,000	
			2	5,000	
FRINGE BENEFITS @ 42.19%					2,110
SUPPLIES AND EQUIPMENT					500
SUPPLIES			500		
COMMUNICATIONS					3,000
TELEPHONE AND FAX			2,500		
POSTAGE AND DELIVERY			500		
TRAVEL AND PERDIEM					15,269
AIRFARE (RT'S FROM DC)					
A. BRAZIL, 1 RT @ \$3,500		3,500	11,000		
B. COLO-VENEZ-PERU, 1 RT		2,500			
C. CHILE-ARG-URUG, 1 RT		2,500			
D. BOL-ECUAD-PARA, 1 RT		2,500			
PER DIEM					
A. 3 x (105+107+134)		1,038	4,269		
B. 3 x (157+119+148)		1,272			
C. 3 x (128+160+105)		1,179			
D. 3 x (85+82+93)		780			
OTHER DIRECT COSTS					
MEETINGS			300	300	
SUB-GRANTS					
TOTAL DIRECT COSTS				75,931	
				102,110	102,110

IRI  
FUNDACION AMERICA  
PROPOSED BUDGET

COST CATEGORY	ANNUAL RATE	MONTHLY RATE	MONTHS	AMOUNT	TOTAL COST
=====					
LESS COSTS EXCLUDED FROM OVERHEAD					
SUB-GRANTS				75,931	
				<u>75,931</u>	
COSTS ON WHICH OVERHEAD IS APPLIED				26,179	
OVERHEAD @	35.64%				9,330
TOTAL PROJECT COSTS					<u>111,440</u>

Budget for Fundacion America Support Grant

Total FY92 support grant for Fundacion America: \$75,931.00.  
The proposed support grant period is June 1, 1992 to May 31, 1993.

Line Item Budget for Fundacion America

Salaries

Executive Director (FT)	7,000.	
Assistant/Secretary (FT)	3,000.	
		\$ <u>10,000.00</u>

Supplies and Equipment

1 Laptop computer	3,500.	
		<u>3,500.00</u>

Space and Utilities

Rent	1,000.	
Utilities	100.	
		<u>1,100.00</u>

Communications

Phone, fax	4,200.	
Postage	800.	
		<u>5,000.00</u>

Travel and Per Diem

1. Advance Trips

Exec. Dir. - RT from B.A.		
A. Brazil (Rio - Brasilia - Sao P.)	600.	
B. Colo - Venez - Peru:	950.	
C. Chile - Urug - Para:	500.	
D. Ecu - Bolivia	800.	

Per Diem - 2 days each country.

A. 2 x (105 + 107 + 134)	692.	
B. 2 x (157 + 119 + 148)	848.	
C. 2 x (128 + 105 + 93)	652.	
D. 2 x (82 + 85)	334.	

## 3. Seminars

FA staff + 2 consults (1 U.S. + 1 L.A.)

A.1 RT B.A. - Rio/Brasil/Sao Paolo	500.
1 RT U.S. - " "	3,000.
1 RT L.A. - " "	1,000.
B.1 RT B.A. - Colo/Venez/Peru	950.
1 RT U.S. - " "	2,500.
1 RT L.A. - " "	1,000.
C.1 RT B.A. - Chile/Arg/Urug	500.
1 RT U.S. - " "	2,500.
1 RT L.A. - " "	1,000.
D.1 RT B.A. - Bol/Ecuad/Para	800.
1 RT U.S. - " "	2,500.
1 RT L.A. - " "	800.

Per Diem - 2 days each country

A. 2 x (105 +107 + 134) x 3 people	2,076.
B. 2 x (157 +119 + 148) x 3	2,544.
C. 2 x (128 +160 + 105) x 3	2,358.
D. 2 x (85 + 82 + 93) x 3	1,560.

30,964.00Consulting

Political and economic experts  
for seminars  
20 days x \$100/day x 2 persons

4,000.00

Contractual

Audit	3,000.
Translation Services	5,000.

8,000.00Other Direct Costs

Meeting costs associated with the  
execution of seminars and workshops

13,367.00TOTAL FUNDACION FY92 SUPPORT GRANTUS\$ 75,931.00



U.S. AGENCY FOR  
INTERNATIONAL  
DEVELOPMENT

LAC-IEE-92-68

**REQUEST FOR A CATEGORICAL EXCLUSION**

Project Location : LAC Regional

Project Title : Human Rights Initiatives:  
International Republican  
Institute (IRI)

Project Number : 598-0591  
(subproject 598-0591.IRI)

Funding : \$200,000 DA

Life of Project : 2 years

IEE Prepared by : Susan Bugg, LAC/DR/PSS

Recommended Threshold Decision: Categorical Exclusion

Bureau Threshold Decision : Concur with Recommendation

Comments : None

James S. Hester Date 12/1/92  
James S. Hester  
Chief Environmental Officer  
Bureau for Latin America  
and the Caribbean

Copy to : Kenneth Schofield, Director  
LAC/DI

Copy to : Johanna Mendelson, LAC/DI

Copy to : Susan Bugg, LAC/DR/PSS

Copy to : IEE File

Agency for International Development  
Washington, D.C. 20523

**INITIAL ENVIRONMENTAL EXAMINATION**

Project Location : LAC Regional  
Project Title : Human Rights Initiatives:  
International Republican  
Institute (IRI)  
Project Number : 598-0591  
(sub-project 598-0591.IRI)  
Funding : \$200,000 DA  
Life-of-Project : 2 Years  
IEE Prepared by : Susan Bugg, LAC/DR/PSS

I. Project Description: The two objectives of the project are: (1) to assist the growth and modernization of democratic political parties in South America, and (2) to foster regional market-oriented economic integration by providing forums for free-market debates to political leaders in South America and training to political parties so they can better incorporate these reforms into public policies and platforms. The project will be implemented in two phases. Year one will involve the organization and execution of a series of seminars by Fundacion America (FA--an Argentine foundation created by IRI) in conjunction with a variety of party-affiliated institutes from across the political spectrum, economic centers and other foundations throughout the region. These seminars will produce a core group of individuals in various parties responsible for economic issues development.

Year two of the project will include FA maintaining contact with the individuals identified in year one, and working together with these individuals to prepare specific technical assistance programs in revising the economic principles in various parties. Small workshops will be given to ensure the information and training received in the initial seminars will reach these particular parties, thus broadening the base of knowledge and consensus about economic issues.

II. Statement of Categorical Exclusion: The project qualifies for a Categorical Exclusion under 22 CFR 216.2(c) as the actions supported under the project will not have a significant effect on the environment. This section states that "Education, technical

assistance, or training programs except to the extent such programs include activities directly affecting the environment (such as construction of facilities)" and "Analyses, studies, academic or research workshops and meetings" are types of activities generally excluded from further environmental review.

III. **Recommendation:** Based on the above, it is recommended that a Categorical Exclusion be approved by the LAC Chief Environmental Officer.

Kenneth Schofield  
Kenneth Schofield, Director, LAC/DI

11/3/92  
Date

Clearance:  
LAC/DI:JMendelson                     

SB  
LAC/DR/PSS:SBugg:sb:11/3/92:IEEIRI.sb

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