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UNCLASSIFIED

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

GUYANA

PROJECT PAPER

GUYANA STRENGTHENING DEMOCRACY

AID/LAC/P-930

PROJECT NUMBER. 504-0105

UNCLASSIFIED

AGENCY FOR INTERNATIONAL DEVELOPMENT

PROJECT DATA SHEET

1. TRANSACTION CODE: A (A = Add, C = Change, D = Delete) — Amendment Number: _____

DOCUMENT CODE: 3

2. COUNTRY/ENTITY: GUYANA

3. PROJECT NUMBER: 504-0105

4. BUREAU/OFFICE: LATIN AMERICA AND THE CARIBBEAN — 5

5. PROJECT TITLE (maximum 40 characters): GUYANA STRENGTHENING DEMOCRACY

6. PROJECT ASSISTANCE COMPLETION DATE (PACD): MM 09 DD 30 YY 99

7. ESTIMATED DATE OF OBLIGATION (Under 'B.' below, enter 1, 2, 3, or 4)
A. Initial FY 95 B. Quarter 4 C. Final FY 98

8. COSTS ($000 OR EQUIVALENT $1 =)

A. FUNDING SOURCE	FIRST FY 95 B. FX	C. L/C	D. Total	LIFE OF PROJECT E. FX	F. L/C	G. Total
AID Appropriated Total						
(Grant)	(600)	( )	(600)	(3,000)	( )	(3,000
(Loan)	( )	( )	( )	( )	( )	(
Other U.S. 1						
Other U.S. 2						
Host Country		62	62		250	250
Other Donor(s)						
TOTALS	600	62	662	3,000	250	3,250

9. SCHEDULE OF AID FUNDING ($000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE 1. Grant	2. Loan	D. OBLIGATIONS TO DATE 1. Grant	2. Loan	E. AMOUNT APPROVED THIS ACTION 1. Grant	2. Loan	F. LIFE OF PROJECT 1. Grant	2. Loan
(1)				0	0	600	0	3,000	0
(2)									
(3)									
(4)									
TOTALS				0	0	600	0	3,000	0

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

11. SECONDARY PURPOSE CO

12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)
A. Code
B. Amount

13. PROJECT PURPOSE (maximum 480 characters)

To promote a pluralistic society and a responsive, open government.

14. SCHEDULED EVALUATIONS
Interim MM 11 YY 97 — MM YY — Final MM YY

15. SOURCE/ORIGIN OF GOODS AND SERVICES
[X] 000 [ ] 941 [X] Local [ ] Other (Specify) _____

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

17. APPROVED BY
Signature: Paul G. Busek
Title: ACTING DIRECTOR, RDO/C
Date Signed: MM 12 DD 12 YY 95

18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION
MM DD YY

AID 1330-4 (8-79)

B

GUYANA STRENGTHENING DEMOCRACY PROJECT
PROJECT PAPER

(504-0105)

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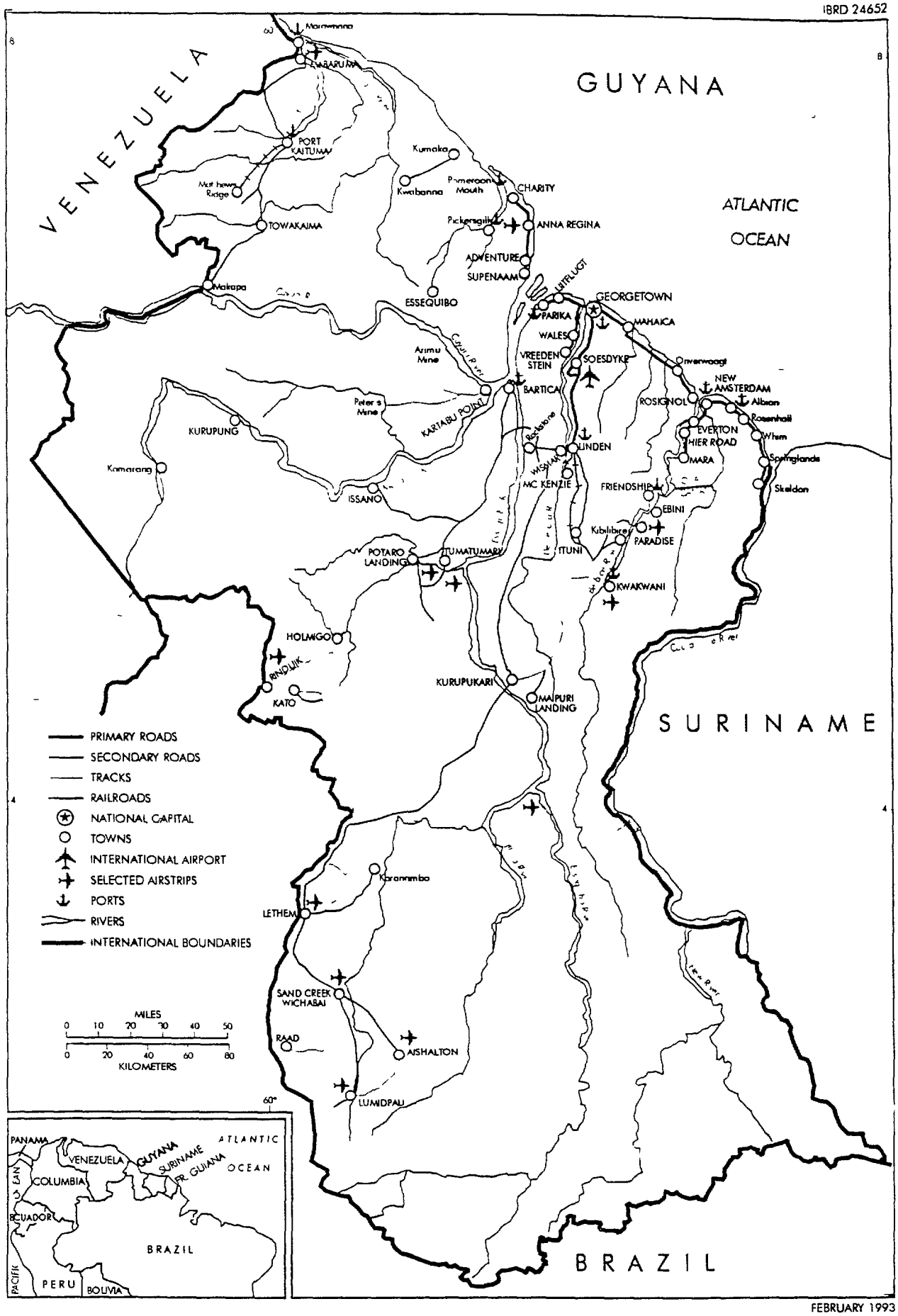
LIST OF ACRONYMS

EAB	Electoral Assistance Bureau
FAA	Foreign Assistance Act
FY	Fiscal Year
GDO	General Development Officer
GDP	Gross Domestic Product
GJIP	Guyana Justice Improvement Project
GOG	Government of Guyana
GSD	Guyana Strengthening Democracy
IFES	International Foundation for Electoral Systems
MP	Member of Parliament
NDC	Neighborhood Democratic Council
NDI	National Democratic Institute for International Affairs
NGO	Nongovernmental Organization
PD	Policy Determination
PIO/T	Project Implementation Order/Technical Services
PNC	People's National Congress
PO	Program Outcome
PPP	People's Progressive Party
PSC	Personal Services Contractor
PVO	Private Voluntary Organization
RCO	Regional Contracting Officer
RDC	Regional Democratic Council
SDA	Special Development Activities
SO	Strategic Objective
TA	Technical Assistance
TLOC	Treasury Letter of Credit
TUC	Trades Union Council
TUF	The United Force
UG	University of Guyana
USAID/W	United States Agency for International Development/Washington
USDH	United States Direct Hire
WPA	Working People's Alliance

IBRD 24652



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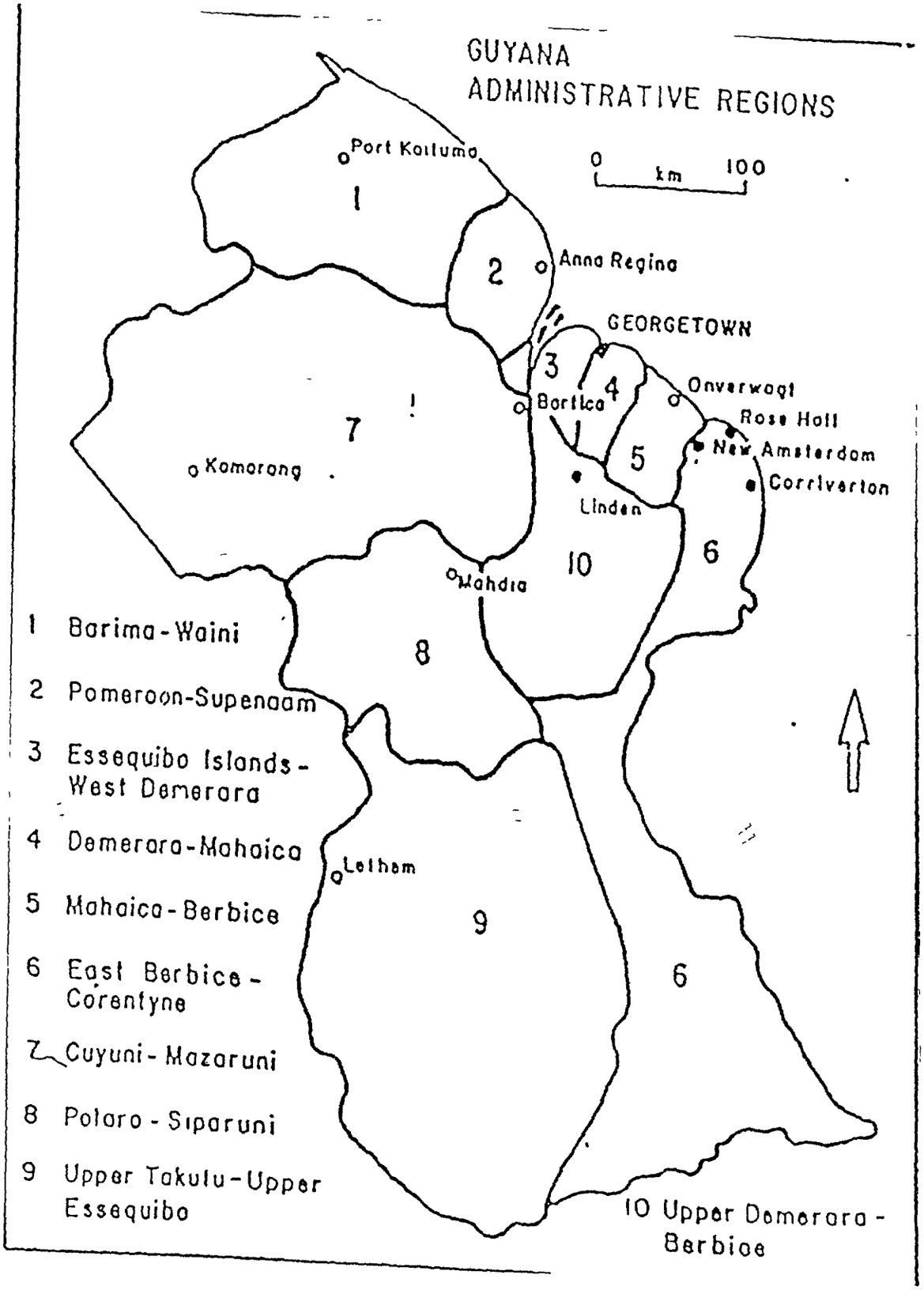

GUYANA
ADMINISTRATIVE REGIONS
0 km 100
Port Kaituma
Anna Regina
GEORGETOWN
Bartica
Onverwagt
Rose Hall
New Amsterdam
Corriverton
Linden
Mahdia
Komorong
Letham
1 Barima-Waini
2 Pomeroon-Supenaam
3 Essequibo Islands-West Demerara
4 Demerara-Mahaica
5 Mahaica-Berbice
6 East Berbice-Corentyne
7 Cuyuni-Mazaruni
8 Potaro-Siparuni
9 Upper Takutu-Upper Essequibo
10 Upper Demerara-Berbice

PROJECT AUTHORIZATION

Name of Country: Guyana

Name of Project: Guyana Strengthening Democracy

Number of Project: 504-0105

1. Pursuant to the Foreign Assistance Act of 1961, as amended, I hereby authorize the Guyana Strengthening Democracy Project for Guyana involving planned obligations of not to exceed Three Million U.S. Dollars ($3,000,000) in grant funds over a four period from the date of authorization, subject to the availability of funds in accordance with the USAID OYB/allotment process, to help in financing foreign exchange and local currency costs for the project. The planned life of the project is four years from the date of initial obligation.

2. The goal of the project is to strengthen institutions of democracy in Guyana. The purpose of the project is to promote a pluralistic society and a responsive, open government. The project will undertake a number of discrete activities involving the Parliament, regional and local government, and civil society. As this is a responsive, customer-driven project, the actual activities carried out will be determined only during project implementation, but they are likely to include, inter alia, the establishment of a parliamentary library, the setting up of a parliamentary standing committee system, more efficient regional and local government, stronger nongovernmental organizations, a citizenry better informed about its rights and responsibilities, and improved voter registration and ballot counting systems. The types of assistance that will be provided under the project are long- and short-term technical assistance; short-term in-country training; and the supplying of books, periodicals and other commodities.

3. The Project Grant Agreement, which may be negotiated and executed by the officer to whom such authority is delegated in accordance with USAID regulations and Delegations of Authority, shall be subject to such terms and conditions as USAID may deem appropriate:

(a) <u>Source and Origin of Commodities, Nationality of Services</u>

Commodities financed by USAID under the project shall have their source and origin in the United States or Guyana except as USAID may otherwise agree in writing. Except for ocean shipping, the suppliers of commodities or services shall have the United States

or Guyana as their place of nationality except as USAID may otherwise agree in writing. Ocean shipping financed by USAID under the project shall be financed only on flag vessels of the United States except as USAID may otherwise agree in writing.

4. Waivers

(a) A source, origin and nationality waiver is hereby granted to allow the procurement of books and other printed materials, up to a maximum value of US$150,000, from USAID Geographic Code 941 and 935 countries. This waiver is being granted to permit the procurement of books and other printed materials from Great Britain and other Commonwealth countries sharing the British Common Law tradition and which are not available from Geographic Code 000 or Guyana sources.

(b) A source, origin and nationality waiver is hereby granted to allow the procurement of services to print updates of the laws of Guyana's Parliament, up to a maximum value of US$30,000, from USAID Geographic Code 941 and 935 countries. This waiver is being granted to permit the printing of Guyana's laws in Great Britain or other Commonwealth countries sharing the British Common Law tradition using a specialized format not available in Geographic Code 000 or Guyana.

5. Certification

(a) With regard to the obtaining of goods, exclusion of procurement from free world countries other than the cooperating country and countries included in Code 941 would seriously impede attainment of U.S. foreign policy objectives and objectives of the U.S. foreign assistance program.

(b) With regard to specific project needs, the interests of the United States are best served by permitting the procurement of services from free world countries other than the cooperating country and countries included in Code 941.

Paul A Bisek

Paul Bisek
Acting Director, RDO/C

9/22/95
Date

I. EXECUTIVE SUMMARY

The Guyana Strengthening Democracy (GSD) Project is a four-year activity designed to foster the growth of democracy in Guyana. Project funding of $3,250,000 -- $3,000,000 in USAID grant funds and $250,000 in counterpart generations -- will be used primarily to fund subprojects in three areas -- Parliament, regional and local government, and civil society. Funds have also been set aside under the project to provide support for the parliamentary elections that are due to held by the end of 1997.

Guyana held free and fair elections in 1992 that brought to power a democratically elected government after more than 25 years of one-party rule. To ensure that democracy survives and grows in Guyana, it is vitally important to strengthen democratic institutions and encourage the development of civil society.

The GSD Project calls for a responsive, not prescriptive, approach to strengthening democracy in Guyana. The project is a customer-driven activity that will work with Parliament, regional and local government, and civil society at the pace and in the areas called for by those entities. The following examples of the sort of activities that might be undertaken are for illustrative purposes only. The actual subprojects supported will be determined during the course of project implementation.

For Parliament, support might be given for the creation of a parliamentary library, formation of standing committees, training of members of Parliament (MPs) and replacement of the parliamentary chamber's voice amplification system. The project could help regional and local government by training elected members and employees, developing a model code of bylaws, helping to establish an organization of local government councilors, carrying out studies on how to improve service delivery and working with Amerindian Councils. Regarding civil society, the project could provide assistance in the areas of institutional strengthening for nongovernmental organizations (NGOs), civic education, community development and the press.

USAID/Guyana will make a grant to the National Democratic Institute for International Affairs (NDI) for the implementation of the project. The grantee, working in a collaborative, participatory manner with Guyanese entities taking part in the project, will be directly responsible for carrying out all project components. NDI will develop procedures for receiving and considering requests for support for activities falling within the parameters of the project.

The three areas the project is focusing on -- Parliament, regional and local government, and civil society -- will each receive a little over $600,000 in project support. An additional $100,000 will be used to provide election support.

II. PROJECT BACKGROUND AND RATIONALE

A. Project Background

Guyana is a fledgling democracy that is working to strengthen democratic institutions and encourage the growth of civil society. To ensure that democracy grows and thrives, it is important that politicians and citizens become comfortable working in a democratic environment, that regional and local government operates effectively and that civil society establishes itself as a force for addressing issues of common concern. As a starting point for addressing the question of how to strengthen democracy in a racially heterogeneous country lacking a strong democratic tradition, consideration should be given to the political context, the distribution of authority and the economic situation.

1. Political Context

Guyana has a diverse population. According to the latest census (1991), Guyana's population of 750,000 is 48% East Indian (Indo-Guyanese), 33% black (Afro-Guyanese), 12% mixed, 6% Amerindian, and 1% other (European and Chinese). The Indo-Guyanese suffered a relative decline in numbers after 1980 due to heavy out-migration, but this situation has now been stabilized, if not reversed. These percentages are unlikely to change dramatically over the next generation, although the Amerindian and mixed categories will probably continue to register gains. With regard to the two major parties, the People's Progressive Party (PPP) is largely Indo-Guyanese, while the People's National Congress (PNC) is predominantly Afro-Guyanese, though both parties do have MPs from the two major ethnic groups.

In 1946, Dr. Cheddi Jagan, a U.S.-educated Indo-Guyanese, and his American-born wife helped form the Political Affairs Committee (PAC), which became the nucleus of Guyana's first real political party, the PPP. Created in 1950, the PPP included the Jagans and had Forbes Burnham, a British-educated Afro-Guyanese, as chairman. The PPP won 18 out of 24 seats in the first popular elections in 1953, and Dr. Jagan became leader of the House and minister of agriculture. Five months later, in October 1953, Britain suspended the constitution and landed troops out of fear of the direction that the PPP was taking the country. These events led to a split in the PPP, with Burnham breaking away and founding the party that eventually became known as the PNC. Elections were permitted again in 1957 and 1961, with the PPP ticket winning on both occasions and Dr. Jagan becoming the first premier of British Guiana.

At a Constitutional Conference in 1963, the British agreed to grant independence to the colony but only after another election in which proportional representation was to be used for the first time. It was widely believed that this system would reduce the number of seats won by the PPP and prevent it from obtaining a clear majority

in Parliament. The 1964 elections gave the PPP 46% of the vote; the PNC 41%; and the United Force (TUF), representing both conservative opinion and smaller ethnic groups, 13%. With TUF's support in the legislature, Forbes Burnham was appointed prime minister, and Guyana became independent in May 1966. Forbes Burnham remained in power until his death in August 1985, first as prime minister and later, after the adoption of a new constitution in 1980, as executive president.

Following Burnham's death, Prime Minister Hugh Desmond Hoyte succeeded to the presidency and was formally elected to that office in national elections in December 1985. In a reversal of prevailing policies, President Hoyte moved away from state socialism and one-party control to a market economy and freedom of the press and assembly.

In October 1992, a new National Assembly and regional councils were elected in elections recognized as free and fair. The PPP, in alliance with Civic individuals, won 54% of the vote; the PNC, 43%; the Working People's Alliance (WPA), which is explicitly multiethnic and has supporters at the university and among intellectuals, 2%; and TUF, which is regarded as representing the interests of the smaller ethnic groups, particularly the Amerindians, 1%. In an orderly and peaceful transition of government, Dr. Cheddi Jagan, as the leader of the party with the largest vote, automatically became president while former President Hoyte became minority leader in the National Assembly. The next national elections are to be held before December 1997.

2. Distribution of Authority

Guyana's government is a hybrid of the parliamentary and presidential systems. Legislative power rests with a 65-member unicameral National Assembly. Fifty-three members are chosen on the basis of proportional representation from national lists drawn up by the political parties; 10 members are elected by the 10 Regional Democratic Councils (RDCs) (elected simultaneously with the National Assembly); and two members are elected by the National Council of Local Democratic Organs (composed of representatives of the regional councils). The president may dissolve the Assembly and call new elections at any time, but no later than five years from its first sitting. Executive authority is exercised by the president, who appoints and supervises the prime minister and the thirteen other ministers. The president is not directly elected; each party presenting a slate of candidates for the Assembly must designate in advance a leader who will become president if that party receives the largest number of votes. For administrative purposes, Guyana is divided into 10 regions, each headed by a chairman who presides over a Regional Democratic Council. Local communities are administrated by Neighborhood Democratic Councils (NDCs) and Municipal Councils.

All parliamentary systems are predisposed toward concentrating power in the hands of the majority party and its leader, and Guyana is no exception. In elections, citizens vote for party lists, not individuals, and the size of each party's vote determines how many members it will send to Parliament. However, in Guyana, unlike other proportional representation systems, the party leader, subsequent to an election, can choose anyone he wishes from the party list to sit in Parliament, excluding, if he so desires, even the best-known names on the list. Thus, all MPs obtain seats in the National Assembly at the pleasure of their respective party leaders.

In a parliamentary system, a majority party has a great deal of power to push legislation, but most such systems have an institutionalized means for considering bills at length in committee and plenary sessions. In Guyana's unicameral system, there are few, if any, substantive committees, and often no more than a few days notice is given before a measure is tabled. Legislation, in a number of instances, would benefit from fuller consultation with the opposition, the general public and technical experts.

Since independence, the state has been closely involved in the operations of all public bodies, no matter how independent they may be in principle. These tendencies eventually led to the government's controlling most of the economy, the media and the educational system. This situation is now changing, but radio is still a government monopoly, as is much of industry. Regional and local government has had no independent existence, with the central government continually redefining the type and nature of authority below the national level.

3. Economic Situation

With a per capita GDP of $575, Guyana is the poorest country in the Western Hemisphere after Haiti. An Economic Recovery Program sponsored by the International Monetary Fund and the World Bank was launched in 1989 with the goals of financial stabilization and economic recovery. Since then economic performance has been relatively good -- in 1993 GDP grew by 8.3% while the inflation rate was a manageable 7.7% -- but the country continues to face major challenges to sustainable growth due, in large measure, to an enormous debt burden ($2 billion), badly deteriorated infrastructure and severe shortage of skilled people. A recent World Bank poverty assessment found that 35-40% of the population was living below the poverty line. The success of Guyana's economic reforms will play a large role in determining the development of democracy in the country. An expanding economy that raises living standards for all Guyanese is one of the best ways of ensuring that democracy firmly establishes itself.

B. Project Purpose and Relationship to Mission Strategy

1. Project Purpose

The purpose of the project is to promote a pluralistic society and a responsive, open government.

2. Relationship to Mission Strategy

USAID/Guyana's Mission strategy has two strategic objectives (SOs): SO1, expanded economic opportunities for the urban and rural poor, and SO2, strengthened democratic institutions and processes (see Table 1). Two program outcomes (POs) support SO2, PO2.1, improved administration of justice, and PO2.2, empowered local elected government officials. The GSD Project is the main means by which PO2.2 will be achieved. PO2.1 will be realized through the Guyana Justice Improvement Project (GJIP), which started in September 1994 (see Table 2). Additional program outcomes and indicators for SO2 may be established once the GSD Project more clearly reveals needs and opportunities in the democracy area.

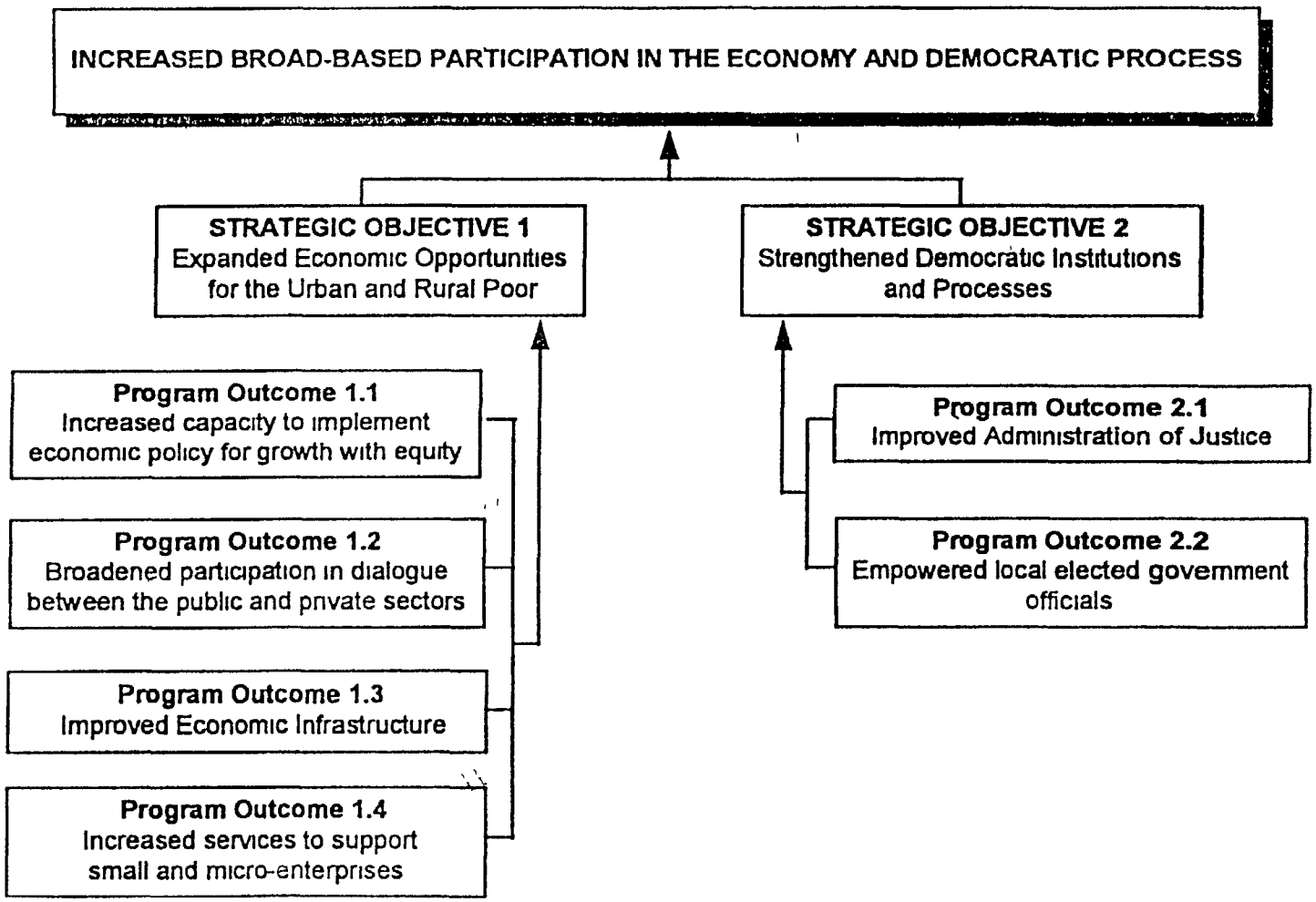
C. Types of Interventions

Initially, five areas were considered for possible assistance: Parliament, regional and local government, civil society, the Office of the Auditor General and the Elections Commission. Preliminary design work, however, led the Mission to limit the scope of the project to the first three. The Office of the Auditor General is already receiving assistance from several donors and has less need of additional resources at this time. Permanent changes in the structure of the Elections Commission are needed in order to create a more effective and credible registration and balloting system. While the Elections Commission will not be a focus of the project, it could benefit, even if only indirectly, from project assistance being provided for election support. It is anticipated that other donor support will be available to the Elections Commission.

The GSD Project is an open-ended activity adopting a flexible approach to meeting the needs of Parliament, regional and local government and civil society for the strengthening of democracy in Guyana. This project paper sets out the parameters within which the project will operate but leaves it up to the grantee and the Guyanese entities interested in participating in the project to determine the actual activities that will be funded. As the implementor of the project, NDI will develop procedures for receiving and assessing requests for support for eligible activities from Parliament, regional and local government and civil society. The grantee will work with participating Guyanese entities in a collaborative, participatory

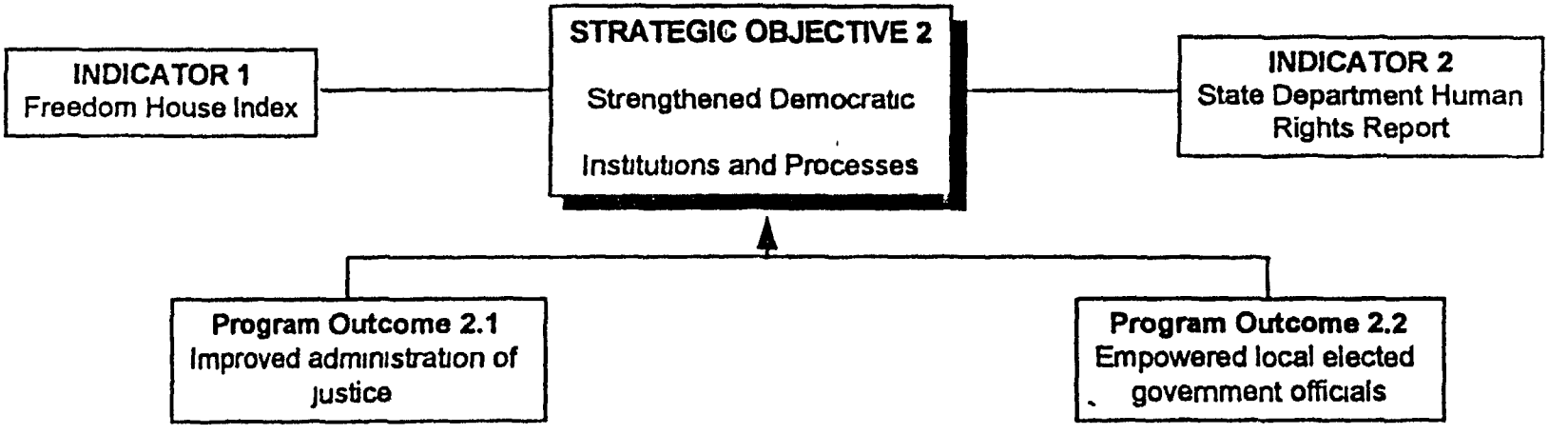
USAID/GUYANA

TABLE 1: MISSION STRATEGIC OBJECTIVES TREE



USAID/GUYANA

TABLE 1: STRATEGIC OBJECTIVE PROGRAM TREE



Program Indicators

2 1 1 Legal professionals with favorable perceptionof efficiency of courts
2 1 2 Size of backlog of court cases
2 1 3 Access to legal library

Project
504-0109 GJIP

Program Indicators

2 2 1 Elected officials at local and regional levels trained in their roles and responsibilities

Projects
936-5468 Democratic Sector Support Commodity Import Program
504-0105 Strengthening Democracy

manner to develop a program of activities (subprojects) that fall within the project purpose and directly help strengthen democracy in Guyana.

The descriptions of activities that follow for Parliament, regional and local government, and civil society are for illustrative purposes only. They were identified during project design as areas for which subproject funding might be provided, and they are discussed here only to give some idea of the sorts of activities with which the project might involve itself. The subprojects actually funded will be determined once the project gets under way. Election support is considered a discrete project intervention in view of the identified need to provide assistance to help ensure free and fair parliamentary elections due by the end of 1997.

1. Election Support

USAID played an active role in both the national elections of 1992 and the local elections of 1994 by funding election support activities by NDI, the International Foundation for Electoral Systems (IFES) and the Carter Center of Emory University. Of particular importance was NDI's help to improve the ability of the Electoral Assistance Bureau (EAB), a Guyanese NGO, to furnish information on the elections, examine voter lists and observe the balloting.

The GSD Project will make $100,000 available for election support, and work should begin on a timely basis to assist in ensuring that the next parliamentary elections proceed smoothly. Activities that could be funded include training and the development of instructional materials for poll workers and observers, improving media relations, and devising better ways of producing and verifying the official voter registry list. The grantee will be expected to make subgrants to IFES and the Carter Center for election support activities in which those organizations have special strengths.

Separate from this project, an additional $100,000 of USAID/Guyana funds will be available in FY 1996 through USAID/Washington's Global Bureau for assistance to the upcoming national elections. It is intended to divide this money equally between NDI and IFES in support of their election efforts.

2. Parliament

A number of areas in which assistance might be provided have been fairly well identified. The project could lend support to the creation of a parliamentary library, formation of standing committees, training for MPs and replacement of the parliamentary chamber's voice amplification system.

(a) Parliamentary Library

The National Assembly's present library is a closed loft built into the ceiling of a room in the Parliament Building. Because of the inadequate facilities, many books and documents have been damaged. There is no regular librarian, and the contents of the collection have not been catalogued. The ground floor of one wing of the Parliament Building has been set aside for a new library. Funds could be provided under the project for the renovation of the space, the buying of books and the purchasing of furniture and equipment. Establishing a link between the parliamentary facility and the law library being developed under the GJIP Project would be one way of assuring that there is adequate training of staff.

(b) Standing Committees

Parliament has six sessional select committees to handle procedural issues but no permanent standing committees. The government is expected to introduce soon a proposal that permanent standing committees be established in such areas as agriculture, health, foreign affairs and education to allow for a fuller discussion of issues and better drafting of legislation. A standing committee system would allow MPs not in the governing party to play a greater and more constructive role in the consideration of legislation. The project could help remodel space in the Parliament Building for a second committee meeting room and train existing civil service staff to better assist the committees.

(c) Training for MPs

MPs, especially newly elected legislators, would benefit from training regarding their roles and responsibilities. This could be done through the development of a training program.

(d) Amplification System

The existing voice amplification system in the parliamentary chamber is obsolete and frequently out of order. Because of the age of the equipment, parts are difficult to obtain, and the system needs to be replaced.

3. Regional and Local Government

The major units of government at the subnational level are 10 Regional Democratic Councils (RDCs), 65 Neighborhood Democratic Councils (NDCs) and 6 municipalities. The regional government system is in a state of flux and may be subjected to significant changes over the next few years. The municipalities have been targeted for substantial support from the Inter-American Development Bank and the World Bank. Given the uncertainties facing the RDCs and the help already being given to the municipalities, the project should target its regional and local

government assistance, at least initially, at the NDCs. Areas where the project might be of assistance include training for local government members and employees, development of a model code of bylaws for local government, the establishment of an organization of local government councilors, and studies on how NDCs could improve service delivery. Consideration should also be given to working with Amerindian Councils.

(a) Training

NDC elections were held in August 1994, with 1,131 councilors being elected to 65 councils. Approximately 95% of the councilors, who are farmers, merchants, teachers, housewives, etc., have never held elected office before. The government has no formal, ongoing program for training NDC councilors or employees. Funded by a USAID grant, NDI assisted the Ministry of Public Works, Communications and Regional Development in holding a series of one-day training sessions in October and November 1994 for newly elected NDC members. Repeated 14 times at various places throughout the country, the training reached about half of all councilors. More training is needed for councilors and NDC employees, who include clerks, market inspectors and financial officers.

(b) Model Code of Bylaws

Redefined and amended many times, the legislation governing local government is complicated and is found in many places in the laws of Guyana. Subject to the discretion of the minister of public works, communications and regional development, who is in charge of local government, the NDCs have the authority to enter into contracts, borrow funds, set fees, issue licenses and collect taxes on real property. But given the inexperience of most councilors and the complexity of the legislation, most NDCs are not sure about their responsibilities or how to carry them out. A model code of bylaws setting out rules for managing the NDCs would greatly improve the efficiency of local government.

(c) Organization of Local Government Councilors

NDC councilors throughout the country face many of the same problems and would benefit from talking to one another. The creation of a national professional association of neighborhood democratic councilors, with an independent, non-partisan point of view, would establish a forum for discussing issues of common concern, bring members together to exchange ideas and experiences and allow the sharing of successful solutions to local problems. A newsletter and periodic meetings could be used to facilitate communications among members. The organization could give the councilors a greater sense of purpose and help them focus on

achieving greater efficiency. A system could be formulated for keeping a statistical record of how efficiently duties are being performed.

(d) Studies

NDCs are likely to face many questions about how they can more efficiently deliver services and better meet citizens' needs. In some cases, additional information may be required to understand the issues more fully and reach sound decisions. The project could help NDCs, preferably a group of them facing a similar problem, by paying for studies on specific, well-defined topics. The results of these inquiries would be made available to other NDCs so that the findings would have the widest possible distribution.

(e) Amerindian Councils

Guyana's estimated 49,000 Amerindians -- about 6% of the population -- live in some 120 scattered and sometimes shifting settlements dispersed throughout the country. Seventy-three villages and four districts have received official recognition under the Amerindian Act. The Amerindian Councils are supposed to act as a local government in Amerindian settlements, but their powers are less well defined and less extensive than those of the NDCs. The councils can enact ordinances to regulate local affairs (sanitation, markets, prevention of grass and brush fires, felling of timber, etc.) and have the right to levy taxes. They can also impose minor fines on Amerindians who violate local ordinances. Real authority, however, rests with the captain, an elected official who acts as a rural constable and chairs the council. The project could provide training for council members and fund studies on issues of importance to Amerindians. Attention could also be giving to establishing voters lists in the villages.

4. Civil Society

USAID/Washington's Center for Development Information and Evaluation has defined civil society, for the Agency's purposes, as "those non-state organizations which are engaged in or have potential for championing the adoption and consolidation of democratic governance reforms." Civil society acts as a restraint on state power, stimulates political participation, democratizes political culture, provides alternative channels for expressing ideas and disseminates information and opinions. Civil society in Guyana has staged a promising comeback with the return of democracy. A particularly encouraging sign has been the growth of community-based grassroots organizations to address often desperate social and economic conditions. But many problems remain. The NGOs' primary weaknesses are limited membership and funding, scarcity of leadership and staff, management styles that are either excessively or insufficiently democratic, inadequate networking, poor quality and insufficient quantity of written materials, inept

advocacy techniques, lack of strategic planning, and weak proposal writing skills. The project could provide assistance in the areas of institutional strengthening for NGOs, civic education, community development and the press.

(a) Institutional Strengthening

Local Guyanese NGOs are greatly in need of institutional strengthening. Most of the existing organizations are severely under funded and lack sound financial and administrative management. Because of these weaknesses, donors have, in general, been unable to entrust NGOs with funds and have not been able to use them fully in development activities. This has been a loss for all parties concerned because of the NGOs' known ability to work at the grassroots level. The project could hold workshops and seminars for local NGOs to help them improve financial and administrative management, develop proposal writing skills, formulate strategic plans, and devise ways of increasing membership and raising money.

(b) Civic Education

At present, no NGOs are actively involved in civic education: training citizens in democratic skills, knowledge, values and practices, including an awareness of their rights and responsibilities under the law, the constitution, and national, regional and local government. Among the ad hoc efforts that have been undertaken in the past, the Guyana Association of Women Lawyers published a booklet entitled, The Law and You, and the Electoral Assistance Bureau (EAB) was involved in voter education at the time of the 1992 and 1994 elections. The project could help other NGOs conduct courses and publish information on voting and civic rights and responsibilities.

(c) Community Development

NGO community development work is focused on helping villagers and other local groups identify and meet their own needs. Particularly active in this area has been the Futures Fund (a program of the Canadian Hunger Foundation), whose funding from the Canadian International Development Agency is coming to an end and which is planning to become a Guyanese NGO. The Futures Fund is using the classic community development technique of inviting interested groups to form democratically elected committees that determine what their highest priority needs are and then, with Futures Fund assistance, develop a project to address those concerns. Projects have been carried out in a variety of areas including agriculture, education, health, and road construction and repair. The Futures Fund has also conducted workshops in community development techniques, including conflict resolution, for its staff and

community leaders. The EAB is also interested in getting involved in community development work in order to show local communities how to solve their own problems and become self-sustaining.

(d) Press

A free and responsible press is a critical component of a democratic society. Guyana has a lively press, with two independent newspapers, the daily Stabroek News and the weekly Catholic Standard, that make a determined effort at being objective and balanced in their coverage. All too often, however, for all newspapers, there is a marked blurring between reporting and opinion, with too many inaccuracies and biases slipping into print. The project could fund training for journalists to improve their skills and raise their professional standards. Instruction in investigative techniques, including scientifically designed opinion surveys, would help reporters be more effective in their work.

D. Design Process

The project is the culmination of an effort that started in 1991 with the drafting of a USAID paper, A Proposed Strategy for Supporting Democratic Stability in the Caribbean. Following this definition of regional objectives, a second document, A Strategy for Supporting Democratic Stability in Guyana, prepared for the Mission in 1993, focused strictly on ways of helping Guyana. Extensive discussions were held with a broad range of Guyanese in developing the second paper. In April 1994, more talks took place with Guyanese on the subject of democracy at round tables held in Georgetown to discuss the USAID/Guyana program strategy. One of the round tables was devoted exclusively to ways of strengthening democracy. In November 1994, a technical and institutional analysis was carried out on the governmental and civil entities with which the project may work. That effort required close contacts with Guyanese from throughout the political and social spectrum. Finally, the preparation of this PP was undertaken with the participation of many Guyanese, who read the draft document and discussed it with the designers.

III. PLAN OF ACTION

A. Overall Approach

The GSD Project will be implemented through a grant made directly to the National Democratic Institute for International Affairs (NDI). NDI was established as an independent, nongovernmental organization in 1983 with the objective of working with political parties and other institutions to promote, maintain and strengthen democratic institutions in new and emerging democracies. NDI has conducted a variety of democratic development programs around the world, including several specifically directed at strengthening newly democratic legislatures. The focus of these activities has

generally been on the role of elected officials and political parties in the operation of legislative bodies. The goals are to promote transparent, efficient and accountable law-making, as well as responsive and accessible governance.

NDI has had extensive experience with democracy activities in Guyana, has institutional expertise in all three project areas (Parliament, regional and local government and civil society) and can provide the home office backstopping needed for smooth project implementation.

NDI has been involved in democracy activities in Guyana since 1990. Its first program encouraged the development of an independent, nonpartisan civic organization that would strengthen the prospects for free and fair elections and healthy citizen participation in the political process. Following an NDI-sponsored symposium entitled, "Enhancing Confidence in the Election Process," a group of civic leaders, in 1991, created an independent nonpartisan organization, the Electoral Assistance Bureau, to help ensure free and transparent elections. In the run-up to the 1992 national elections, NDI helped EAB mount a nationwide voter education campaign and train poll watchers.

NDI contributed to the 1994 local elections by supporting EAB programs that included an independent verification of the voters list, voter education and national election observation. After the elections, NDI, at the request of Guyanese officials, helped develop training programs for newly elected officials. In all, 14 NDC seminars were held in nine of Guyana's 10 regions (region 8 is governed under the Amerindian Act of Guyana and has no NDC system). The seminars, specifically directed at newly elected councilors with no prior experience in local government, focused on the legal framework of local government, management skills and community development. NDI plans to assist with a national conference for NDC councilors in August 1995 and is helping with the printing of an orientation handbook for councilors.

With its extensive experience in Guyana, solid understanding of the political and social context and good contacts with the governing and opposition parties, NDI should be able to make a fast start to project implementation. NDI will place a long-term project coordinator in Georgetown, who will be responsible for day-to-day management of the project. This person will be helped by an assistant project coordinator. NDI's home office will provide backstopping, and short-term technical assistance will be utilized on an as-needed basis.

One of the first steps of project implementation will be for NDI to meet with representatives from Parliament, regional and local government, and civil society to discuss what sorts of activities (subprojects) might be funded under the project. As the project becomes more fully under way, an advisory group with members drawn

from project participants will be constituted, following discussions between NDI and the USAID project manager, to meet at appointed times with NDI to review progress, discuss problems and suggest ways of improving implementation. NDI will be responsible for developing a system under which proposals can be brought forward, examined and carried out. The grantee will maintain a collaborative, participatory relationship with the Guyanese entities taking part in the project. Recipients of project funding will be required to make a contribution in cash or kind to the activity. The type and size of the contribution made will be determined by the circumstances of the recipient. NDI will be responsible for monitoring the carrying out of the subprojects, accounting for all subproject funds and documenting the results of the activities.

B. Participants

Project participants could come from national, regional and local government; local NGOs; the University of Guyana (UG); and U.S. NGOs. The two strongest NGOs -- the Futures Fund and the Canadian Executive Service Organization -- are Canadian organizations that are in the process of becoming Guyanese NGOs. Among the existing local NGOs, only the EAB and the Beacon Foundation have significant budgets and adequate staff. A number of other Guyanese NGOs exist with which the project might work, including the Consumers' Association/Advisory Bureau, the Guyana Environmental and Conservation Organization, the Guyana Human Rights Association, the Guyana Organization of Indigenous Peoples and Red Thread. These organizations will need institutional strengthening to improve their administrative and financial management capabilities. For the purposes of this project, the Trades Union Congress (TUC) is being considered as an NGO. The TUC itself will not be a beneficiary of project funding, but its membership and facilities will be able to be a part of project activities.

The University of Guyana is a possible source of support for the project. UG is already helping the Mission with the implementation of the GJIP Project and is interested in building up its capabilities in the areas of law, justice and democracy. Some elements of the university that could provide assistance to the GSD Project are the Institute of Development Studies, the Amerindian Research Unit, the Women's Studies Unit and the Institute of Adult and Continuing Education.

The project could draw on specialized technical assistance from two U.S. organizations that have already worked in Guyana -- the International Foundation for Electoral Systems (IFES) and the Carter Center of Emory University. Both organizations might play a role in preparations for the next parliamentary elections.

C. Responsibilities

Project responsibilities will be divided among NDI, the Government of Guyana (GOG) -- at the national, regional and local levels -- NGOs and USAID.

1. NDI

NDI will be responsible for the overall implementation of the project. It will be in charge of developing and maintaining relations with Parliament, regional and local government, and civil society. The grantee, working in an open, participatory manner with Guyanese entities, will devise the process by which funding for subprojects is handled, from the receipt of proposals to assessing the results of completed activities. NDI will account for all expenditures under the grant, both the money it spends directly and funds spent by others under the subprojects. NDI will undertake all required procurements in accordance with USAID regulations.

NDI will carry out pre-award surveys of potential subproject recipients in order to evaluate their capacity to undertake the proposed activities. These surveys will identify at the outset any administrative or financial management constraints to implementing activities.

NDI will submit an annual work plan for review and comment by the USAID project manager. It will also furnish the USAID project manager with quarterly reports on progress being made under the project.

2. Government of Guyana

Parliament and regional and local authorities will be responsible for carrying out any subprojects for which they have received funding. Government representatives will participate in ongoing discussions with the grantee about the course of the project.

3. Nongovernmental Organizations

NGOs will be responsible for carrying out any subprojects for which they have received funding. NGO representatives will meet periodically with NDI to help plan the direction of the project.

4. USAID

One of USAID/Guyana's present non-U.S. PSCs will serve as project manager, monitoring project progress. A USDH will act as project officer, supplying advice and guidance, as required. Since the project will be implemented by means of a grant, USAID will not play a direct role in project management. Per the USAID General Notice of August 8, 1994, the Mission will approve key personnel --

the long-term in-country project coordinator -- but not individual consultants. Regular USAID controller and contracting support will be provided by USAID/Dominican Republic.

The sum of $50,000 has been included in the grant for a mid-term evaluation of the project. The evaluation will be contracted for and paid by USAID. The USAID project manager will prepare the PIO/T for the evaluation, and the RCO will negotiate the contract.

D. Conditions to Disbursement

Since the project is not a bilateral activity, there will be no project grant agreement signed with the government and no conditions precedent prior to obligation. However, NDI, as the grantee, will make sure that for all GOG projects accepted for funding that involve the renovation of building space and/or the purchase of commodities that the government agrees to secure and maintain the facilities refurbished and the equipment acquired and to provide trained staff to make use of the improvements.

IV. DEFINITION OF SUCCESS

A. Intended Results

The intended results of the project are a more pluralistic society and a more responsive, more open government. Progress toward this end will be achieved through the successful completion of a number of discrete project activities involving the Parliament, regional and local government and civil society. As this is an open-ended, flexible project, the exact number and full description of the activities to be funded is not known at this time.

Section II.C, above, gives an illustrative list of activities that the project may undertake. While the actual subprojects carried out will be determined only during project implementation, the results of the project may include, inter alia, the establishment of a parliamentary library, the setting up of a parliamentary standing committee system, more efficient regional and local government, stronger NGOs, a citizenry better informed about its rights and responsibilities, and improved voter registration and ballot counting systems.

The possible beneficiaries include all 65 members of Parliament, all 203 councilors of the Regional Democratic Councils, all 1,131 councilors of the Neighborhood Democratic Councils, 350 members of Amerindian village councils and 2,500 members of NGOs, all of whom will receive training. Project-funded voter information is expected to reach 300,000 Guyanese, and the same number of people will receive democracy education. Community development activities should benefit 350,000 people, and 100 professional staff from the newspapers, radio and TV will have their skills improved.

NDI will prepare annual work plans outlining the activities to be undertaken. These plans will be reviewed and approved by the USAID project manager. The work plan for the first year will be due three months after the arrival of the long-term NDI project coordinator in Guyana and will run for the remainder of FY 1996. The work plans for the following three years of the project will be prepared during the fourth quarter of each fiscal year and be in place at the start of the new fiscal year. The USAID Regional Contracting Officer will incorporate the annual work plans into the grant to NDI by amendment, and the work plans will be a key element in measuring NDI's performance.

B. Indicators for Measuring Success

PO2.2, empowered local elected government officials, which supports SO2, strengthened democratic institutions and processes, has one program indicator: elected officials at local and regional levels trained in their roles and responsibilities (see Table 2). This will be the formal criterion for measuring project success. Following local elections in 1994, 525 NDC councilors received training provided by NDI and the Ministry of Public Works, Communications and Regional Development. By the time the project ends in 1999, the target is to have trained 750 local and regional elected officials. This number is likely to be greatly exceeded. Once the project is under way and it is clearer what the subproject activities will be, additional indicators will be added.

C. Monitoring of Continued Relevance to Mission Strategy

USAID, both in Washington and in the field, is in the process of making substantial changes to the way it operates in order to make the organization more efficient and more effective. A major emphasis of this reengineering effort is managing for results. Once the new provisions are in place, the Mission portfolio will be managed on the basis of results packages, which will be derived from its strategic objectives. The Mission has a development strategy that has been approved by USAID/Washington. In the event of a change in the strategy, continued implementation of USAID/Guyana projects would be subject to review to ensure adherence to the revised strategy.

D. Time Frame for Achieving Results

The GSD Project is a four-year activity. As NDI already has a great deal of experience in Guyana and has ongoing activities there, it is expected that the project will get off to a fast start. During the first year, NDI will put in place its in-country project coordinator; discussions will be held with Parliament, regional and local government, and civil society on the activities to be funded; and the first subprojects will begin. In addition, support will be provided to help prepare for the 1997 parliamentary elections.

The rate at which results are achieved under the project will be affected by the skewed obligation schedule (see Table 6). A sum of $600,000 in USAID funds will be available to start the project, and no additional money will be obligated in FY 1996. This will push the bulk of project activities to FY 1997 and later, when more funds will be available. Many of the subprojects, once they are under way, will most likely be of short duration, so project results should be readily measurable.

E. Provisions for Adjusting the Project

As the project is being specifically designed for maximum flexibility and responsiveness, making adjustments should not be difficult. Project guidelines are broad enough to cover all activities that the project would want to fund for Parliament, regional and local government, and civil society. Indications of whether the project needs to be adjusted will be supplied by feedback from results package reviews, NDI's quarterly reports, the USAID project manager's monitoring of activities, meetings with the NDI project coordinator and the mid-term evaluation. If changes are needed, the project manager will discuss the situation with the USDH project officer and senior USAID/Guyana management. Meetings will then be held between USAID and NDI to discuss the problems that have arisen and ways of resolving them. As the implementer, NDI will be responsible for changing the way in which the project is being carried out.

V. PROJECT DESIGN ISSUES

A. Key Issues

The major project design issue is whether democracy is sustainable in Guyana. Does Guyana have a political, social and economic environment conducive to the growth of democracy? and are the government and the opposition parties committed to the democratic process? While all the evidence is by no means in, there are some hopeful signs. Two free and fair elections have been held -- in 1992 for Parliament and the regional councils, and in 1994 for local and municipal governments -- a lively press exists that is not afraid to bring up awkward and difficult issues, and private citizens feel free to express what is on their minds. On the negative side, some elements of the Economic Recovery Program have moved more slowly than anticipated, a permanent elections commission has not been set up and relations between the political parties remain highly charged.

The second major design issue concerns managing the project. How can effective management be assured at an acceptable cost? There is no local entity in Guyana -- an NGO, UG or a government ministry -- ready to run the project, and no U.S. PVOs or NGOs have an established presence in the country. One U.S. organization, however, NDI, has been active in supporting democracy in Guyana

since 1990. Given its considerable in-country experience and its ability to draw upon high quality technical assistance on short notice, NDI is the ideal candidate for implementing the project. Another positive factor in favor of its selection is that a grant can be made to NDI, giving it responsibility for project implementation. USAID/Guyana, with its small staff, does not have the capacity for substantial involvement in the project.

B. Principal Assumptions

The principal assumption underlying the project is that democracy will survive and grow in Guyana. A democratic framework is now in place at the national, regional and local levels, and all political leaders are working within the democratic process. Though there are a number of rough edges, the democratic system is functioning, and no one is advocating any alternative to democracy. Democracy is popular at the grassroots level and is likely to remain so as long as economic growth results in improved living standards. The government and the other political parties are also well aware that continued donor support is contingent upon Guyana's adherence to democratic principles. For now, there is no real alternative to democracy on the Guyanese political scene, and all key players seem ready to give it a chance.

Another key assumption is that the entities on the Guyanese side are capable of working productively with the project. There is no doubt that that is the case with Parliament, which is very much a functioning institution and has fairly clear ideas about what it wants from the project. Regional and local governments are not as well organized, and their entities -- the Regional and Neighborhood Democratic Councils -- may initially be less sure about the full extent to which the project can benefit them. The project could strengthen them through training and work with them on the development of proposals. The local NGO community presents a different kind of challenge. The strength of these organizations varies considerably, with a few groups having budgets and regular staffs, but most operating on a more ad hoc basis. The project will have to gauge their capabilities and furnish institutional strengthening in addition to funding for specific NGO-initiated activities. Working with the newspapers should not present any particular difficulties.

C. Risk Management

The principal risks to the project are that tensions within the country could impede democracy's functioning and that a slowdown in economic growth could lead some Guyanese to seek non-democratic solutions to the country's problems. USAID's project manager will closely track the risk factors and make sure they are addressed in a timely manner. This monitoring will indicate whether risks are manifesting themselves in ways that impede project implementation. If they are, the project manager will immediately hold discussions

with senior Mission management and NDI on whether project activities can continue. The project may temporarily need to focus itself in certain areas in order to address problems that have arisen. The implementation strategy may need to be revised if it becomes clear that some project components are potentially more promising than others.

VI. FINANCIAL PLAN

A. Budget

The total cost of the project is $3,250,000. USAID will provide $3,000,000 in grant funds, while the GOG will contribute the equivalent of $250,000 in local currency. NDI is an independent non-profit organization falling under Section 501(c)3 of the Internal Revenue Code. NDI will make an in-kind project contribution in the form of its consultants' time. Consultants will receive airfare and per diem, but will not be remunerated for their services. Based on an average of an estimated two person-weeks of consultants' time per month over the life of the project, NDI's in-kind contribution will be $162,240, calculated at the current maximum daily rate for consultants of $338 per day. Similar in-kind donations of consultants' time have been considered adequate contributions from NDI in the case of other grants from USAID.

Policy Determination 16 (PD-16), Program Financing Arrangements with Independent Organizations, lays out as a general principle that USAID assistance activities should be designed and agreements negotiated to incorporate the largest reasonable and possible financial participation of the recipient in financing a project. While a fixed amount or percentage of financial participation for all assistance recipients is not appropriate, a 25% contribution has been used as a target figure. PD-16, however, goes on to state that financial participation of less than 25% may be both significant, in terms of the entity's financial resources, and appropriate, in terms of USAID's objectives in joining with the entity in the assistance activity. The USAID official authorizing the assistance activity has the authority to determine what the appropriate level of contribution will be from the participant.

Several of the conditions and circumstances given in PD-16 for when a financial contribution of less than 25% from a participating organization is appropriate apply in NDI's case:

> entities/institutions which have developed or could develop specific programs in response to FAA objectives or USAID requirements but without substantial independent income to support such programs,
>
> new or small nonprofit institutions without significant independent or external sources of funds,

institutions working on activities and towards objectives of special importance to USAID, and

institutions established in support of specific provisions of the FAA or other legislation which at their outset and for an undetermined period of time have no independent source of income.

For the purposes of the GSD Project, NDI's proposed in-kind contribution is appropriate and adequate.

Under the project, funds will be specifically allocated to pay for project management, a mid-term evaluation and support for the 1997 national elections. The remaining money will be divided three ways, in equal amounts, to fund subproject activities in support of Parliament, regional and local government, and civil society.

TABLE 3

MAJOR BUDGET LINE ITEMS
LIFE OF PROJECT
(US$000/US$000 equivalent)

	USAID	GOG	TOTAL
Project Management	1,190	-	1,190
Evaluation	50	-	50
Election Support	100	-	100
Parliament	553	84	637
Regional\Local Government	553	83	636
Civil Society	554	83	637
Total	3,000	250	3,250

The illustrative financial plan for the first year of the project appears below. There will be a few special start-up costs such as the purchase of a four-wheel-drive project vehicle and computer equipment for the project office.

TABLE 4

ILLUSTRATIVE FINANCIAL PLAN
FIRST YEAR
(US$000/US$000 equivalent)

	USAID	GOG	TOTAL
Project Management			
Salaries of Long-term TA	55	-	55
Home Office Support	53	-	53
Fringe Benefits	42	-	42
Office Rent	16	-	16
Supplies and Equipment	16	-	16
Communications	5	-	5
Travel and Per Diem	32	-	32
Local Security and Admin.	7	-	7
Vehicle	30	-	30
Audit	10	-	10
NDI Admin. Costs	60	-	60
Election Support	100	-	100
Parliament			
Subprojects	58	21	79
Regional/Local Government			
Subprojects	58	20	78
Civil Society			
Subprojects	58	21	79
Total	600	62	662

Planned project life-of-project expenditures are presented in the following illustrative financial plan.

TABLE 5

ILLUSTRATIVE FINANCIAL PLAN
LIFE OF PROJECT
(US$000/US$000 equivalent)

	Year 1	Year 2	Year 3	Year 4	Ttl
Project Management					
Salaries of LTTA	55	55	55	55	220
Home Office Support	53	53	53	53	212
Fringe Benefits	42	42	42	42	168
Office Rent	16	16	16	16	64
Supplies/Equipment	16	8	8	8	40
Communications	5	5	5	5	20
Travel/Per Diem	32	32	32	32	128
Local Security/Admn	7	7	7	7	28
Vehicle	30	-	-	-	30
Audit	10	10	10	10	40
NDI Admin. Costs	60	60	60	60	240
Evaluation	-	-	50	-	50
Election Support	100	-	-	-	100
Parliament					
Subprojects	79	186	186	186	637
Regional/Local Gov.					
Subprojects	78	186	186	186	636
Civil Society					
Subprojects	79	186	186	186	637
Total	662	846	896	846	3,250

Note: The GOG will contribute the equivalent of $62,000 in local currency in the first and third years of the project and the equivalent of $63,000 in project years two and four, for a total contribution of $250,000.

B. Expected Obligation Actions

The initial obligation of funds under the GSD Project will be made by means of a grant to NDI. Subsequent incremental funding will be added to the grant by amendments.

TABLE 6

PLANNED OBLIGATIONS
(US$000)

FY 1995	FY 1996	FY 1997	FY 1998	FY 1999
600	0	1,500	900	0

The initial $600,000 obligation will be enough to get the project started: put the long-term technical assistance team in place, support the holding of parliamentary elections that are due by the end of 1997 and provide initial funding for parliamentary, regional and local government, and civil society subprojects. To ensure uninterrupted project implementation, it is essential that the $1,500,000 in incremental funding scheduled for FY 1997 be available by January 1997, at the latest. A delay in receiving those funds would be very detrimental to the project.

C. Recurrent Costs for Participating Organizations

In most cases, recurrent costs should not be a major issue for the project. While it is not possible to state with certainty what they will be because the subprojects will only be determined once the project gets under way, it is unlikely that the activities funded will have many ongoing costs. Most subprojects are likely to involve working with groups and organizations already in place and not requiring the hiring of additional personnel or the purchasing of commodities needing to be maintained.

Some recurrent costs, however, are expected with regard to the establishment of the parliamentary library. The creation of the library will entail the provision of adequate library staff to operate the facility at an acceptable standard. The law librarian from the GJIP Project could assist with staff training. It will also be necessary to update the collection on a regular basis. Maintenance of the library would be the responsibility of Parliament, which would also be in charge of maintaining any other physical improvements made by the project to the Parliament Building. No work will be done on the library or any other part of the building until firm assurances have been received from the GOG that the improved facilities will be maintained and staffed at an acceptable level.

D. USAID's Management Costs

The project presents no unusual program or operating expenses for USAID. In Guyana, it will require the services of two staff members already at post -- a USDH to serve as project officer and

a non-U.S. PSC to act as project manager. As the project will be implemented by NDI under a grant, USAID's management responsibilities will be limited.

Controller and contracting support for the project will come from USAID/Dominican Republic. The controller and contracting officer in Santo Domingo are already servicing USAID/Guyana, and the GSD Project will not cause any marked increase in their work loads.

As NDI has had a great deal of experience with democracy activities and can draw upon a wide range of expertise, it is not anticipated that the project will call upon USAID/W for technical assistance from its democracy and governance projects.

VII. MANAGEMENT PROCEDURES

A. Tracking Systems

Primary responsibility for monitoring project progress will rest with the non-U.S. PSC project manager. He/she will maintain the official project records and meet all reporting requirements. The project manager will be responsible for supplying information required under USAID's new results package system. The USDH project officer will have secondary tracking responsibilities -- making sure that the project manager is carrying out his/her monitoring and record keeping duties, and keeping USAID/W informed about project progress.

NDI will be responsible for carrying out annual audits of subproject activities. NDI can contract with a Guyanese audit firm -- there are several capable ones in Georgetown -- to undertake the work; one contract can cover all the recipient audits. Depending on the number and size of the subprojects, sound sampling techniques might be used to test the range of project activities, eliminating the need to audit every single subproject activity. Non-U.S., non-governmental recipients of $100,000 or more a year of project funding are subject to annual audits. These audits, to be performed in accordance with the Guidelines for Financial Audits Contracted by Foreign Recipients issued by the Comptroller General of the United States, will determine whether the funds have been used in accordance with their intended purpose. Any non-U.S., non-governmental recipient of $250,000 or more a year of USAID funds will have both its USAID-funded activities and the financial statements of the organization as a whole audited.
A mid-term evaluation will be undertaken at the start of the third year of the project. By that time, the project should have enough of a track record to be able to critically appraise its progress and recommend adjustments to improve its performance. At project-end, in lieu of a final evaluation, the project manager will prepare a Project Assistance Completion Report. The mid-term

evaluation and the constant monitoring of progress through the results package should provide the Mission with sufficient information regarding lessons learned from project implementation.

B. Procurement

1. USAID

USAID/Guyana will make a grant to NDI for implementation of the project, and NDI will be directly responsible for carrying out project activities. The mid-term evaluation will be contracted for and paid by USAID. For the project as a whole, the method of implementation will be a direct USAID (Handbook 13) grant to NDI, and the method of financing will be a Treasury Letter of Credit. The following table provides a summary of the methods to be used.

TABLE 7

METHODS OF IMPLEMENTATION AND FINANCING
USAID GRANT FUNDS
($000)

Activity	Method of Implementation	Method of Financing	Amount
Proj. Manage.	Grant	TLOC	1,190
Evaluation	USAID Contract	Direct Payment	50
Elect. Support	Grant	TLOC	100
Parliament Subprojects	Grant	TLOC	553
Reg/Local Gov. Subprojects	Grant	TLOC	553
Civil Society Subprojects	Grant	TLOC	554
Total			3,000

2. NDI

NDI will be responsible for carrying out all procurements financed under the project with USAID grant dollars. The source and origin of goods and services for the project are the United States and Guyana. Any exceptions to that rule will require waivers from USAID/Guyana. All procurements will be per USAID procedures and regulations.

NDI will procure all of its own office supplies and equipment. Key items to purchase will be a copier, two desk top computers, two lap top computers, a fax machine, a printer and associated hardware and software. A four-wheel-drive vehicle will also be bought. A right-hand-drive Jeep Cherokee is now available and can be ordered from Miami.

NDI will be responsible for accounting for any funds given as subgrants to local NGOs, none of which are currently registered with USAID. With some institutional strengthening, some of the local NGOs should become eligible for registration with USAID.

At the end of the project, NDI will submit a proposal to USAID/Guyana for the disposal of all project-funded commodities in the grantee's possession. Following receipt of the proposal, the USAID project manager will work with NDI to determine the final disposition of the commodities. Potential beneficiaries will include project participants engaged in activities related to project objectives.

3. Government of Guyana

The GOG's contribution to the project, the equivalent of $250,000 in local currency, will be placed in a separate bank account. Control over the account will remain with the GOG, which will report quarterly to the NDI project coordinator and the USAID project manager on expenditures and supply copies of bank records showing account activity. Copies of vouchers, receipts and other appropriate documentation will be furnished on a quarterly basis to NDI and USAID to substantiate expenditures on GOG-funded project activities. The renovation of space in the Parliament Building for a library will be carried out with funds from the GOG contribution.

The GOG has an acceptable procurement system in place, with all the rules and regulations needed to ensure competitive bidding, but the project coordinator and the project manager will monitor government procurements to make sure they are correctly carried out.

4. Waivers

A source, origin and nationality waiver will be required to allow the procurement of books and other printed materials, up to a maximum value of US$150,000, from USAID Geographic Code 941 and 935 countries. This will allow the purchase of books for the parliamentary library that are not available from the United States or Guyana. Because Guyana has a parliamentary type of government, precedents and models for handling issues and drafting legislation are found in the traditions and practices of Great Britain and other Commonwealth countries. Books dealing with legislating according to the Westminster model will be needed for the parliamentary library, along with examples of laws and decrees enacted in other Commonwealth countries. These books will have to

be purchased from Great Britain and other Commonwealth sources. The waiver will in no way restrict buying books from the U.S., which is expected to be the library's source for examples of U.S. legislation and works of a more general nature.

A source, origin and nationality waiver will be required to allow the procurement of services to print updates of the laws of Guyana's Parliament, up to a maximum value of $30,000, from USAID Geographic Code 941 and 935 countries. This would be a one-time effort to bring the printing of the laws up to date in conjunction with the establishment of the parliamentary library. The printing of laws based on the Westminster legal tradition requires use of a specialized format not available in Guyana or the United States.

ANNEX A

LOGICAL FRAMEWORK

LOGICAL FRAMEWORK

GUYANA STRENGTHENING DEMOCRACY PROJECT
(504-0105)

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
GOAL Strengthened democratic institutions and processes	Parliament functioning efficiently and equitably. Regional/local governments empowered to meet citizens' needs Civil society playing a substantial role in addressing citizens' concerns.	Freedom House Index State Department Human Rights Report Project reports	Guyana's political parties remain committed to the democratic process Guyana's citizens continue to support democracy. NGOs are allowed to develop unhindered.
PURPOSE To promote a pluralistic society and responsive, open government.	**END OF PROJECT STATUS** Parliament legislating with greater access to information and fuller consideration of opinions Regional/local governments have greater capacity to govern effectively Stronger civil society organizations playing a more active role in articulating and addressing citizens' needs.	Meetings with Members of Parliament Visits to regional/local governments. Meetings with NGOs Newspaper articles Project reports	Ruling party interested in giving opposition its say in Parliament. Central authority willing to have regional/local governments play larger role in governing. NGOs can obtain financial and human resources needed for them to grow

OUTPUTS*			
Members of Parliament have improved skills for carrying out their work.	At least 65 Members of Parliament have been trained in how to be more effective legislators	Project reports	Members of Parliament are willing to be trained.
Parliamentary library is open and functioning	Library space has been renovated, furniture, books and equipment installed, staff in place	Meetings with Members of Parliament	Government and opposition parties want improvements to Parliament
Parliamentary standing committee system is in place and being used.	Committee room space has been renovated; support staff in place; at least three standing committees meeting	Meetings with regional/local government councilors	Regional and local government councilors remain interested in their jobs.
Regional and local government elected officials have better knowledge of their roles and responsibilities.	At least 1,131 regional and local government councilors have been trained on their duties as elected officials.	Meeting with NGOs	NGOs have the capacity for growth and expansion.
NGOs have improved administrative and financial management skills	2,500 members of NGOs have been trained on how to run more effective organizations	Visits to places with community development activities.	Guyanese are interested in learning more about voting and being a responsible citizen
Citizens are better informed about their rights and responsibilities	300,000 people have received democracy education about their role as citizens.	Meetings with media professionals	Communities are able to organize themselves to carry out small-scale projects.
Citizens are more knowledgeable about the voting process.	300,000 people have received voter education.	Quality of news coverage from newspapers, radio and TV.	Media professionals recognize a need for training.
Citizens have benefited from community development activities	350,000 people have been helped by small-scale projects in their communities.		
Media professionals have higher levels of skills.	100 print, radio and TV professionals have been trained in better journalistic techniques		

INPUTS	(US$000/US$000 equivalent) USAID	GOG	TOTAL		
Project Management	1,190	-	1,190	USAID Controller records	USAID and GOG funds will be available as planned.
Evaluation	50	-	50	NDI financial records	
Election Support	100	-	100	GOG accounts	Funds can be utilized effectively by Parliament, regional/local government and civil society
Parliament	553	84	637		
Regional/Local Government	553	83	636	NGO financial statements	
Civil Society	554	83	637		NDI can effectively implement the project
Total	3,000	250	3,250	Audit reports	

* The list of outputs is illustrative, the activities and number of beneficiaries are projections. Subsequent to the first year, the activities actually undertaken will be determined once the project is under way

ANNEX B

STATUTORY CHECKLIST

5C(1) - COUNTRY CHECKLIST

Listed below are statutory criteria applicable to the eligibility of countries to receive the following categories of assistance: (A) both Development Assistance and Economic Support Funds; (B) Development Assistance funds only; or (C) Economic Support Funds only.

A. COUNTRY ELIGIBILITY CRITERIA APPLICABLE TO BOTH DEVELOPMENT ASSISTANCE AND ECONOMIC SUPPORT FUND ASSISTANCE

1. **Narcotics Certification** (FAA Sec. 490): (This provision applies to assistance provided by grant, sale, loan, lease, credit, guaranty, or insurance, except assistance relating to international narcotics control, disaster and refugee relief assistance, narcotics related assistance, or the provision of food (including the monetization of food) or medicine, and the provision of nonagricultural commodities under P.L. 480. This provision also does not apply to assistance for child survival and AIDS programs which can, under section 522 of the FY 1995 Appropriations Act, be made available notwithstanding any provision of law that restricts assistance to foreign countries, and programs identified in section 547 of that Act and other provisions of law that have similar notwithstanding authority.) If the recipient is a "major illicit drug producing country" (defined as a country in which during a year at least 1,000 hectares of illicit opium poppy is cultivated or harvested, or at least 1,000 hectares of illicit coca is cultivated or harvested, or at least 5,000 hectares of illicit cannabis is cultivated or harvested) or a "major drug-transit country" (defined as a country that is a significant direct source of illicit drugs significantly affecting the United States, through which such drugs are transported, or through which significant sums of drug-related profits are laundered with the knowledge or complicity of the government):

(1) has the President in the March 1 International Narcotics Control Strategy Report (INCSR) determined and certified to the Congress (without Congressional enactment, within 30 calendar days, of a resolution disapproving such a certification), that (a) during the previous year the country has cooperated fully with the United States or taken adequate steps on its own to satisfy the goals and objectives established by the U.N. Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, or that (b) the vital national interests of the United States require the provision of such assistance?

N/A

(2) with regard to a major illicit drug producing or drug-transit country for which the President has <u>not</u> certified on March 1, has the President determined and certified to Congress on any other date (with enactment by Congress of a resolution approving such certification) that the vital national interests of the United States require the provision of assistance, and has also certified that (a) the country has undergone a fundamental change in government, or (b) there has been a fundamental change in the conditions that were the reason why the President had not made a "fully cooperating" certification.

NA

2. **Indebtedness to U.S. citizens** (FAA Sec. 620(c): If assistance is to a government, is the government indebted to any U.S. citizen for goods or services furnished or ordered where: (a) such citizen has exhausted available legal remedies, (b) the debt is not denied or contested by such government, or (c) the indebtedness arises under an unconditional guaranty of payment given by such government or controlled entity?

The Government of Guyana (GOG) is in debt of approximately $15m to a U.S. firm. The GOG has not denied the debt, but cannot repay it immediately. Following guidance from the IMF and World Bank, the GOG agreed to repay the debt with government bonds.

3. **Seizure of U.S. Property** (Foreign Relations Authorization Act, Fiscal Years 1994 and 1995, Sec. 527): If assistance is to a government, has it (including any government agencies or instrumentalities) taken any action on or after January 1, 1956 which has the effect of

No.

nationalizing, expropriating, or otherwise seizing ownership or control of property of U.S. citizens or entities beneficially owned by them without (during the period specified in subsection (c) of this section) either returning the property, providing adequate and effective compensation for the property, offering a domestic procedure providing prompt, adequate, and effective compensation for the property, or submitting the dispute to international arbitration? If the actions of the government would otherwise prohibit assistance, has the President waived this prohibition and so notified Congress that it was in the national interest to do so?

No.

4. **Communist and other countries** (FAA Secs. 620(a), 620(f), 620D; FY 1995 Appropriations Act Secs. 507, 523): Is recipient country a Communist country? If so, has the President: (a) determined that assistance to the country is vital to the security of the United States, that the recipient country is not controlled by the international Communist conspiracy, and that such assistance will further promote the independence of the recipient country from international communism, or (b) removed a country from applicable restrictions on assistance to communist countries upon a determination and report to Congress that such action is important to the national interest of the United States? Will assistance be provided directly to Cuba, Iraq, Libya, North Korea, Iran, Serbia, Sudan or Syria? Will assistance be provided indirectly to Cuba, Iraq, Libya, Iran, Syria, North Korea, or the People's Republic of China? Will assistance be provided to Afghanistan without a certification, or will assistance be provided inside Afghanistan through the Soviet-controlled government of Afghanistan?

Guyana is not a communist country.

5. **Mob Action** (FAA Sec. 620(j)): Has the country permitted, or failed to take adequate measures to prevent, damage or destruction by mob action of U.S. property?

No.

6. **OPIC Investment Guaranty** (FAA Sec. 620(l)): Has the country failed to

No.

enter into an investment guaranty agreement with OPIC?

7. **Seizure of U.S. Fishing Vessels** (FAA Sec. 620(o); Fishermen's Protective Act of 1967 (as amended) Sec. 5): (a) Has the country seized, or imposed any penalty or sanction against, any U.S. fishing vessel because of fishing activities in international waters? (b) If so, has any deduction required by the Fishermen's Protective Act been made? — No.

8. **Loan Default** (FAA Sec. 620(q); FY 1995 Appropriations Act Sec. 512 (Brooke Amendment)): (a) Has the government of the recipient country been in default for more than six months on interest or principal of any loan to the country under the FAA? (b) Has the country been in default for more than one year on interest or principal on any U.S. loan under a program for which the FY 1995 Appropriations Act appropriates funds? — No. No.

9. **Military Equipment** (FAA Sec. 620(s)): If contemplated assistance is development loan or to come from Economic Support Fund, has the Administrator taken into account the percentage of the country's budget and amount of the country's foreign exchange or other resources spent on military equipment? (Reference may be made to the annual "Taking Into Consideration" memo: "Yes, taken into account by the Administrator at time of approval of Agency OYB." This approval by the Administrator of the Operational Year Budget can be the basis for an affirmative answer during the fiscal year unless significant changes in circumstances occur.) — N/A

10. **Diplomatic Relations with U.S.** (FAA Sec. 620(t)): Has the country severed diplomatic relations with the United States? If so, have relations been resumed and have new bilateral assistance agreements been negotiated and entered into since such resumption? — No.

11. **U.N. Obligations** (FAA Sec. 620(u)): What is the payment status of the country's U.N. obligations? If the — Guyana is up to date on payments of UN arrears

country is in arrears, were such arrearages taken into account by the A.I.D. Administrator in determining the current A.I.D. Operational Year Budget? (Reference may be made to the "Taking into Consideration" memo.)

12. **International Terrorism**

a. **Sanctuary and support** (FY 1995 Appropriations Act Sec. 529; FAA Sec. 620A): Has the country been determined by the President to: (a) grant sanctuary from prosecution to any individual or group which has committed an act of international terrorism, or (b) otherwise support international terrorism, unless the President has waived this restriction on grounds of national security or for humanitarian reasons? No.

b. **Airport Security** (ISDCA of 1985 Sec. 552(b)): Has the Secretary of State determined that the country is a high terrorist threat country after the Secretary of Transportation has determined, pursuant to section 1115(e)(2) of the Federal Aviation Act of 1958, that an airport in the country does not maintain and administer effective security measures? No.

c. **Compliance with UN Sanctions** (FY 1995 Appropriations Act Sec. 538): Is assistance being provided to a country not in compliance with UN sanctions against Iraq, Serbia, or Montenegro and, if so, has the President made the necessary determinations to allow assistance to be provided? No.

13. **Countries that Export Lethal Military Equipment** (FY 1995 Appropriations Act Sec. 563): Is assistance being made available to a government which provides lethal military equipment to a country the government of which the Secretary of State has determined is a terrorist government for purposes of section 40(d) of the Arms Export Control Act? No.

14. **Discrimination** (FAA Sec. 666(b)): Does the country object, on the basis of race, religion, national origin No.

or sex, to the presence of any officer or employee of the U.S. who is present in such country to carry out economic development programs under the FAA?

15. **Nuclear Technology** (Arms Export Control Act Secs. 101, 102): Has the country, after August 3, 1977, delivered to any other country or received nuclear enrichment or reprocessing equipment, materials, or technology, without specified arrangements or safeguards, and without special certification by the President? Has it transferred a nuclear explosive device to a non-nuclear weapon state, or if such a state, either received or detonated a nuclear explosive device? If the country is a non-nuclear weapon state, has it, on or after August 8, 1985, exported (or attempted to export) illegally from the United States any material, equipment, or technology which would contribute significantly to the ability of a country to manufacture a nuclear explosive device? (FAA Sec. 620E(d) permits a special waiver of Sec. 101 for Pakistan.)

No.

16. **Algiers Meeting** (ISDCA of 1981, Sec. 720): Was the country represented at the Meeting of Ministers of Foreign Affairs and Heads of Delegations of the Non-Aligned Countries to the 36th General Assembly of the U.N. on Sept. 25 and 28, 1981, and did it fail to disassociate itself from the communique issued? If so, has the President taken it into account? (Reference may be made to the "Taking into Consideration" memo.)

Guyana was represented at the meeting and has yet to enter reservation of the communique, but that was taken into consideration by the Administrator at the time of approval of the FY 95 Agency OYB.

17. **Military Coup** (FY 1995 Appropriations Act Sec. 508): Has the duly elected Head of Government of the country been deposed by military coup or decree? If assistance has been terminated, has the President notified Congress that a democratically elected government has taken office prior to the resumption of assistance?

No.

18. **Exploitation of Children** (FAA Sec. 116(b)): Does the recipient government fail to take appropriate and adequate measures, within its means, to

No.

protect children from exploitation, abuse or forced conscription into military or paramilitary services?

19. **Parking Fines** (FY 1995 Appropriations Act Sec. 564): Has the overall assistance allocation of funds for a country taken into account the requirements of this section to reduce assistance by 110 percent of the amount of unpaid parking fines owed to the District of Columbia as of August 23, 1994?

AID/W will address this matter.

B. COUNTRY ELIGIBILITY CRITERIA APPLICABLE ONLY TO DEVELOPMENT ASSISTANCE ("DA")

Human Rights Violations (FAA Sec. 116): Has the Department of State determined that this government has engaged in a consistent pattern of gross violations of internationally recognized human rights? If so, can it be demonstrated that contemplated assistance will directly benefit the needy?

No.

C. COUNTRY ELIGIBILITY CRITERIA APPLICABLE ONLY TO ECONOMIC SUPPORT FUNDS ("ESF")

Human Rights Violations (FAA Sec. 502B): Has it been determined that the country has engaged in a consistent pattern of gross violations of internationally recognized human rights? If so, has the President found that the country made such significant improvement in its human rights record that furnishing such assistance is in the U.S. national interest?

N/A.

5C(2) - ASSISTANCE CHECKLIST

Listed below are statutory criteria applicable to the assistance resources themselves, rather than to the eligibility of a country to receive assistance. This section is divided into three parts. Part A includes criteria applicable to both Development Assistance and Economic Support Fund resources. Part B includes criteria applicable only to Development Assistance resources. Part C includes criteria applicable only to Economic Support Funds.

CROSS REFERENCE: IS COUNTRY CHECKLIST UP TO DATE?

Yes.

A. CRITERIA APPLICABLE TO BOTH DEVELOPMENT ASSISTANCE AND ECONOMIC SUPPORT FUNDS

1. **Host Country Development Efforts** (FAA Sec. 601(a)): Information and conclusions on whether assistance will encourage efforts of the country to: (a) increase the flow of international trade; (b) foster private initiative and competition; (c) encourage development and use of cooperatives, credit unions, and savings and loan associations; (d) discourage monopolistic practices; (e) improve technical efficiency of industry, agriculture, and commerce; and (f) strengthen free labor unions.

Yes.

2. **U.S. Private Trade and Investment** (FAA Sec. 601(b)): Information and conclusions on how assistance will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise).

The project is intended to promote a pluralistic society and a responsive, open government. A democratic, fr market country will be open t U.S. private trade and invest ment.

3. **Congressional Notification**

a. **General requirement** (FY 1995 Appropriations Act Sec. 515; FAA Sec. 634A): If money is to be obligated for an activity not previously justified to Congress, or for an amount in excess of amount previously justified to Congress, has Congress been properly notified (unless the Appropriations Act notification requirement has been waived because of substantial risk to human health or welfare)?

The Congress will be properly notified of this assistance activity.

b. **Special notification requirement** (FY 1995 Appropriations Act Sec. 520): Are all activities proposed for obligation subject to prior congressional notification?

Yes.

c. **Notice of account transfer** (FY 1995 Appropriations Act Sec. 509): If funds are being obligated under an

N/A

appropriation account to which they were not appropriated, has the President consulted with and provided a written justification to the House and Senate Appropriations Committees and has such obligation been subject to regular notification procedures?

d. **Cash transfers and nonproject sector assistance** (FY 1995 Appropriations Act Sec. 536(b)(3)): If funds are to be made available in the form of cash transfer or nonproject sector assistance, has the Congressional notice included a detailed description of how the funds will be used, with a discussion of U.S. interests to be served and a description of any economic policy reforms to be promoted? N/A.

4. **Engineering and Financial Plans** (FAA Sec. 611(a)): Prior to an obligation in excess of $500,000, will there be: (a) engineering, financial or other plans necessary to carry out the assistance; and (b) a reasonably firm estimate of the cost to the U.S. of the assistance? Yes. Yes.

5. **Legislative Action** (FAA Sec. 611(a)(2)): If legislative action is required within recipient country with respect to an obligation in excess of $500,000, what is the basis for a reasonable expectation that such action will be completed in time to permit orderly accomplishment of the purpose of the assistance? N/A

6. **Water Resources** (FAA Sec. 611(b)): If project is for water or water-related land resource construction, have benefits and costs been computed to the extent practicable in accordance with the principles, standards, and procedures established pursuant to the Water Resources Planning Act (42 U.S.C. 1962, et seq.)? N/A

7. **Cash Transfer/Nonproject Sector Assistance Requirements** (FY 1995 Appropriations Act Sec. 536). If assistance is in the form of a cash transfer or nonproject sector assistance: N/A

a. **Separate account:** Are all such cash payments to be maintained by the country in a separate account and not commingled with any other funds (unless such requirements are waived by Congressional notice for nonproject sector assistance)?

b. **Local currencies:** If assistance is furnished to a foreign government under arrangements which result in the generation of local currencies:

(1) Has A.I.D. (a) required that local currencies be deposited in a separate account established by the recipient government, (b) entered into an agreement with that government providing the amount of local currencies to be generated and the terms and conditions under which the currencies so deposited may be utilized, and (c) established by agreement the responsibilities of A.I.D. and that government to monitor and account for deposits into and disbursements from the separate account?

(2) Will such local currencies, or an equivalent amount of local currencies, be used only to carry out the purposes of the DA or ESF chapters of the FAA (depending on which chapter is the source of the assistance) or for the administrative requirements of the United States Government?

(3) Has A.I.D. taken all appropriate steps to ensure that the equivalent of local currencies disbursed from the separate account are used for the agreed purposes?

(4) If assistance is terminated to a country, will any unencumbered balances of funds remaining in a separate account be disposed of for purposes agreed to by the recipient government and the United States Government?

8. **Capital Assistance** (FAA Sec. 611(e)): If project is capital assistance (e.g., construction), and total U.S.

assistance for it will exceed $1 million, has Mission Director certified and Regional Assistant Administrator taken into consideration the country's capability to maintain and utilize the project effectively?	N/A
9. **Multiple Country Objectives** (FAA Sec. 601(a)): Information and conclusions on whether projects will encourage efforts of the country to: (a) increase the flow of international trade; (b) foster private initiative and competition; (c) encourage development and use of cooperatives, credit unions, and savings and loan associations; (d) discourage monopolistic practices; (e) improve technical efficiency of industry, agriculture and commerce; and (f) strengthen free labor unions.	Yes.
10. **U.S. Private Trade** (FAA Sec. 601(b)): Information and conclusions on how project will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise).	By promoting a democratic, more open society and government, th project will help foster conditions favorable to U.S. private trade and investment.
11. **Local Currencies**	
a. **Recipient Contributions** (FAA Secs. 612(b), 636(h)): Describe steps taken to assure that, to the maximum extent possible, the country is contributing local currencies to meet the cost of contractual and other services, and foreign currencies owned by the U.S. are utilized in lieu of dollars.	The recipient country will contribute the equivalent of $250,000 in local currency to the project.
b. **U.S.-Owned Currency** (FAA Sec. 612(d)): Does the U.S. own excess foreign currency of the country and, if so, what arrangements have been made for its release?	No.
12. **Trade Restrictions**	
a. **Surplus Commodities** (FY 1995 Appropriations Act Sec. 513(a)): If assistance is for the production of any commodity for export, is the commodity likely to be in surplus on world markets	N/A

at the time the resulting productive capacity becomes operative, and is such assistance likely to cause substantial injury to U.S. producers of the same, similar or competing commodity?

b. **Textiles (Lautenberg Amendment)** (FY 1995 Appropriations Act Sec. 513(c)): Will the assistance (except for programs in Caribbean Basin Initiative countries under U.S. Tariff Schedule "Section 807," which allows reduced tariffs on articles assembled abroad from U.S.-made components) be used directly to procure feasibility studies, prefeasibility studies, or project profiles of potential investment in, or to assist the establishment of facilities specifically designed for, the manufacture for export to the United States or to third country markets in direct competition with U.S. exports, of textiles, apparel, footwear, handbags, flat goods (such as wallets or coin purses worn on the person), work gloves or leather wearing apparel?

N/A

13. **Tropical Forests** (FY 1991 Appropriations Act Sec. 533(c)(3)(as referenced in section 532(d) of the FY 1993 Appropriations Act): Will funds be used for any program, project or activity which would (a) result in any significant loss of tropical forests, or (b) involve industrial timber extraction in primary tropical forest areas?

No.

14. **PVO Assistance**

a. **Auditing and registration** (FY 1995 Appropriations Act Sec. 560): If assistance is being made available to a PVO, has that organization provided upon timely request any document, file, or record necessary to the auditing requirements of A.I.D., and is the PVO registered with A.I.D.?

The project will strengthen local PVOs and help them register with A.I.D.

b. **Funding sources** (FY 1995 Appropriations Act, Title II, under heading "Private and Voluntary Organizations"): If assistance is to be made to a United States PVO (other than a cooperative development organization),

N/A

does it obtain at least 20 percent of its total annual funding for international activities from sources other than the United States Government?

15. **Project Agreement Documentation** (State Authorization Sec. 139 (as interpreted by conference report)): Has confirmation of the date of signing of the project agreement, including the amount involved, been cabled to State L/T and A.I.D. LEG within 60 days of the agreement's entry into force with respect to the United States, and has the full text of the agreement been pouched to those same offices? (See Handbook 3, Appendix 6G for agreements covered by this provision).

These procedures will be followed.

16. **Metric System** (Omnibus Trade and Competitiveness Act of 1988 Sec. 5164, as interpreted by conference report, amending Metric Conversion Act of 1975 Sec. 2, and as implemented through A.I.D. policy): Does the assistance activity use the metric system of measurement in its procurements, grants, and other business-related activities, except to the extent that such use is impractical or is likely to cause significant inefficiencies or loss of markets to United States firms? Are bulk purchases usually to be made in metric, and are components, subassemblies, and semi-fabricated materials to be specified in metric units when economically available and technically adequate? Will A.I.D. specifications use metric units of measure from the earliest programmatic stages, and from the earliest documentation of the assistance processes (for example, project papers) involving quantifiable measurements (length, area, volume, capacity, mass and weight), through the implementation stage?

Yes.

17. **Abortions** (FAA Sec. 104(f); FY 1995 Appropriations Act, Title II, under heading "Population, DA," and Sec. 518):

N/A

a. Are any of the funds to be used for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions? (Note that the term "motivate"

does not include the provision, consistent with local law, of information or counseling about all pregnancy options including abortion.)

b. Are any of the funds to be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations?

c. Are any of the funds to be made available to any organization or program which, as determined by the President, supports or participates in the management of a program of coercive abortion or involuntary sterilization?

d. Will funds be made available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services? (As a legal matter, DA only.)

e. In awarding grants for natural family planning, will any applicant be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning? (As a legal matter, DA only.)

f. Are any of the funds to be used to pay for any biomedical research which relates, in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning?

g. Are any of the funds to be made available to any organization if the President certifies that the use of these funds by such organization would violate any of the above provisions related to abortions and involuntary sterilization?

18. **Cooperatives** (FAA Sec. 111): Will assistance help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward a better life?

Cooperatives could be among the beneficiaries of the projec

19. **U.S.-Owned Foreign Currencies**

a. **Use of currencies** (FAA Secs. 612(b), 636(h); FY 1995 Appropriations Act Secs. 503, 505): Are steps being taken to assure that, to the maximum extent possible, foreign currencies owned by the U.S. are utilized in lieu of dollars to meet the cost of contractual and other services. N/A

b. **Release of currencies** (FAA Sec. 612(d)): Does the U.S. own excess foreign currency of the country and, if so, what arrangements have been made for its release? No.

20. **Procurement**

a. **Small business** (FAA Sec. 602(a)): Are there arrangements to permit U.S. small business to participate equitably in the furnishing of commodities and services financed? Yes.

b. **U.S. procurement** (FAA Sec. 604(a): Will all procurement be from the U.S., the recipient country, or developing countries except as otherwise determined in accordance with the criteria of this section? Yes.

c. **Marine insurance** (FAA Sec. 604(d)): If the cooperating country discriminates against marine insurance companies authorized to do business in the U.S., will commodities be insured in the United States against marine risk with such a company? N/A

d. **Insurance** (FY 1995 Appropriations Act Sec. 531): Will any A.I.D. contract and solicitation, and subcontract entered into under such contract, include a clause requiring that U.S. insurance companies have a fair opportunity to bid for insurance when such insurance is necessary or appropriate? Yes.

e. **Non-U.S. agricultural procurement** (FAA Sec. 604(e)): If non-U.S. procurement of agricultural commodity or product thereof is to be financed, is there provision against such N/A

procurement when the domestic price of such commodity is less than parity? (Exception where commodity financed could not reasonably be procured in U.S.)

f. **Construction or engineering services** (FAA Sec. 604(g)): Will construction or engineering services be procured from firms of advanced developing countries which are otherwise eligible under Code 941 and which have attained a competitive capability in international markets in one of these areas? (Exception for those countries which receive direct economic assistance under the FAA and permit United States firms to compete for construction or engineering services financed from assistance programs of these countries.) — N/A

g. **Cargo preference shipping** (FAA Sec. 603)): Is the shipping excluded from compliance with the requirement in section 901(b) of the Merchant Marine Act of 1936, as amended, that at least 50 percent of the gross tonnage of commodities (computed separately for dry bulk carriers, dry cargo liners, and tankers) financed shall be transported on privately owned U.S. flag commercial vessels to the extent such vessels are available at fair and reasonable rates? — No.

h. **Technical assistance** (FAA Sec. 621(a)): If technical assistance is financed, will such assistance be furnished by private enterprise on a contract basis to the fullest extent practicable? Will the facilities and resources of other Federal agencies be utilized, when they are particularly suitable, not competitive with private enterprise, and made available without undue interference with domestic programs? — Yes.

i. **U.S. air carriers** (International Air Transportation Fair Competitive Practices Act, 1974): If air transportation of persons or property is financed on grant basis, will U.S. carriers be used to the extent such service is available? — Yes.

j. **Consulting services** (FY 1995 Appropriations Act Sec. 559): If assistance is for consulting service through procurement contract pursuant to 5 U.S.C. 3109, are contract expenditures a matter of public record and available for public inspection (unless otherwise provided by law or Executive order)? Yes.

k. **Metric conversion** (Omnibus Trade and Competitiveness Act of 1988, as interpreted by conference report, amending Metric Conversion Act of 1975 Sec. 2, and as implemented through A.I.D. policy): Does the assistance program use the metric system of measurement in its procurements, grants, and other business-related activities, except to the extent that such use is impractical or is likely to cause significant inefficiencies or loss of markets to United States firms? Are bulk purchases usually to be made in metric, and are components, subassemblies, and semi-fabricated materials to be specified in metric units when economically available and technically adequate? Will A.I.D. specifications use metric units of measure from the earliest programmatic stages, and from the earliest documentation of the assistance processes (for example, project papers) involving quantifiable measurements (length, area, volume, capacity, mass and weight), through the implementation stage? Yes.

l. **Competitive Selection Procedures** (FAA Sec. 601(e)): Will the assistance utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise? Yes.

m. **Notice Requirement** (FY 1995 Appropriations Act Sec. 568): Will project agreements or contracts contain notice consistent with FAA section 604(a) and with the sense of Congress that to the greatest extent practicable equipment and products purchased with appropriated funds should be American-made? Yes.

21. **Construction**

a. **Capital project** (FAA Sec.

601(d)): If capital (e.g., construction) project, will U.S. engineering and professional services be used? N/A

b. **Construction contract** (FAA Sec. 611(c)): If contracts for construction are to be financed, will they be let on a competitive basis to maximum extent practicable?

c. **Large projects, Congressional approval** (FAA Sec. 620(k)): If for construction of productive enterprise, will aggregate value of assistance to be furnished by the U.S. not exceed $100 million (except for productive enterprises in Egypt that were described in the Congressional Presentation), or does assistance have the express approval of Congress?

22. **U.S. Audit Rights** (FAA Sec. 301(d)): If fund is established solely by U.S. contributions and administered by an international organization, does Comptroller General have audit rights? N/A

23. **Communist Assistance** (FAA Sec. 620(h). Do arrangements exist to insure that United States foreign aid is not used in a manner which, contrary to the best interests of the United States, promotes or assists the foreign aid projects or activities of the Communist-bloc countries? Yes.

24. **Narcotics**

a. **Cash reimbursements** (FAA Sec. 483): Will arrangements preclude use of financing to make reimbursements, in the form of cash payments, to persons whose illicit drug crops are eradicated? Yes.

b. **Assistance to narcotics traffickers** (FAA Sec. 487): Will arrangements take "all reasonable steps" to preclude use of financing to or through individuals or entities which we know or have reason to believe have either: (1) been convicted of a violation of any law or regulation of the United States or a foreign country relating to narcotics (or other controlled substances); or (2) been Yes.

an illicit trafficker in, or otherwise involved in the illicit trafficking of, any such controlled substance?

25. **Expropriation and Land Reform** (FAA Sec. 620(g)): Will assistance preclude use of financing to compensate owners for expropriated or nationalized property, except to compensate foreign nationals in accordance with a land reform program certified by the President? Yes.

26. **Police and Prisons** (FAA Sec. 660): Will assistance preclude use of financing to provide training, advice, or any financial support for police, prisons, or other law enforcement forces, except for narcotics programs? Yes.

27. **CIA Activities** (FAA Sec. 662): Will assistance preclude use of financing for CIA activities? Yes.

28. **Motor Vehicles** (FAA Sec. 636(i)): Will assistance preclude use of financing for purchase, sale, long-term lease, exchange or guaranty of the sale of motor vehicles manufactured outside U.S., unless a waiver is obtained? Yes.

29. **Export of Nuclear Resources** (FY 1995 Appropriations Act Sec. 506): Will assistance preclude use of financing to finance--except for purposes of nuclear safety--the export of nuclear equipment, fuel, or technology? Yes.

30. **Publicity or Propaganda** (FY 1995 Appropriations Act Sec. 554): Will assistance be used for publicity or propaganda purposes designed to support or defeat legislation pending before Congress, to influence in any way the outcome of a political election in the United States, or for any publicity or propaganda purposes not authorized by Congress? No.

31. **Exchange for Prohibited Act** (FY 1995 Appropriations Act Sec. 533): Will any assistance be provided to any foreign government (including any instrumentality or agency thereof), foreign person, or United States person in exchange for that No.

foreign government or person undertaking any action which is, if carried out by the United States Government, a United States official or employee, expressly prohibited by a provision of United States law?

32. **Commitment of Funds** (FAA Sec. 635(h)): Does a contract or agreement entail a commitment for the expenditure of funds during a period in excess of 5 years from the date of the contract or agreement? No.

33. **Impact on U.S. Jobs** (FY 1995 Appropriations Act, Sec. 545):

a. Will any financial incentive be provided to a business located in the U.S. for the purpose of inducing that business to relocate outside the U.S. in a manner that would likely reduce the number of U.S. employees of that business? No.

b. Will assistance be provided for the purpose of establishing or developing an export processing zone or designated area in which the country's tax, tariff, labor, environment, and safety laws do not apply? If so, has the President determined and certified that such assistance is not likely to cause a loss of jobs within the U.S.? No.

c. Will assistance be provided for a project or activity that contributes to the violation of internationally recognized workers rights, as defined in section 502(a)(4) of the Trade Act of 1974, of workers in the recipient country, or will assistance be for the informal sector, micro or small-scale enterprise, or smallholder agriculture? No.

B. CRITERIA APPLICABLE TO DEVELOPMENT ASSISTANCE ONLY

1. **Agricultural Exports (Bumpers Amendment)** (FY 1995 Appropriations Act Sec. 513(b), as interpreted by conference report for original enactment): If assistance is for agricultural development activities (specifically, any testing or breeding feasibility study, variety N/A

improvement or introduction, consultancy, publication, conference, or training), are such activities: (1) specifically and principally designed to increase agricultural exports by the host country to a country other than the United States, where the export would lead to direct competition in that third country with exports of a similar commodity grown or produced in the United States, and can the activities reasonably be expected to cause substantial injury to U.S. exporters of a similar agricultural commodity; or (2) in support of research that is intended primarily to benefit U.S. producers?	
2. **Tied Aid Credits** (FY 1995 Appropriations Act, Title II, under heading "Economic Support Fund"): Will DA funds be used for tied aid credits?	No.
3. **Appropriate Technology** (FAA Sec. 107): Is special emphasis placed on use of appropriate technology (defined as relatively smaller, cost-saving, labor-using technologies that are generally most appropriate for the small farms, small businesses, and small incomes of the poor)?	Yes.
4. **Indigenous Needs and Resources** (FAA Sec. 281(b)): Describe extent to which the activity recognizes the particular needs, desires, and capacities of the people of the country; utilizes the country's intellectual resources to encourage institutional development; and supports civic education and training in skills required for effective participation in governmental and political processes essential to self-government.	The project specifically addresses the development of indigenous skills and institutions.
5. **Economic Development** (FAA Sec. 101(a)): Does the activity give reasonable promise of contributing to the development of economic resources, or to the increase of productive capacities and self-sustaining economic growth?	Yes.
6. **Special Development Emphases** (FAA Secs. 102(b), 113, 281(a)): Describe extent to which activity will: (a) effectively involve the poor in	The project will promote a pluralistic society and a responsive, open government.

development by extending access to economy at local level, increasing labor-intensive production and the use of appropriate technology, dispersing investment from cities to small towns and rural areas, and insuring wide participation of the poor in the benefits of development on a sustained basis, using appropriate U.S. institutions; (b) encourage democratic private and local governmental institutions; (c) support the self-help efforts of developing countries; (d) promote the participation of women in the national economies of developing countries and the improvement of women's status; and (e) utilize and encourage regional cooperation by developing countries.

Democratic private and local governmental institutions will be strengthened. Women and the poor majority will be among the project's main beneficiaries

7. **Recipient Country Contribution** (FAA Secs. 110, 124(d)): Will the recipient country provide at least 25 percent of the costs of the program, project, or activity with respect to which the assistance is to be furnished (or is the latter cost-sharing requirement being waived for a "relatively least developed" country)?

As the project is not a bilateral activity, the recipient country is not required to make a 25 percent contribution. Guyana, however, will contribute the local currer equivalent of $250,000 to the project.

8. **Benefit to Poor Majority** (FAA Sec. 128(b)): If the activity attempts to increase the institutional capabilities of private organizations or the government of the country, or if it attempts to stimulate scientific and technological research, has it been designed and will it be monitored to ensure that the ultimate beneficiaries are the poor majority?

See item 6 above.

9. **Contract Awards** (FAA Sec. 601(e)): Will the project utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise?

Yes.

10. **Disadvantaged Enterprises** (FY 1995 Appropriations Act Sec. 555): What portion of the funds will be available only for activities of economically and socially disadvantaged enterprises, historically black colleges and universities, colleges and universities having a student body in which more than 40 percent of the students are Hispanic

The grantee will be encouraged to include Gray Amendment entities among its sub-contractors.

Americans, and private and voluntary organizations which are controlled by individuals who are black Americans, Hispanic Americans, or Native Americans, or who are economically or socially disadvantaged (including women)?

11. **Biological Diversity** (FAA Sec. 119(g): Will the assistance: (a) support training and education efforts which improve the capacity of recipient countries to prevent loss of biological diversity; (b) be provided under a long-term agreement in which the recipient country agrees to protect ecosystems or other wildlife habitats; (c) support efforts to identify and survey ecosystems in recipient countries worthy of protection; or (d) by any direct or indirect means significantly degrade national parks or similar protected areas or introduce exotic plants or animals into such areas? (Note new special authority for biodiversity activities contained in section 547(b) of the FY 1995 Appropriations Act.)

Project activities will be sensitive to biological diverity.

12. **Tropical Forests** (FAA Sec. 118; FY 1991 Appropriations Act Sec. 533(c) as referenced in section 532(d) of the FY 1993 Appropriations Act):

a. **A.I.D. Regulation 16:** Does the assistance comply with the environmental procedures set forth in A.I.D. Regulation 16?

Although the project is not specifically focused on tropical forests, conservation concerns will be appropriately addressed in the event that environmental policies are considered under project.

Yes.

b. **Conservation:** Does the assistance place a high priority on conservation and sustainable management of tropical forests? Specifically, does the assistance, to the fullest extent feasible: (1) stress the importance of conserving and sustainably managing forest resources; (2) support activities which offer employment and income alternatives to those who otherwise would cause destruction and loss of forests, and help countries identify and implement alternatives to colonizing forested areas; (3) support training programs, educational efforts, and the establishment or strengthening of institutions to improve forest management; (4) help end

destructive slash-and-burn agriculture by supporting stable and productive farming practices; (5) help conserve forests which have not yet been degraded by helping to increase production on lands already cleared or degraded; (6) conserve forested watersheds and rehabilitate those which have been deforested; (7) support training, research, and other actions which lead to sustainable and more environmentally sound practices for timber harvesting, removal, and processing; (8) support research to expand knowledge of tropical forests and identify alternatives which will prevent forest destruction, loss, or degradation; (9) conserve biological diversity in forest areas by supporting efforts to identify, establish, and maintain a representative network of protected tropical forest ecosystems on a worldwide basis, by making the establishment of protected areas a condition of support for activities involving forest clearance or degradation, and by helping to identify tropical forest ecosystems and species in need of protection and establish and maintain appropriate protected areas; (10) seek to increase the awareness of U.S. Government agencies and other donors of the immediate and long-term value of tropical forests; (11) utilize the resources and abilities of all relevant U.S. government agencies; (12) be based upon careful analysis of the alternatives available to achieve the best sustainable use of the land; and (13) take full account of the environmental impacts of the proposed activities on biological diversity?

c. **Forest degradation:** Will assistance be used for: (1) the procurement or use of logging equipment, unless an environmental assessment indicates that all timber harvesting operations involved will be conducted in an environmentally sound manner and that the proposed activity will produce positive economic benefits and sustainable forest management systems; (2) actions which will significantly degrade national parks or similar protected areas which contain tropical forests, or introduce exotic plants or animals into such areas;

(3) activities which would result in the conversion of forest lands to the rearing of livestock; (4) the construction, upgrading, or maintenance of roads (including temporary haul roads for logging or other extractive industries) which pass through relatively undergraded forest lands; (5) the colonization of forest lands; or (6) the construction of dams or other water control structures which flood relatively undergraded forest lands, unless with respect to each such activity an environmental assessment indicates that the activity will contribute significantly and directly to improving the livelihood of the rural poor and will be conducted in an environmentally sound manner which supports sustainable development?

d. **Sustainable forestry:** If assistance relates to tropical forests, will project assist countries in developing a systematic analysis of the appropriate use of their total tropical forest resources, with the goal of developing a national program for sustainable forestry?

e. **Environmental impact statements:** Will funds be made available in accordance with provisions of FAA Section 117(c) and applicable A.I.D. regulations requiring an environmental impact statement for activities significantly affecting the environment?

13. **Energy** (FY 1991 Appropriations Act Sec. 533(c) as referenced in section 532(d) of the FY 1993 Appropriations Act): If assistance relates to energy, will such assistance focus on: (a) end-use energy efficiency, least-cost energy planning, and renewable energy resources, and (b) the key countries where assistance would have the greatest impact on reducing emissions from greenhouse gases? N/A

14. **Debt-for-Nature Exchange** (FAA Sec. 463): If project will finance a debt-for-nature exchange, describe how the exchange will support protection of: (a) the world's oceans and atmosphere, (b) animal and plant species, and (c) parks

and reserves; or describe how the exchange will promote: (d) natural resource management, (e) local conservation programs, (f) conservation training programs, (g) public commitment to conservation, (h) land and ecosystem management, and (i) regenerative approaches in farming, forestry, fishing, and watershed management.	N/A
15. **Deobligation/Reobligation** (FY 1995 Appropriations Act Sec. 510): If deob/reob authority is sought to be exercised in the provision of DA assistance, are the funds being obligated for the same general purpose, and for countries within the same region as originally obligated, and have the House and Senate Appropriations Committees been properly notified?	Yes.
16. **Loans**	
a. **Repayment capacity** (FAA Sec. 122(b)): Information and conclusion on capacity of the country to repay the loan at a reasonable rate of interest.	N/A
b. **Long-range plans** (FAA Sec. 122(b)): Does the activity give reasonable promise of assisting long-range plans and programs designed to develop economic resources and increase productive capacities?	
c. **Interest rate** (FAA Sec. 122(b)): If development loan is repayable in dollars, is interest rate at least 2 percent per annum during a grace period which is not to exceed ten years, and at least 3 percent per annum thereafter?	
d. **Exports to United States** (FAA Sec. 620(d)): If assistance is for any productive enterprise which will compete with U.S. enterprises, is there an agreement by the recipient country to prevent export to the U.S. of more than 20 percent of the enterprise's annual production during the life of the loan, or has the requirement to enter into such an agreement been waived by the President because of a national security interest?	

17. **Development Objectives** (FAA Secs. 102(a), 111, 113, 281(a)): Extent to which activity will: (1) effectively involve the poor in development, by expanding access to economy at local level, increasing labor-intensive production and the use of appropriate technology, spreading investment out from cities to small towns and rural areas, and insuring wide participation of the poor in the benefits of development on a sustained basis, using the appropriate U.S. institutions; (2) help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward better life, and otherwise encourage democratic private and local governmental institutions; (3) support the self-help efforts of developing countries; (4) promote the participation of women in the national economies of developing countries and the improvement of women's status; and (5) utilize and encourage regional cooperation by developing countries?

See item 6 above.

18. **Agriculture, Rural Development and Nutrition,** and **Agricultural Research** (FAA Secs. 103 and 103A):

a. **Rural poor and small farmers:** If assistance is being made available for agriculture, rural development or nutrition, describe extent to which activity is specifically designed to increase productivity and income of rural poor; or if assistance is being made available for agricultural research, has account been taken of the needs of small farmers, and extensive use of field testing to adapt basic research to local conditions shall be made.

N/A

b. **Nutrition:** Describe extent to which assistance is used in coordination with efforts carried out under FAA Section 104 (Population and Health) to help improve nutrition of the people of developing countries through encouragement of increased production of crops with greater nutritional value; improvement of planning, research, and education with respect to nutrition, particularly with reference to improvement

N/A

and expanded use of indigenously produced foodstuffs; and the undertaking of pilot or demonstration programs explicitly addressing the problem of malnutrition of poor and vulnerable people.

c. **Food security:** Describe extent to which activity increases national food security by improving food policies and management and by strengthening national food reserves, with particular concern for the needs of the poor, through measures encouraging domestic production, building national food reserves, expanding available storage facilities, reducing post harvest food losses, and improving food distribution.

N/A

19. **Population and Health** (FAA Secs. 104(b) and (c)): If assistance is being made available for population or health activities, describe extent to which activity emphasizes low-cost, integrated delivery systems for health, nutrition and family planning for the poorest people, with particular attention to the needs of mothers and young children, using paramedical and auxiliary medical personnel, clinics and health posts, commercial distribution systems, and other modes of community outreach.

N/A

20. **Education and Human Resources Development** (FAA Sec. 105): If assistance is being made available for education, public administration, or human resource development, describe (a) extent to which activity strengthens nonformal education, makes formal education more relevant, especially for rural families and urban poor, and strengthens management capability of institutions enabling the poor to participate in development; and (b) extent to which assistance provides advanced education and training of people of developing countries in such disciplines as are required for planning and implementation of public and private development activities.

The project provides for the training of elected representatives at the national, regional and local levels, helping them to carry out their responsibiliti better. Citizens will receive voter and democracy education. Members of NGOs will have their management skills improved.

21. **Energy, Private Voluntary Organizations, and Selected Development Activities** (FAA Sec. 106): If assistance is being made available for energy,

private voluntary organizations, and selected development problems, describe extent to which activity is:

a. concerned with data collection and analysis, the training of skilled personnel, research on and development of suitable energy sources, and pilot projects to test new methods of energy production; and facilitative of research on and development and use of small-scale, decentralized, renewable energy sources for rural areas, emphasizing development of energy resources which are environmentally acceptable and require minimum capital investment;

N/A

b. concerned with technical cooperation and development, especially with U.S. private and voluntary, or regional and international development, organizations;

A U.S. NGO will provide TA and training under the project.

c. research into, and evaluation of, economic development processes and techniques;

In funding community development activities, the project will consider what approaches work best for small-scale development.

d. reconstruction after natural or manmade disaster and programs of disaster preparedness;

N/A

e. for special development problems, and to enable proper utilization of infrastructure and related projects funded with earlier U.S. assistance;

N/A

f. for urban development, especially small, labor-intensive enterprises, marketing systems for small producers, and financial or other institutions to help urban poor participate in economic and social development.

N/A

22. **Capital Projects** (Jobs Through Export Act of 1992, Secs. 303 and 306(d)): If assistance is being provided for a capital project, is the project developmentally sound and will the project measurably alleviate the worst manifestations of poverty or directly promote environmental safety and sustainability at the community level?

N/A

C. CRITERIA APPLICABLE TO ECONOMIC SUPPORT FUNDS ONLY

N/A Project not using ESF funds

1. **Economic and Political Stability** (FAA Sec. 531(a)): Will this assistance promote economic and political stability? To the maximum extent feasible, is this assistance consistent with the policy directions, purposes, and programs of Part I of the FAA?

2. **Military Purposes** (FAA Sec. 531(e)): Will this assistance be used for military or paramilitary purposes?

3. **Commodity Grants/Separate Accounts** (FAA Sec. 609): If commodities are to be granted so that sale proceeds will accrue to the recipient country, have Special Account (counterpart) arrangements been made? (For FY 1995, this provision is superseded by the separate account requirements of FY 1995 Appropriations Act Sec. 536(a), see Sec. 536(a)(5).)

4. **Generation and Use of Local Currencies** (FAA Sec. 531(d)): Will ESF funds made available for commodity import programs or other program assistance be used to generate local currencies? If so, will at least 50 percent of such local currencies be available to support activities consistent with the objectives of FAA sections 103 through 106? (For FY 1995, this provision is superseded by the separate account requirements of FY 1995 Appropriations Act Sec. 536(a), see Sec. 536(a)(5).)

5. **Capital Projects** (Jobs Through Exports Act of 1992, Sec. 306): If assistance is being provided for a capital project, will the project be developmentally-sound and sustainable, i.e., one that is (a) environmentally sustainable, (b) within the financial capacity of the government or recipient to maintain from its own resources, and (c) responsive to a significant development priority initiated by the country to which assistance is being provided. (Please note the definition of "capital project" contained in section 595 of the FY 1993

Appropriations Act. Note, as well, that although a comparable provision does not appear in the FY 94 Appropriations Act, the FY 93 provision applies to, among other things, 2-year ESF funds which could be obligated in FY 94.)

DRAFTER:GC/LP:BLester:10/17/94:cheklist.95

ANNEX C

HOST COUNTRY REQUEST FOR ASSISTANCE

ANNEX D

INITIAL ENVIRONMENTAL EXAMINATION

INITIAL ENVIRONMENTAL EXAMINATION

Activity Location:	Guyana
Activity Title:	Strengthening Democracy
Activity Number:	504-0105
Duration of Activity:	4 years
Funding:	$3,000,000
IEE Prepared By:	Richard L. Owens RLO RDO/C Natural Resources Officer

Activity Description: The goal of the Strengthening Democracy Activity is to contribute to the development of an open democratic society in Guyana. The purpose of this activity is to promote a pluralistic society and a responsive, open government. The illustrative activity inputs include training, technical assistance, and limited commodity procurement. This activity may also help refurbish an already existing library, including some minor physical renovation work.

Recommended Threshold Decision: A Categorical Exclusion under Section 216.2(c)(2)(i) of USAID Environmental Procedures, which reads as follows: "...Education, technical assistance, or training programs except to the extent such programs include activities directly affecting the environment (such as construction of facilities, etc.)...".

Mission Director's Concurrence: Paul A. Bisek

Paul A. Bisek
Acting Director

Date 5/19/95

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U.S. AGENCY FOR
INTERNATIONAL
DEVELOPMENT

LAC-IEE-95-21

REQUEST FOR CATEGORICAL EXCLUSION

Project Location	:	Guyana
Project Title	:	Strengthening Democracy
Project Number	:	504-0105
Funding	:	$3,000,000
Life of Project	:	4 years
IEE Prepared by	:	Richard L. Owens Natural Resources Officer RDO/C
Recommended Threshold Decision	:	Categorical Exclusion
Bureau Threshold Decision	:	Concur with Recommendation
Comments	:	None
Copy to	:	Paul Bisek Acting Director USAID/Guyana
Copy to	:	Richard L. Owens RDO/C
Copy to	:	Patick McDuffie USAID/Guyana
Copy to	:	Jean Meadowcroft LAC/SPM-CAC
Copy to	:	David Eckerson LAC/CAR
Copy to	:	IEE File

Date 5/22/95

Jeffrey J. Brokaw
Chief Environmental Officer
Bureau for Latin America
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