



PD ABC-808
99002

598-0838
Institute for Democracy
(Cooperative Agreement)

U S AGENCY FOR
INTERNATIONAL
DEVELOPMENT

MAR 11 1999

Mr Rafael Sanchez-Aballı
Executive Director
Institute for Democracy in Cuba
7159 Southwest 8th Street
Miami, FL 33144

Subject Award No LAG-A-00-98-00018-00

Dear Mr Sanchez-Aballı

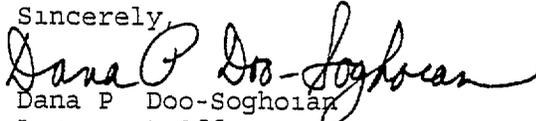
Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the U S Agency for International Development (hereinafter referred to as "USAID" or "Grantor") hereby grants to the Institute for Democracy in Cuba (herein after referred to as IDC or "Recipient"), the sum of \$400,000 00 to provide support for a program in Proyecto Somos Uno, as described in the Schedule of this award and the Attachment 2, entitled "Program Description "

This award is effective and obligation is made as of the date of this letter and shall apply to commitments made by the Recipient in furtherance of program objectives during the period beginning with the effective date and ending 03/10/1999 USAID shall not be liable for reimbursing the Recipient for any costs in excess of the obligated amount

This award is made to IDC, on condition that the funds will be administered in accordance with the terms and conditions as set forth in 22 CFR 226, entitled "Administration of Assistance Awards to U S Non-Governmental Organizations", Attachment 1 entitled "Schedule", Attachment 2, entitled "Program Description", and Attachment 3 entitled "Standard Provisions "

ORIGINAL

Please sign the original and each copy of this letter to acknowledge your receipt of this award, and return the original and all but one copy to the Agreement Officer

Sincerely,

Dana P Doo-Soghoian
Agreement Officer
Office of Procurement
M/OP/B/LA

Attachments

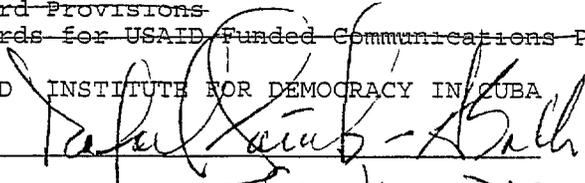
- 1 Schedule
- 2 Program Description
- 3 ~~Standard Provisions~~
- 4 ~~Standards for USAID Funded Communications Projects~~

ACKNOWLEDGED INSTITUTE FOR DEMOCRACY IN CUBA

BY

Title

Date



Executive Director
April 9, 1998

ORIGINAL

ACCOUNTING AND APPROPRIATION DATA

A GENERAL

1	Total Estimated Amount	\$400,000 00
2	Total Program Amount	\$525,000 00
3	Total Obligated Amount	\$400,000 00
4	Cost-Sharing Percentage (Non-Federal)	31% (\$125,000)
5	Activity Title	
6	USAID Technical Office	AA/LAC-USAID Senior Advisor for Cuba Room 5 08-036, RRB (David Mutchler) Washington, DC 20523
7	Tax I D Number	65-0716256
8	DUNS No	119974434
9	LOC Number	N/A

B SPECIFIC

1	NMS Request No	5
2	Org ID No	11093
3	Account No	ES97/98LES798
4	Amount Obligated	\$400,000 00

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ATTACHMENT 1

SCHEDULE

1 1 PURPOSE OF AGREEMENT

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

1 2 PERIOD OF AGREEMENT

The effective date of this Agreement is the date of the Cover Letter and the estimated completion date is 03/10/1999

1 3 AMOUNT OF AWARD AND PAYMENT

- (a) USAID hereby obligates the amount of \$400,000 00 for the purposes of this Agreement
- (b) *Payment shall be made to the Recipient by - Cost Reimbursement in accordance with procedures set forth in 22 CFR 226 22

1 4 BUDGET

The following is the Agreement Budget, including local cost financing items, if authorized Revisions to this budget shall be made in accordance with 22 CFR 226 25

BUDGET
3/11/98 to 3/10/99

<u>Cost Line Item</u>	<u>Amount</u>
Proyecto Somos Uno	\$400,000
USAID Agreement Amount	400,000**
Recipient Cost Share	<u>125,000</u>
TOTAL ESTIMATED PROGRAM AMOUNT	\$525,000

*In order to ensure proper accounting of costs under this agreement activity, the Recipient shall request for a cost reimbursement in the amount of \$35,000 for the first voucher Within a month of the first request for payment, DCAA will conduct a review of the request for reimbursement If the DCAA report finds the recipient's accounting of these costs acceptable, the method of payment for this Agreement will change to Periodic Advance effective immediately Non-compliance will result in suspension of funds under this Agreement

**USAID reserves the right to conduct a followup accounting system audit within six months from the effective date of this Agreement to ensure the Recipient has installed an accounting system adequate for government purposes Noncompliance will result in suspension or termination in accordance with 22 CFR 226 61

1 5 REPORTING AND EVALUATION

1 5 1 Financial Reporting

In keeping with the requirements established in 22 CFR 226 52, the Recipient is required to (a) submit an original and two copies of a "Request for Advance or Reimbursement", SF 270, on a monthly basis to

US AGENCY FOR INT'L DEVELOPMENT
M/FM/CMP/MP
Room 7 07-095 RRB
Washington, DC 20523

The additional copies shall be submitted as follows one copy each of SF 270 to the USAID Senior Advisor for Cuba, LAC/AA RRB Room 5 08-036 Washington, DC 20523, and one copy each of SF 270 to the cognizant Agreement Officer, M/OP/B/LA, RRB, Room 7 09-103, Washington, DC 20523-7100 The Request for Advance or Reimbursement reports shall be in keeping with the Financial Reporting requirements and shall be in accordance with 22 CFR 226 22 entitled, "Payment"

(b) Prepare a "Financial Status Report", SF 269a, on an accrual basis and submitted quarterly in an original and two copies to USAID, Office of Financial Management, M/FM/CMP/MP Room 7 07-095 RRB Washington, DC 20523 A final SF269a report shall be submitted within 90 days of completion of this Agreement An additional copy of each SF269a shall be submitted to the cognizant Agreement Officer, M/OP/B/LA, Room 7 09-103 RRB Washington, DC 20523-7100 The Financial Status Reports shall be in keeping with the financial reporting requirements and shall be in accordance with 22 CFR 226 52 entitled, "Financial Reporting"

1 5 2 Monitoring and reporting program performance

(a) Requirements The Recipient shall submit an original and one copy of a brief quarterly program report to the address listed in the Cover Letter In addition, one copy shall be submitted to USAID/PPC/POL/CDIE Room M 01-010 RRB, Washington, DC 20523-1802 A final performance report is also required

(b) Contents The Program report shall briefly present the information contained in 22 CFR 226 51(d)

(1) A comparison of actual accomplishments with the goals and objectives established for the period, the findings of the investigator, or both Whenever appropriate and the output of programs or projects can be readily quantified, such quantitative data should be related to cost data for computation of unit costs

(2) Reasons why established goals were not met, if appropriate

(3) An illustrative list of titles of publications and videos shall be included in Quarterly Performance Reports

(4) Include, as an attachment, a copy of materials distributed such as brochures and the like

(5) Copy of any insurance policy(ies) deriving from this agreement

(6) Other pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs

1 5 3 Final Report

Within 90 days following the estimated completion date of this Agreement, (see Section 1 2 above), the Recipient shall submit a final report to the USAID Senior Advisor for Cuba, RRB, Room 5 08-036, Washington, DC 20523, who shall forward one copy of the final report to USAID, CDIE/DI, Washington, DC 20523

The Recipient shall also submit one copy of the final report to the cognizant Agreement Officer, M/OP/B/LA, RRB, Room 7 09-103, Washington DC 20523 The report shall cover the entire period of the Agreement and include all information shown in Section 1 5 2 specifically including, but not necessarily limited to

- (1) A summarization of the program s accomplishments or failings,
- (2) An overall description of the activities under the program during the period of this Agreement,
- (3) A description of the methods of work used,
- (4) Comments and recommendations regarding unfinished work and/or program/continuation and direction, and,
- (5) A fiscal report that describes in detail how the Agreement funds were used

1 5 4 Special Reports

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

- (1) Problems delays or adverse conditions that will materially affect the ability to attain program objectives, prevent the meeting of time schedules and goals, or preclude the attainment of work units by established time periods This disclosure shall be accompanied by a statement of the action taken, or contemplated and any USAID assistance needed to resolve the situation
- (2) Favorable developments or events that enable time schedules to be met sooner than anticipated or more work units to be produced than originally projected,

(3) If any performance review conducted by the Recipient discloses the need for change in the budget estimates in accordance with the criteria established in 22 CFR 226 25, the Recipient shall submit a request for budget revision to the Agreement Officer and the USAID Senior Advisor to Cuba

1 6 SUBSTANTIAL INVOLVEMENT UNDERSTANDINGS

It is understood and agreed that USAID will be substantially involved during the performance of this Cooperative Agreement as follows

Workplan The USAID Senior Advisor for Cuba shall be consulted during the development of the workplan and shall have the right to approve the initial workplan and any revisions to it which involve the use of USAID funds The recipient shall provide the names, addresses and funtions of each organization, together with information on whether the organization is independent, not an agency or instrumentality of the Cuban government USAID approval of the plan, in whole or in part, including approval of assistance to or through particular nongovernmental organizations, will be determined after consultation with the Department of State The USAID Senior Advisor for Cuba shall review and approve the evaluation of accomplishments The USAID Senior Advisor must also approve any changes in the direction or development of specific objectives of the USAID supported activities of this program

Key Personnel The USAID Senior Advisor for Cuba shall approve, in advance, the selection of any key personnel and any alternate(s)

Monitoring and Evaluation Plans The USAID Senior Advisor for Cuba shall approve evaluation plans and monitoring progress toward the achievement of program objectives during the course of the Cooperative Agreement

1 7 KEY PEPSONNEL

The key personnel which the Grantee shall furnish for the performance of this Agreement is as follows

POSITION	NAME
Executive Director	Rafael Sanchez-Aballi

The personnel specified above is considered essential to the work being performed hereunder Prior to selecting or replacing any of the specified individual, the Recipient shall notify both the cognizant USAID Agreement Officer and the cognizant USAID Senior Advisor for Cuba reasonably in advance and shall submit written justification (including proposed substitutions) in sufficient detail to permit evaluation of the impact on the program No replacement shall be made by the Recipient without the written consent of the Agreement Offier

1 8 TITLE TO AND CARE OF PROPERTY

Title to all property financed under this award shall vest in the Recipient subject to the requirements of 22 CFR 226 30 through 37

The Agreement Officer hereby approves the purchase of tangible nonexpendable general and special purpose personal property (equipment) including exempt property charged directly to the award having a useful life of less than one year and an acquisition cost of \$5,000 or less per unit. The Agreement Officer must approve the purchase of tangible nonexpendable general and special purpose personal property (equipment) including exempt property charged directly to the award having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. Approval is subject to programmatic constraints as deemed appropriate by the cognizant Agreement Officer.

The prior approval for property with a useful life of less than one year and less than \$5,000 per unit is subject to the authorized geographic code below.

1 9 AUTHORIZED GEOGRAPHIC CODE

The authorized geographic code for procurement of goods and services under this award is 935 (Special Free World). USAID Geographic Code 935 includes any area or country in the Free World, including the cooperative country, Cuba, vis-a-vis the Cuban Democracy Act of 1992.

In accordance with the Cuban Democracy Act, Cuba is considered an eligible source for those procurements necessary to carry out the specific narrow purpose of this Agreement. In addition, the U.S. Treasury Department has issued USAID License No. C-18212 and Amendment No. C-18212-A thereto, authorizing the Agency to carry out the full range of activities under this Agreement.

1 10 INDIRECT COSTS

No indirect costs will be charged to this Award. The Recipient understands and agrees that indirect costs attributable to this Award will be absorbed by the Recipient and considered cost sharing.

1 11 RESOLUTION OF CONFLICTS

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

- Attachment 1 - Schedule
- 22 CFR 226
- Attachment 3 - Standard Provisions
- Attachment 2 - Program Description

1 12 COST SHARING

The Recipient agrees to expend an amount not less than 31% of the total Federal contribution. Cost sharing contributions will meet the criteria as set out in 22 CFR 226.23.

1 13 COMMUNICATIONS PRODUCTS (OCT 1994)

- (a) Definition - Communications products are any printed materials (other than non-color photocopy material), photographic services or video production services.

- (b) Standards - USAID has established standards for communications products. These standards must be followed unless otherwise specifically provided in the agreement or approved in writing by the agreement officer. A copy of the standards for USAID financed publications and video productions is attached.
- (c) Communications products which meet any of the following criteria are not eligible for USAID financing under this agreement unless specifically authorized in the agreement schedule or in writing by the agreement officer:
 - (1) Any communication product costing over \$25,000, including the costs of both preparation and execution. For example, in the case of a publication, the costs will include research, writing and other editorial services (including any associated overhead), design, layout and production costs.
 - (2) Any communication products that will be sent directly to, or likely to be seen by, a Member of Congress or Congressional staffer, and
 - (3) Any publication that will have more than 50 percent of its copies distributed in the United States (excluding copies provided to CDIE and other USAID/W offices for internal use).

1 14 PAYMENT OFFICE

US AGENCY FOR INT L DEVELOPMENT
 M/FM/CMP/MP
 Room 7 07-095 RRB
 Washington, DC 20523

1 15 GRANT ADMINISTRATION OFFICE

The post-award grant administration office is the U S Agency for International Development, M/OP/B/LA, RRB, Room 7 09-103, Washington DC 20523-7100. The cognizant Agreement Officer is Dana P Doo-Soghoian and may be contacted at 202 712-5671.

1 16 PROJECT OFFICE

The Project Office is the U S Agency for International Development LAC/SPM, RRB, Washington, DC 20523. The cognizant Project Officer is the USAID Senior Advisor for Cuba, David Mutchler, and may be contacted at 202-712-4742.

1 17 SPECIAL PROVISIONS

1 This Cooperative Agreement is made pursuant to the authorities of the Cuban Democracy Act 22 U S C 6001 et seq, Sec 6004 ("CA") and the Cuban Liberty and Democratic Solidarity (Libertad) Act of 1996, 22 U S C Sec 6021 et seq Sec 6039, ("Libertad Act"). Activities authorized and financed under this Cooperative Agreement are governed and limited by the terms of the CA and the Libertad Act.

11

2 The CA and the Libertad Act authorize assistance through nongovernmental organizations to support individuals and independent nongovernmental organizations to promote peaceful, nonviolent democratic change in Cuba through various types of democracy-building efforts for Cuba. The Recipient agrees that funds made available under this Cooperative Agreement will only be utilized for peaceful, nonviolent activities, in accordance with the CA and the Libertad Act.

3 No funds or assistance under this Cooperative Agreement may be provided to the Cuban Government, as stated in the Libertad Act. The Libertad Act, 22 U.S.C. Sec. 6023(1) and (5), defines "Cuban Government" as including the government of any political subdivision of Cuba, and also any "agency or instrumentality" of the Government of Cuba, as these terms are further defined in 28 U.S.C. Sec. 1603(b). Section 1603(b) states that an organization which is either a) an "organ of a foreign state or political subdivision thereof" (here an organ of the Cuban Government), or b) "a majority of whose shares or other ownership interest is owned by a foreign state or political subdivision thereof" is an "agency or instrumentality of a foreign state," thus ineligible for funding under this Cooperative Agreement. Employees of the Government of Cuba, as defined above, are also ineligible for assistance under this Cooperative Agreement while working in their official capacities. However, such persons, while not working in their official capacities as employees of the Cuban Government, are considered as individuals and are eligible for assistance. Furthermore, merely providing information on transitions to democracy, human rights, and market economies to individuals who are Cuban Government employees is not considered assistance to the Cuban Government because the information is offered to these persons as individuals and does not benefit the current Government of Cuba.

4 The Conference Report to the Libertad Act, H.R. 104-468, page 50, clarifies that "incidental payments or indirect benefits to commercial or regulatory entities of the Cuban Government, e.g., payments for hotels, car rental, travel or transportation to or within the island, purchases of other goods or services in the local economy, customs fees, migration fees, or other comparable government charges" are not considered to be assistance to the Cuban Government which is prohibited by the Libertad Act.

5 The Recipient shall take all reasonable steps necessary to ensure that the above special provisions 1-4 are followed. Violation of special provision no. 2 above is grounds for termination of this Cooperative Agreement for cause and disallowance of costs incurred. Violation of special provision 3 may lead to disallowance of costs incurred.

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Attachment 2

ATTACHMENT 2

PROGRAM DESCRIPTION

The Recipient's proposal entitled "Proyecto Somos Uno" and dated August 1997 and revisions thereto and the Program Description (Attachment 2) are hereby incorporated made a part of this Award

PROGRAM DESCRIPTION

The Recipient will seek to provide information and material support to victims of repression, political prisoners and their families, human rights activists, the dissident movement and civil society actors in Cuba through a variety of programs established and developed separately by member organizations now brought together under a unified, comprehensive initiative

Under this cooperative agreement, the Recipient will accomplish the following objectives

1 provide communications technology and other (non-cash) material support to victims of repression, political prisoners and their families, human rights activists, the dissident movement and civil society actors in Cuba. This will help the in-country recipients to become independent from the government and will establish a network of dissidents and activists throughout the island, contributing to the creation of a foundation upon which a civil democratic society can develop. The Recipient will use private funds, rather than US government funds, for any payments of cash to recipients in Cuba. USAID funds will be expended for such material assistance as publications, audio and video cassettes, communications equipment and technology, and food and medicine consistent with the CDA and Libertad Act. Prior to disbursement of any funding for this purpose, the Recipient will submit a detailed operational plan for approval by USAID after consultations with the US Interests Section in Havana.

2 provide the dissident movement, and the Cuban people in general, with information on current events occurring on the island as well as outside, information on fundamental aspects of democracy, human rights, and civil society, lessons drawn from the transition experience of other countries.

3 establish an information bureau to gather and disseminate objective information regarding human rights activism, civil society actors and the dissident movement from inside Cuba.

The Recipient has established a relationship with various governments and with non-governmental organizations in Western, Central and Eastern Europe and in the former Soviet Union. The experience of these entities will help the Recipient promote the development of civil society in Cuba under current conditions, as well as to participate effectively in Cuba's eventual transition to democracy and establishment of civil society and of free markets.