

***MOZAMBIQUE***

***DEMOCRATIC INITIATIVES***

***PROJECT***

***656-0227***

***PROJECT PAPER***

***AMENDMENT #2***

***SEPTEMBER 1994***

PD-ABK-129

AGENCY FOR INTERNATIONAL DEVELOPMENT

PROJECT DATA SHEET

1. TRANSACTION CODE

A = Add  
 C = Change  
 D = Delete

Amendment Number

2

DOCUMENT CODE

3

COUNTRY/ENTITY  
MOZAMBIQUE

3. PROJECT NUMBER  
656-0227

4. BUREAU OFFICE

AFR

06

5. PROJECT TITLE (maximum 40 characters)

DEMOCRATIC INITIATIVES PROJECT

6. PROJECT ASSISTANCE COMPLETION DATE (PACD)

MM DD YY  
11 2 31 1 91 6

7. ESTIMATED DATE OF OBLIGATION  
(Under "2" below, enter 1, 2, 3, or 4)

A. Initial FY 911 B. Quarter 4 C. Final FY 914

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

A. FUNDING SOURCE	FIRST FY 91			LIFE OF PROJECT		
	B. FX	C. LC	D. Total	E. FX	F. LC	G. Total
AID Appropriated Total	3,000		3,000	19,100		19,100
(Grant)	3,000		3,000	19,100		19,100
(Loan)						
Other (U.S. Host Country Other Donors)						
TOTALS	3,000		3,000	19,100		19,100

9. SCHEDULE OF AID FUNDING (\$000)

A. APPROXIMATE PRIMARY PURPOSE CODE	B. PRIMARY TECH CODE	C. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) DEA		15,000,000				15,000,000	
(2) ESE		2,000,000		2,100,000		4,100,000	
(3)							
(4)							
TOTALS		17,000,000		2,100,000		19,100,000	

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

11. SECONDARY PURPOSE CODE

12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)

A. Code

B. Amount

13. PROJECT PURPOSE (maximum 480 characters)

To support Mozambican initiatives to establish a foundation for a stable democratic society.

14. SCHEDULED EVALUATIONS

Interim MM YY Final MM YY  
01 2 91 5 1 1 1 2 91 6

15. SOURCE/ORIGIN OF GOODS AND SERVICES

000  941  Local  Other (Specify) 935

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

This amendment increases the LOP funding by \$2.1 million. The project is implemented through direct USAID contracts, Cooperative Agreements and grants to Public International Organizations. Adequate funding is available for Non-Federal Audit if required.

George Jenkins, Controller

17. APPROVED BY

Signature

James T. Smith, Jr.

Title

Acting Mission Director

Date Signed

MM DD YY

18. DATE DOCUMENT RECEIVED BY AID/W. OR FOR AID/W DOCUMENTS. DATE OF DISTRIBUTION

11 14 94



PROJECT AUTHORIZATION  
AMENDMENT NO. 2

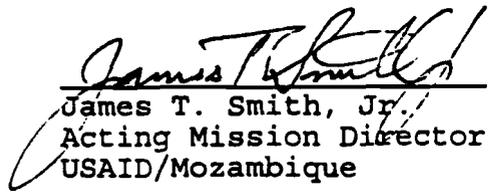
Cooperating Country: Mozambique  
Project Title: Democratic Initiatives Project  
Project Number: 655-0227

Pursuant to Sections 116(e), 496 and 531 of the Foreign Assistance Act of 1961, as amended, the Foreign Operations, Export Financing and Related Programs Appropriations Act of 1991 and subsequent years, and Africa Bureau Delegation of Authority 551 as amended, I hereby amend the Authorization of the subject project as follows:

Paragraph 1 is deleted in its entirety and replaced by:

"1. Pursuant to Sections 116(e), 496 and 531 of the Foreign Assistance Act of 1961, as amended, the Foreign Operations, Export Financing and Related Programs Appropriations Act of 1991 and subsequent years, and Africa Bureau Delegation of Authority 551 as amended, I hereby authorize the Democratic Initiatives Project (Project) for the Republic of Mozambique (Grantee), involving planned obligations not to exceed Nineteen Million One Hundred Thousand United States Dollars (\$19,100,000) in grant funds over a period of five years and three months 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 of the Project. Except as USAID may otherwise agree in writing, the planned life of the Project is five years and three months from the date of initial obligation."

Except as amended herein, the Project Authorization remains in full force and effect.

  
James T. Smith, Jr.  
Acting Mission Director  
USAID/Mozambique

Date: 9/15/94

USAID Project No. 656-0227  
Project Authorization  
Amendment No. 2

P:\PPA\BUD\DIFAUTH.AM2

Drafted by MAlexander, RLA, 9/9/94

Clearances:

C. North, PPA  
J.M. Turner, GD  
G. Jenkins, CONT  
S. Bliss, A/DD

C. North  
J.M. Turner  
(Draft)  
S. Bliss

date 9/15/94  
date 8/15/94  
date 9/14/94  
date 1588/94

**ACTION MEMORANDUM FOR THE ACTING DIRECTOR**

  
From: Charles North, PPA  
Date: September 9, 1994  
Subject: Increase of Life of Project Funding for the Democratic Initiatives Project,  
656-0227

Problem: Your approval is required to increase the authorized life of project (LOP) funding level for the Democratic Initiatives Project (656-0227) from \$17.0 million to \$19.1 million.

Background: The Democratic Initiatives Project was authorized and the Grant Agreement signed on September 27, 1991. Subsequent amendments to the Project Paper and Project Authorization have extended the PACD from December 31, 1993 to December 31, 1996 and increased the authorized LOP funding level from \$4.0 million to \$17.0 million. The Project is fully obligated at \$17.0 million (including \$2.0 million ESF), and only approximately \$2.0 million remains unearmarked.

The Project, as amended, has four components: election support; decentralization of the government; legal sector reform; and the strengthening of civil society. While some progress has been made on the other components, with the elections scheduled for October 27 and 28, 1994, the focus of project management is on the electoral support component. This component accounts for \$10.45 million of the obligated Project funds and is financing: civic education, electoral officer training and aircraft logistical support (ESF financed). Additional funds are now required to fill gaps in the electoral budget--outstanding needs and newly identified additional aircraft support requirements--and items not included in the official budget, such as training and logistical support for political party monitors and international observers.

While there are still some unearmarked funds left in the DIP budget, these funds are not sufficient to address the immediate requirements and are needed for other project activities in the post-electoral period. These remaining funds are also from the Development Fund for Africa (DFA), and Africa Bureau guidance restricts their use in support of elections to advisory services, training and civic education.

To address this funding constraint, an additional \$2.1 million ESF has been identified and will be allowed to the Project in FY 1994 for electoral activities. This requires an increase in the authorized LOP funding level from \$17.0 million to \$19.1 million.

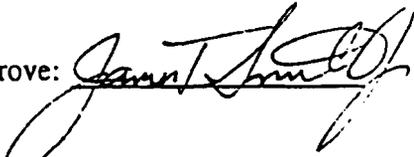
The Grant Agreement Amendment No. 4, through which these funds will be obligated, will include new language (Section 6.3) allowing USAID to issue direct contracts and assistance instruments without first obtaining GRM concurrence for each action. This clause is being added to ensure that the Mission has the flexibility to respond rapidly to urgent needs in the final stages of the electoral process. However, care should be taken by USAID not to interpret Section 6.3 as a blanket waiver of GRM approval for

implementation actions. This Section should be used only in those instances where quick implementation of critical but routine implementation actions needs to be taken and time does not permit full formal GRM clearance.

DOA 551 Section 4.A.(2)a. authorizes you to amend project authorizations provided the amendment will not result in a total Life of Project funding of more than \$30 million, a total LOP longer than 10 years, or a waiver or policy decision requiring USAID/W action.

This Action Memorandum will serve as a Supplement to the Project Paper increasing the LOP funding level.

Recommendation: That you approve an increase in the authorized LOP funding level for the Democratic Initiatives Project from \$17.0 million to \$19.1 million. Please indicate your approval by signing below and by signing the Project Authorization Amendment No. 2.

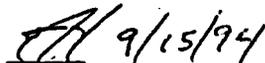
Approve: 

Disapprove: \_\_\_\_\_

James T. Smith, Jr.  
Acting Mission Director

9/15/94  
Date

Draft: CNorth, PPA  
Clear: JMTurner, GD  
MAlexander, RLA  
GJenkins, FM  
SBliss, A/DD

  
(Draft, 9/13/94)  
(Draft, 9/9/94)  
(Draft, 9/14/94)  
