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"THIS IS A PRIMARY OBLIGATING DOCUMENT THAT IS NOT  
PURSUANT TO A HANDBOOK 3 PROJECT AGREEMENT"

U.S. AGENCY FOR  
INTERNATIONAL  
DEVELOPMENT

September 28, 1994

Dr. Antonio Cançado Trindade  
Director  
Inter-American Institute of Human Rights/CAPEL  
Apartado Postal 10.081-1000  
San Jose  
Costa Rica

Subject: Grant No. 527-0376-G-00-4348-00

Dear Dr. Cançado:

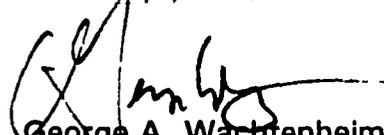
Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the United States Agency for International Development (hereinafter referred to as "USAID" or "Grantor") hereby grants to the Inter-American Institute of Human Rights/CAPEL (herein after referred to as "IIHR/CAPEL" or "Grantee"), the sum of \$600,000 to provide support for a training and technical assistance program to the Jurado Nacional de Elecciones, as described in the Schedule of this Grant and the Attachment 2, entitled "Program Description."

This Grant is effective and obligation is made as of the date of this letter and shall apply to commitments made by the Grantee in furtherance of program objectives during the period beginning with the effective date and ending June 30, 1995.

This Grant is made to the IIHR/CAPEL, on condition that the funds will be administered in accordance with the terms and conditions as set forth in the attachments listed under my signature below, which together constitute the entire Grant document and which have been agreed to by your organization.

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

Sincerely yours,

  
George A. Wachtenheim  
Director

**Attachments:**

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

**ACKNOWLEDGED:**

Inter-American Institute of Human Rights/CAPEL

BY: *AA Anselmo Prindes*  
Title: *Executive Director IIDH*  
Date: *07 October 1994*

**FISCAL DATA**

**Allocation:**

**Appropriation: 72-113/41037**

**Budget Plan Code: LES3-94-25527-KG13**

**PIO/T No.: 527-0376-3-40092**

**Total Estimated Amount: \$600,000**

**Total Obligated Amount: \$600,000**

**Funding Source: USAID/Peru**

**SCHEDULE**

**A. Purpose of Grant**

The purpose of this Grant is to provide support for a training and technical assistance program to the Jurado Nacional de Elecciones, as more specifically described in Attachment 2 to this Grant entitled "Program Description."

**B. Period of Grant**

1. The effective date of this Grant is the date of the Cover Letter. The estimated completion date of this Grant is June 30, 1995.

**C. Amount of Grant and Payment**

1. USAID hereby obligates the amount of \$600,000 for purposes of this Grant.

2. Payment shall be made to the Grantee in accordance with procedures set forth in Attachment 3 - Optional Standard Provision No. 1, entitled "Payment Periodic Advance."

**D. Financial Plan**

The following is the Grant Budget, including local cost financing items, as authorized. Revisions to this budget shall be made in accordance with Mandatory Standard Provision of this Grant, entitled "Revision of Grant Budget."

**Grant Budget  
 (U.S. Dollars)**

ELEMENTS		
<b>1. Logistics and Management Support throughout the Electoral process</b>		<b>\$304,220</b>
External Consultants (1 x 12 days x 8 months x \$200/day)	\$ 19,200	
Expert in Electoral Logistics (\$1,800 x 8 months)	\$ 14,400	
Project Assistant (\$770 x 9 months)	\$ 6,930	
Expert technician on elect.logistics (12 days x 8 months x \$100)	\$ 9,600	
Expert technician on data processing (12 days x 8 months x \$100)	\$ 9,600	
External Adv.in high level management (12 days x 8 mon. x \$100)	\$ 9,600	
External Adv. in Project Control (12 days x 8 months x \$200)	\$ 19,200	
<b>Travel &amp; PerDiem</b>		
7 tickets x 8 months x \$1,030	\$ 57,680	
1 ticket x 1 month x \$1,030	\$ 1,030	
7 people x 12 days x 8 months x \$211/day	\$141,792	
1 people x 8 days x 1 month x \$211	\$ 1,688	
Computer and software to JNE members	\$ 13,500	
<hr/>		
<b>2. High-level Training Session on Elections Management Decision-making</b>		<b>\$9,848</b>
Consultant/Org. Development (8 days x \$200/day)	\$ 1,600	
Tickets (2 x \$1030)	\$ 2,060	
PerDiem (2 x 4 days x \$211/day)	\$ 1,688	
Design/Conference	\$ 1,500	
Management/Session	\$ 1,500	
Materials and Report	\$ 1,500	
<hr/>		
<b>3. Program Administration/Home Office Cost/Local Office costs</b>		<b>\$139,477</b>
<b>A. General Coordination</b>		
Coordinator (9 months x 1000/month)	\$ 9,000	\$67,958
Fringe Benefits (Coordinator, Project Director and Project Assistant)	\$11,250	
Travel/Coordinator (6 x \$1,030)	\$ 6,180	
PerDiem/Coordinator(8 days x 6 x \$211)	\$10,128	
Direct Administrative Costs	\$18,000	
Life and Medical Insurances	\$13,400	
<b>B. Lima Office</b>		
Secretary (\$400 x 9 months)	\$ 3,600	\$41,400
Car rental (12 days x 9 x \$100/day)	\$10,800	
Internal Transportation	\$ 4,500	
Office equipment rental (\$1000/month x 9)	\$ 9,000	
Communications (\$1,000/month x 9)	\$ 9,000	
Office supplies (\$500 x 9 months)	\$ 4,500	
<b>C. Financial Control and Audits</b>		
Accountant (\$900x 9 months)	\$ 8,100	\$30,119
Fringe Benefits (\$315 x 9 months)	\$ 2,835	
Travel (4 x \$1,030)	\$ 4,120	
PerDiem (6 days x 4 x \$211)	\$ 5,064	
External Audit	\$10,000	

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ELEMENTS		
<b>4. Complementary Activities</b>		
Team of Technicians Specialized in Observation/Analysis of Elections	\$46,455	\$46,455
Tickets (15 x \$1,000)	\$15,000	
PerDiem (15 x 7 days X\$211)	\$22,155	
Direct Cost of Mission (car rental, communication, materials)	\$ 5,300	
Mission report	\$ 4,000	
<b>5. Overhead (20%)</b>		\$100,000
<b>GRAND TOTAL</b>		<b>\$600,000</b>

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**E. Reporting Requirements**

**1. Financial Reporting**

a. Financial reporting requirements shall be in accordance with the Optional Standard Provision of this Grant entitled "Payment-Periodic Advance" as shown in Attachment 3.

b. IIHR/CAPEL is required to maintain books and records in accordance with generally accepted accounting principles. IIHR/CAPEL is also required to have a Recipient contracted audit for the activities financed under this Grant.

c. The original and two copies of all financial reports shall be submitted to USAID/Peru, Office of the Controller, Larrabure y Unanue 110, Lima 1, Peru.

**2. Monthly Progress Reports**

IIHR/CAPEL will submit to the Office of Democratic Initiatives and Training, USAID/Peru, monthly progress reports five work-days after the end of each month. These reports will identify activities carried out during the previous period and any implementation problems and activities planned for the next period.

**3. Special Reports**

Between the required program performance reporting dates, events may occur that have significant impact on the program. In such instances, IIHR/CAPEL shall inform the appropriate USAID Project Officer.

**4. Final Report**

Within two weeks following the estimated completion date of this Grant, IIHR/CAPEL shall submit in English and Spanish five (5) copies of a final report. It will include (1) an Executive Summary of the Grant accomplishments or failings, (2) an overall description of Grant activities under the program during the period of this Grant, (3) comments and recommendations, and (4) a fiscal report that describes in detail how the Grant funds were used.

**F. Indirect Costs Rates**

Pursuant to the Standard Provision of this Grant entitled "Negotiated Overhead Rates-Provisional," an indirect cost rate shall be established for each of the Grantee's accounting periods which apply to this Grant. Pending establishment of a final or revised provisional indirect cost rate, provisional payment on account of allowable indirect costs shall be made on the basis of the following negotiated provisional rate applied to the base which is set forth below:

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<u>Type</u>	<u>Rate</u>	<u>Base</u>	<u>Period</u>
Provisional Overhead	20%	(1)	(2)

- (1) Base of Application: Total direct costs.  
(2) Effective Date of Agreement until amended.

**G. Special Provisions**

1. As set forth in Attachment 3, all Mandatory Standard Provisions for Non-U.S., Non-governmental Grantees apply to this Grant. Applicable Optional Standard Provisions are indicated on the Checklist in Attachment 3.

2. To assist in the implementation of the project, USAID from time to time will issue implementation letters furnishing additional information on requirements regarding matters stated in this Grant. Such letters shall not modify the terms of the Grant.

3. The USAID Project Officer is authorized to issue all approval documents which can clearly and reasonably be considered within the terms of this Grant as written.

4. Closeout Procedures

This section prescribes uniform closeout procedures for this Grant.

a. The following definitions shall apply for the purpose of this section:

1) Closeout: The closeout of a grant is the process by which USAID determines that all applicable administrative actions and all required work of the grant have been completed by the Grantee and USAID.

2) Date of Completion: The date of completion is the date on which all work under the Grant is completed or the date of the award document, or any supplement or amendment thereto, on which sponsorship ends.

3) Disallowed Costs: Disallowed costs are those charges to a Grant that USAID or its representative determines to be unallowable in accordance with the applicable Federal cost principles or other conditions contained in the Grant.

b. USAID closeout procedures include the following requirements:

1) Upon request, USAID shall make prompt payments to a Grantee for allowable reimbursable costs under the Agreement being closed out.

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2) The Grantee shall immediately refund any balance or unobligated (unencumbered) cash that USAID has advanced or paid and that is not authorized to be retained by the Grantee for use in other Agreements.

3) In the event a final report has not been performed prior to the closeout of the Grant, USAID shall retain the right to recover an appropriate amount after fully considering the recommendations on questioned costs resulting from the audit.

H. Title of Property

Title to property acquired hereunder shall vest in the Grantee, subject to the requirements of the Standard Provision of this Grant entitled "Title To and Use of Property (Grantee Title)." Disposition of property shall be in accordance with said optional provision.

I. Authorized Geographic Code

The USAID Geographic Code under this Grant is 000 (U.S.) and Peru.

## PROGRAM DESCRIPTION

### A. Introduction

The 1995 presidential elections present a major challenge to the Peruvian National Electoral Board (JNE). As has historically been the case, a new JNE was recently formed to administer the 1995 general elections. In accordance with the 1993 Peruvian Constitution, the number of members in the new JNE has been reduced from 7 to 5. As a result of a historically slow release of results, the JNE will be under intense scrutiny throughout the 1995 electoral process. Also, the elections administration has been largely ad hoc in Peru. A new board is set up for each election and essentially dissolved once winners are declared and disputes settled, except for the President and Secretary-General. This has led to a lack of institutional memory, delays in decision-making, obstacles in the planning of elections, and devotion of inordinate amounts of time and energy to setting up administrative structures, recruiting and staff training each time an election is held.

The 1993 Peruvian Constitution calls for the establishment of a three-body system for the management of elections in Peru. However, due to the lack of a single entity clearly responsible for implementing the 1995 elections, the Lima Bar Association submitted a proposal which was subsequently adopted by the National Congress (Ley 26304)-- passed on April 21, 1994 and signed May 4, 1994-- that designates the JNE as the sole body responsible for organizing elections. The other two bodies, the National Electoral Processes Office-- responsible for organizing and developing the budget for electoral processes, designing ballots, producing forms and other necessary materials -- and the National Civil Identification Registry--responsible for the registration of births, weddings, divorces, deaths, issuing the necessary documentation, and preparing and maintaining the electoral registry-- will not be fully established until after the April 1995 elections.

### B. Background

Perhaps the most significant problem with election administration in Peru has been the absence of a professional group of election administrators at all levels. Many key elections officials are judges, prosecutors, or lawyers with backgrounds in various areas of law who generally have little or no experience or training in election administration.

The JNE needs technical assistance in several areas to better enable it to: 1) manage the elections in a fair, transparent and expeditious way; 2) administer the process utilizing modern technology in its planning and monitoring; and, 3) improve its image among the Peruvian citizenry and international community.

CAPEL submitted an unsolicited proposal on September 9, 1994 to implement a direct technical assistance program to the JNE. This technical assistance will: 1) provide high level management support to the JNE throughout the electoral process; 2) provide high level decision-making training to JNE members, and, 3) technically assess the electoral process, once completed, in order to make recommendations for future elections.

CAPEL is a specialized technical assistance program of the Inter-American Institute of Human Rights. The program serves to provide technical assistance to electoral processes. CAPEL's experience and demonstrated capacity is widely recognized in Latin America. It currently serves as the Executive Secretariat of the Association of Electoral Bodies for South America. CAPEL typically provides technical assistance to national electoral boards, observes election processes, and carries out national civic and electoral education campaigns. CAPEL will play an important role in providing high level training to JNE members in elections administration. Its highly specialized programs in elections management will contribute significantly to improve JNE members' abilities to administer elections in a fair, expeditious and transparent way.

C. Purpose of the Grant

The purpose of the Grant is to:

- Provide technical assistance to the management of the JNE;
- Provide high-level, decision-making training on elections administration to members of the JNE;
- Assess the electoral process and make technical recommendations for future improvements in management and administration of electoral processes in Peru

D. Project Implementation and Institutional Responsibilities

1. IIHR/CAPEL Responsibility

IIHR/CAPEL will have responsibility for overall management and coordination of the following activities:

*a. Logistics and Management Support throughout the Electoral Process*

IIHR/CAPEL will establish staff and maintain in Peru (with appropriate home office support), a Technical Unit (TU) which will provide support to the JNE in Peru. The TU will be IIHR/CAPEL's principal means of stewardship of USAID Grant funds, and will be the regular point of contact between USAID/Peru and IIHR/CAPEL concerning implementation of the Grant.

IIHR/CAPEL will designate a team of experts -- former members of National Electoral Boards from other countries in Latin America -- to use the mechanism of "horizontal cooperation" as a means for sharing experiences and networking with other electoral boards of the Latin American region. Members of the designated advisors' teams will share their elections organization and management experiences directly with Peruvian JNE members. This team will be complemented by the participation of technicians and other experts from IIHR/CAPEL in activities directly involved with logistics and management support.

CAPEL's advisors and technicians will assist the JNE monitoring JNE's work throughout the electoral process, including the run-off election if no presidential candidate obtains a majority of votes in the April election.

The development of this project activity will include periodic reports to JNE members on the established chronogram of activities. This will allow the JNE to take prompt and appropriate measures to strengthen and correct the management of the electoral process. The team of advisors will submit reports to the JNE twice a month. Additional reports will be drafted as deemed necessary for specific JNE actions.

To support the management of the electoral process and facilitate its monitoring, the JNE will be provided with a set of five personal computers. Such equipment will be a support for the advisory that CAPEL's experts and technicians will provide to the JNE. Subsequently, CAPEL members will make comments, observations, and recommendations as necessary. Also, JNE members could request reports on daily progress, in addition to the periodic reports provided by CAPEL.

*b. High-level Training Session on Elections Management Decision-making*

This activity is deemed essential for the high-level organization and direction of the management process in the April 1995 elections.

As a first task, an assessment team will travel to Peru, headed by an external consultant specialized in organizational development and management processes. The team will meet with JNE members and management staff to determine initial areas of support before training sessions are initiated.

Once training courses are designed for JNE members, training activities will be carried out over a period of no more than three days. Areas of training will include: 1) planning and strategic vision for the electoral process from a high-level, decision-making perspective; 2) decision-making in emergency situations; 3) conflict resolution; 4) negotiation processes; 5) monitoring and evaluation of electoral processes; and 6) institutional leadership.

***c. Team of Technicians Specialized in Observation and Analysis of Elections***

This team will be composed of political analysts, technical advisors, members of other electoral boards of the Inter-American Association of Electoral Boards, and senior staff from IIHR/CAPEL. Each team member will be provided a *dossier* containing relevant information on the prevailing pre-electoral political climate in Peru, as well as additional information on the electoral process from three perspectives: legal (Peruvian Constitution, Electoral Law), political (newspaper clippings, etc.) and managerial (organization and management of the electoral process).

An estimated 10-15 specialists will travel to Peru four days prior to the elections and will remain in Peru two days after the electoral process is concluded. During this time, they will meet political leaders, church representatives, members of representative civic institutions, and journalists, to gather their views regarding the electoral process. On election day, team members will be distributed throughout the country in order to observe the electoral process in both rural and urban areas. After the elections, the team will meet to evaluate the process. Once this process is completed, a designated member will generate a confidential report to be handed to the JNE for its exclusive use and information.

d. IIHR/CAPEL will make the necessary arrangements to assure effective coordination with other international NGOs participating in the Elections Assistance Project (527-0376), as well as with the Peruvian National Elections Board and USAID/Peru. In addition, IIHR/CAPEL will assign an individual to act as the principal contact with the USAID/Peru Election Support Project Manager.

**2. USAID Project Monitoring and Management**

The Office of Democratic Initiatives and Training (ODIT) will assume overall responsibility for project management within USAID/Peru. The Division Chief or her designee will serve as the Project Manager and will be responsible for overall Project coordination and monitoring. The Project Manager will be assisted by a Personal Services Contractor (PSC) Project Coordinator. The major responsibility of the Project Coordinator will be to monitor and coordinate the terms of the Grant ensuring compliance with Project objectives and USAID procedures, and maintain an ongoing USAID relationship.

**3. Financial Management**

Prior to disbursement of funds under the Grant, IIHR/CAPEL will submit for USAID review and approval a detailed work plan of activities to be carried out, including the objectives pertaining to its overall elections support to Peru.

**MANDATORY AND OPTIONAL STANDARD PROVISIONS**  
(Appendix 4D, USAID Handbook 13)

The following Mandatory and Optional Standard Provisions for Non-U.S. Non-Governmental Grantees in effect as of the effective date of this Grant are incorporated herein by reference with full force and effect as though fully set forth herein:

**A. Mandatory Standard Provisions**

- |  |                 |
|--|-----------------|
| 1. Allowable Costs   | (June 1993)     |
| 2. Accounting, Audit, and Records                          | (October 1992)  |
| 3. Refunds   | (June 1993)     |
| 4. Revision of Grant Budget                                | (June 1993)     |
| 5. Termination and Suspension                              | (June 1993)     |
| 6. Disputes  | (June 1993)     |
| 7. Ineligible Countries                                    | (May 1986)      |
| 8. Debarment, Suspension, and Other Responsibility Matters | (March 1989)    |
| 9. U.S. Officials not to Benefit                           | (November 1985) |
| 10. Nonliability   | (November 1985) |
| 11. Amendment  | (November 1985) |
| 12. Notices  | (November 1985) |
| 13. Metric System of Measurement                           | (August 1992)   |

**B. Optional Standard Provisions**

- |  |             |
|--|-------------|
| 1. Payment - Periodic Advance                    | (June 1993) |
| 3. Air Travel and Transportation                 | (June 1993) |
| 4. Ocean Shipment of Goods                       | (June 1993) |
| 5. Procurement of Goods and Services             | (June 1993) |
| 6. AID Eligibility Rules for Goods and Services  | (June 1993) |
| 8. Local Cost Financing                          | (June 1993) |
| 16. Negotiated Overhead Rates-Provisional        | (June 1993) |
| 17. Title To and Use of Property (Grantee Title) | (May 1986)  |