

PROJECT IMPLEMENTATION REPORT
HUMAN RIGHTS PROJECT

100

I. Administrative Information

- A. Country : South Africa
- B. Project Title : Human Rights Project
- C. Project Number : 674-0305
- D. Date of Report : April 1989
- E. Implementing Agency : Non-governmental organizations
- F. Major Contractors/Amounts : Various
- G. Field Backstop Officer : Peter Olson
(Small Grants, Legal Assistance, Democratic Alternatives)
Jennifer Bisgard
(Victims/Violence)
- H. AID/W Backstop Officer : Sid Bliss
- I. Date Last Evaluation/Audit : None
- J. Date Next Evaluation/Audit : First quarter 1990
- K. Waivers Processed This Period: None

II. Financial Data

- A. Date of Authorization : October 1986 (CAAA)
- B. Authorized LOP : N.A.
- C. Date of Initial Obligation : 1983 (Small Grants);
1986 (Legal Ass't)
1987 (Vic./Violence)
1987 (Democ. Alts.)
- D. PACD : N.A.
- E. Cumulative Obligations : \$6,243,391
(\$3,311,541 (S.G.))
(\$2,231,850 (L.A.))
(\$ 350,000 (V.V.))
(\$ 350,000 (D.A.))
- F. Cumulative Accrued Expenditures : \$4,132,291
(\$2,751,006 (S.G.))
(\$1,271,431 (L.A.))
(\$ 1,114 (V.V.))
(\$ 108,740 (D.A.))
- G. Cumulative Commitments : \$6,243,391
- H. Cost of Individual Inputs : N.A.
- I. Pipeline : \$2,111,100
(\$ 560,535 (S.G.))
(\$ 960,419 (L.A.))
(\$ 348,886 (V.V.))
(\$ 241,886 (D.A.))

III. Performance Information

A. Project Purpose and Sub-objectives

Background: The Human Rights project consists of four elements mandated by FAA section 116, as amended by the Comprehensive Anti-Apartheid Act of 1986. Those elements, with the minimum level of expenditure mandated by statute indicated in parentheses, are: Small Grants (no minimum), Legal Assistance (\$500,000), Victims of Violence (\$175,000) and Democratic Alternatives (\$175,000).

Purpose: To promote political, economic, social, juridical and humanitarian efforts to foster a just society and help victims of apartheid.

Sub-objectives:

1. Challenge SAG violations of human rights.
2. Support persons promoting beneficial social change and resisting apartheid policies.
3. Increase disadvantaged South Africans' access to, participation in and effective use of the legal, judicial and political systems.
4. Promote awareness of civil, political and human rights.
5. Promote democratic processes and institutions and encourage increased communication within the society at large.
6. Assist victims of violence.
7. Support black contributions to a peaceful political resolution of the current crisis.

B. Progress Towards Meeting EOPS

The overall balance and effectiveness of the Human Rights project remain satisfactory. The acceptability of USG funding among potential recipients of interest is growing, especially in the area of Legal Assistance, although groups providing detainee support remain problematic. More Small Grants are being made in rural areas and regions other than the Pretoria/Witwatersrand/Vereeniging (south central Transvaal) metropolitan area. Legal Assistance funds are reaching a broader range of rural recipients and progress is expected in the effort to enter into agreements with a limited number of black firms outside the principal urban areas. It remains difficult both to find appropriate recipients for and to generate activity under Victims of Violence and Democratic Alternatives grants, and meeting these earmarks in FY89 will be very difficult.

Substantial Small Grant obligations have begun earlier than in past years and it is expected that roughly 80 agreements (60 Small Grants, 18 Legal Assistance, one Victims of Violence, one Democratic Alternatives) will be signed in FY89.

A staff increase and administrative reforms have permitted closedown of several dozen inactive agreements, greater control

over advances and generally increased control over financial and management aspects of grants under all program elements. Including recent actions, 357 of 548 grants (including amendments increasing funding) made since 1983 are closed out; 75-80 of the 191 remaining will be closed out or deobligated by the end of FY89.

C. Project Outputs

Small Grants (FAA Sec. 116(e)(2)): a number of grants, largely at the community level, promoting human rights and challenging their abuse in the South African context.

Legal Assistance (Sec. 116(f)): several grants supporting legal defense funds and other activities providing direct legal assistance for persons detained or charged for "political" (broadly read) activities, expanding legal and other community services to black South Africans, and strengthening the black legal sector.

Victims of Violence (Sec. 116(g), first sentence): grants providing ad hoc relief funds and other support for victims of violence.

Democratic Alternatives (Sec. 116(g), second sentence): several grants supporting black contributions to constitutional and political development and cross-racial understanding.

D. Important Accomplishments, Issues and Problems

1. 20 Small Grants and three Legal Assistance grants were signed in the second quarter. (Not all, however, were recorded as obligated as of March 31.)

2. The Human Rights Officer visited each of the four South African posts to discuss the Human Rights program, with emphasis on the Small Grants element. New recipients were developed at each post, and in a trip to the Eastern Cape.

3. Staff expansion has enabled the Human Rights office to improve administrative and management of the Small Grants and Legal Assistance elements. Deobligations are rapidly reducing the number of moribund but formally active agreements, tighter control is exercised over advances, applications are reviewed more carefully and conduct of existing grants receives closer scrutiny. Information on non-Small Grant agreements has been organized so as to permit effective review of status and trends in each grant and a system for reviewing each such agreement at least every four months has been instituted.

4. The planned evaluation has been deferred to the first quarter of FY90 in view of plans to extend the existing Human Rights Officer's tour to December 1989 or later.

5. Small Grants. The Embassy and Consulates are more actively engaged in developing Small Grants than before, leading to substantial obligations earlier than in previous years and giving DEVO staff time to develop grants in areas not adequately served by those offices. New procedures have been instituted to increase the information on each applicant made available to the Mission and to increase Embassy and Consular officers' accountability and responsibility for applicants they identify. Systematic deobligations and generally closer management of Small Grant recipients is paying off in a reduced administrative burden. IQC's are conducting a series of random informal evaluations of FY86-88 Small Grant recipients; preliminary results with respect to use of funds and recordkeeping are surprisingly reassuring. Streamlining has been applied to several agreements but regrettably appears likely to entail administrative costs (e.g., in assuring that adequate financial records are kept to ensure submission of the Final Financial Reports which substitute for receipt-based accountability) generally similar to those for non-streamlined grants. Requests for assistance to media continue to expand, presenting difficult political problems deriving from the sensitivity, both in the United States and in South Africa, of government funding of media operations.

6. Legal Assistance. There are few problems related to this sector. Acceptability of U.S. funding continues to grow, largely due, we believe, to our substantial but quiet support for the so-called "Delmas" case (a major treason trial of the UDF's national leadership, now on appeal following conviction of the principal defendants). Some grants have met with difficulties related to financial management, accountability and over-ambitious goals exceeding the recipient's current administrative capacity. Expanding efforts to fund non-metropolitan black law firms will, it is hoped, permit an increase in the number and amount of grants going to black recipients while avoiding these problems. Various approaches are being explored to address the likelihood that some legal bills submitted to us, as to other donors, are inflated.

7. Victims of Violence. Although there are informal indications that both grants have been actively aiding victims of violence, reporting and financial accountability in both cases has been highly problematic. The Project Officer will continue her efforts to resolve these issues, but as discussed in the annex the nature of the grantees and their problems indicate that resolution will not be quick. Efforts have begun to find a suitable grantee for the FY89 earmark, but as recent developments with one recipient reflect, it is extremely difficult to find a recipient with the requisite characteristics of perceived neutrality and an ability and readiness to manage this type of grant. As with Democratic Alternatives, the staff time absorbed by this earmark, especially when compared to the meagre results to date, and the difficulty of identifying appropriate recipients, underscore the great need for modification or elimination of this earmark.

8. Democratic Alternatives. FY88 grants are progressing satisfactorily, but some FY87 grants have still not gotten off the ground. This earmark remains highly problematic due to internal contradictions and narrowly-drawn statutory language. Discussions have begun with several potential recipients of FY89 funds under this earmark and identification of others continues. Meeting this earmark absorbs disproportionate staff time, with success in that task far from assured. The need for relief through modifying or eliminating this earmark is urgent.

E. Important Actions Over Next Six Months

1. Continue implementation of existing agreements; design and execute new agreements and amendments to existing agreements. (See Annex for details.) USAID/Pretoria, ongoing.

2. Conduct systematic review of non-Small Grant agreements; address key implementation issues of specified projects. (See Annex for details.) USAID/Pretoria, ongoing.

3. Arrange for evaluation of Human Rights project. USAID/Pretoria, next two reporting periods.

4. Begin to identify potential recipients for FY90 funds. USAID/Pretoria, ongoing.

5. Pursue modifications to FAA Sec. 116 -- especially subsection g -- to eliminate counter-productive earmarks and restrictions. AID/W, next reporting period.

6. Address and insofar as possible resolve issues related to advance liquidation and overdue deobligations. USAID/Pretoria, next reporting period.

7. Codify and summarize Human Rights office policies and procedures for Mission use. USAID/Pretoria, next two reporting periods.

8. Begin to identify benchmarks for assessing progress in Human Rights grants and portfolio as a whole. USAID/Pretoria, ongoing.

HUMAN RIGHTS PROJECT
Status of Active Agreements, FY86-89

NOTE: Included below are only those agreements concluded in full grant format. Nine active Democratic Alternatives grants other than the three listed below, and 147 Small Grants other than the two listed below, were done in Small Grant format and are not individually discussed.

NOTE: All figures are accurate as of 4/19/89 but closely reflect the situation on 3/31/89; figures on cover page, however, are accurate as of 3/31/89.

I. Problem Projects

A. Legal Assistance

1. Advice Centres Association

IAA-6-674-J06

LOP: \$72,000; FY86-89

Exp. to date: \$36,593

Johannesburg-based; programs operate largely in the Transvaal.

The ACA provides training and other professional support for a large number of advice offices in the Transvaal.

Project Status: The ACA was forced to relocate due to the 1988 Khotso House bombing. Difficulties finding new premises and the loss of several key staff members have led to a slowdown in project activities. Active administration of this project is largely the responsibility of the COLD officer. When funds under this grant are exhausted, all activities will be consolidated with existing COLD grants.

2. Get Ahead Foundation

IAA-6-674-J08

LOP: \$35,000; FY86-87

Exp. to date: \$0

Pretoria-based; program focussed on the Transvaal.

Get Ahead Foundation supports black entrepreneurial activity. AID funds are intended to be used to convert one or more warehouses in "white" areas for use by small black businesses and thereby to challenge the working of the Group Areas Act.

Project Status: Initial budgeting was unrealistic and this agreement has never gotten underway. It has not been deobligated to date because there have been persistent hopes that it would be possible to proceed with an acceptable variant of the program. This appears increasingly unlikely, and barring exceptional developments it is anticipated that this agreement will be deobligated in the next reporting period.

3. Democratic Lawyers' Congress

IAA-6-674-J10

LOP: \$64,500; FY86-87

Exp. to Date: \$18,150

Pretoria-based; programs have operated throughout the Northern Transvaal.

The DLC is a Charterist grouping of lawyers. AID funds were provided to support its legal defense fund.

Project Status: The DLC is largely, if not yet wholly, moribund and appears to have been effectively superseded by local National Association of Democratic Lawyers (NADEL) chapters. Occasional efforts by its head to revive the grant have come to naught. Efforts continue to obtain a satisfactory accounting for an advance given the DLC and for this reason the agreement has not yet been formally terminated. It is probable, however, that termination will occur during the next reporting period.

4. Institute for Public Interest Law

674-0305-G-SS-8021

LOP: \$200,000; FY88-90

Exp. to date: \$29,737

Pretoria; activities extend to the Orange Free State and throughout the Northern Transvaal.

IPIL is the successor to the Legal Services & Education Foundation, a FY86 recipient. It operates a series of township and city legal clinics employing black lawyers to serve blacks. AID funds support its lawyers' salaries and administration.

Project Status: Despite a completely revamped agreement which sought to address the problems identified under the earlier FY87 agreement, IPIL continues to suffer from inadequate administration which has sharply decreased its effectiveness and reduced its ability to provide the anticipated services. A meeting will be held shortly to discuss performance, following which a decision will be taken on whether to provide the \$100,000 increment of funds the agreement now provides for.

B. Victims of Violence

5. South African Red Cross

674-0305-G-SS-7045

LOP: \$175,000; FY87-89

Exp. to date: \$1,113

Johannesburg- and Cape-Town based.

SARC is the S.A. affiliate of the International Committee of the Red Cross. AID funds are to support activities assisting victims of violence and their families conducted by the SARC's Southern Transvaal and Western Cape branches.

Project Status: Implementation of this agreement has presented continuing difficulties, despite frequent intensive contact between Mission officers and the recipient. Previous hopes of improved performance in the Southern Transvaal region in the near future are fading in light of recent developments; absent such improvement it may be necessary to reduce activity under or even terminate the agreement.

6. International Committee of the Red Cross

674-0305-G-SS-8170

LOP: \$175,000; FY88-90

Exp. to date: \$0 (funds provided by a Federal letter of credit; AID/W reports zero expenditure to date)

Geneva, Switzerland; activities take place in Natal.

The ICRC requires no description. Funds were given it under the Victims of Violence earmark in view of growing doubts about the ability and willingness of the SARC (see 22. above) to use such funds effectively.

Project Status: While informal indications from Natal are that the ICRC is conducting relevant, effective programs to assist victims of violence and their families, this is difficult to prove as the monthly AFREPs (situation reports covering ICRC activities in Africa) do not include a section on South Africa and the ICRC has not yet drawn on its Federal Letter of Credit. Contact through AID representatives in Geneva has not succeeded in improving this situation.

C. Democratic Alternatives

7. Black Housewives' League

674-0305-G-SS-7082

LOP: \$50,000; FY87-90

Exp. to date: \$1,098

Johannesburg-based; activities extend throughout the Northern and Eastern Transvaal and into the Orange Free State and Natal.

The BHL is a grassroots organization of urban and rural black women. Its purposes include economic, social and educational "uplift" and political education. AID funds support its training programs, national conferences, newsletter and organizational activities.

Project Status: This agreement has yet to get fully underway, largely because the BHL now lacks the full-time administrative establishment necessary to pursue its goals actively and consistently. No formal activity under the agreement during FY89 but continued consultation coordinated with the COLD officer is planned to prod the BHL into effective and active use of funds.

8. Crisis Care

674-0305-G-SS-7083

LOP: \$30,000; FY87-90

Exp. to date: \$2,385

Durban and environs.

Crisis Care is a church-based group focussing on community support and outreach activities in the Durban area. AID funds cover costs of its activities to increase inter-racial understanding and promote dialogue among racial groups in the Durban area to the end of promoting a non-racial society.

Project Status: This agreement has been slow to get off the ground. The problem does not appear to be administrative incapacity, since Crisis Care receives funds under COLD and Small Grants and handles them well. Discussions will be held with the recipient on how to increase the level of activity.

II. Projects Without Major Problems

A. Legal Assistance

9. Black Sash Advice Office Trust

IAA-6-674-J01

LOP: \$105,000; FY86-89

Exp. to date: \$71,298

Johannesburg-based; programs operate throughout S.A.

The Black Sash is a world-renowned, longstanding human rights advocacy group. AID funds support its advice office program.

Project Status: Active administration of this agreement is largely the responsibility of the COLD officer. When funds under this agreement are exhausted, all activities will be consolidated with existing COLD grants.

10. Black Lawyers Association Legal Education Centre

IAA-6-674-J02

LOP: \$508,000; FY86-91

Exp. to date: \$128,855

Johannesburg based; programs focus on the Transvaal but extend on occasion to Natal and Cape Province.

The BLA is a professional association formed to advance the common interests of black lawyers. Its Legal Education Centre conducts an active educational and litigation program. This grant supports its legal defense fund, which covers costs of selected human rights cases conducted largely (but not exclusively) by BLA members.

Project Status: Agreement will be amended later in FY89 to provide planned \$100,000 increment, expand the scope of cases covered by the fund and bring its fee tariff into line with that of other human rights legal funders such as the SACC.

11. Black Lawyers' Association (Litigation Department)

674-0305-G-SS-8030

LOP: \$150,000; FY88-91

Exp. to date: \$16,603

Johannesburg-based; practice extends to Natal and the Orange Free State and throughout the Transvaal.

(See 10. above for background.) AID funds support salary and litigation-related disbursements for the BLA's Litigation Office; this office supplements the BLA's legal defense fund (see 2. above) by providing in-house litigation capacity.

Project Status: Activities are satisfactory. As expenditures are below the anticipated rate, however, it is possible that the \$50,000 increment the agreement now provides for will be delayed.

12. Black Lawyers' Association (Feb. 24, 1988 Regulations)

674-0305-G-SS-8032

LOP: \$25,000; FY88-89

Exp. to date: \$0

Johannesburg-based; litigation occurring in Natal and the Transvaal.

(See 10. above for background.) AID funds cover costs of litigation challenging the effective banning under Feb. 24, 1988 regulations of numerous anti-apartheid groups including the UDF and AZAPO.

Project Status: One case has been argued but the decision has been delayed; an appeal is virtually certain, however, and the agreement's term will be extended to cover this eventuality.

13. Rural Legal Services Project

IAA-6-674-J03

LOP: \$150,000; FY86-89

Exp. to date: \$108,976

Johannesburg-based; program operates throughout S.A.

The RLSP is sponsored by the Catholic Church but administered by the Centre for Applied Legal Studies (CALs) located at the University of the Witwatersrand. AID funds support its program of covering costs of legal actions involving issues affecting or events occurring in rural areas (removals, security cases, etc.).

Project Status: The agreement will be amended to provide additional funding beyond the current termination date of September 1989.

14. Legal Resources Trust (General)

IAA-6-674-J04

LOP: \$277,500; FY86-89

Exp. to date: \$177,500

Johannesburg-based; program operates in the Transvaal, the Eastern and Western Cape and Natal.

The LRC is the premier "public-interest law firm" in South Africa. Its six offices focus on precedent-setting cases and those relating to apartheid and security law offenses.

Project Status: Additional funds will be provided, possibly by dividing funding of unconnected activities now gathered under a single agreement into two or more freestanding agreements, and the expiration date extended beyond the current September 1989.

15. Legal Resources Trust (KTC Case)

674-0305-A-00-8151

LOP: \$50,000; FY88-89

Exp. to date: \$0

Lawsuit is run from LRC's Cape Town office and is taking place in Cape Town.

(See 14. above for background.) AID funds support highly costly litigation seeking to establish police liability and obtain compensation for the allegedly police-supported "vigilante" destruction of the KTC squatter camp in 1986.

Project Status: LRC has expended all funds and its claim is expected imminently. It is anticipated that further funds will be provided in FY89.

16. Lawyers for Human Rights (National Directorate)

IAA-6-674-J07

LOP: \$188,000; FY86-89

Exp. to date: \$65,777

Pretoria-based; programs operate throughout S.A.

LHR is a newly-energized human rights advocacy and legal assistance group. AID funds support its legal defense fund, regional organizers and the director's salary.

Project Status: Additional funds will be provided, possibly by dividing funding of unconnected activities now gathered under a single agreement into two or more freestanding agreements. Activities conducted under the agreement are fully satisfactory but claims have been irregular. Closer contact will be needed during the next reporting period.

17. Lawyers for Human Rights (Pretoria Branch)

674-0305-G-SS-7063

LOP: \$81,025; FY87-88

Exp. to date: \$38,418

Pretoria.

LHR/Pta is an active branch of the LHR which has during the past year been overshadowed by the increasing prominence of the newly-established National Office, also located in Pretoria (see 16. above). AID funds support material aid to detainees and their families (administered under a subgrant by the National Office), kwanDebele and court monitoring.

Project Status: LHR/Pta is reassessing its position in light of National Office programs. It is planned that some or all of the funds remaining under this agreement will be redirected to support continuing LHR/Pta activities.

18. Raymond Tucker

674-0305-G-SS-7038

LOP: \$20,000; FY87-89

Exp. to date: \$9,901

Johannesburg; cases supported extend throughout the Transvaal and Natal.

Raymond Tucker is one of the leading legal experts on the Fund-Raising Act and related matters. This Act is often used by the government to harass anti-apartheid organizations. AID funds support both a specific case (Educational Opportunities Council (EOC)) and a range of general litigation under the Act.

Project Status: Services provided have been fully satisfactory. No action is anticipated in FY89, other than a possible extension of time should funds remain at the current termination date of June 30.

19. Smith, Tabata & Van Heerden

674-0305-G-SS-7039

LOP: \$140,000; FY 87-90

Exp. to date: \$53,533

East London; activities largely conducted in Border region and Ciskei.

ST&VH is one of the few human rights-oriented law firms in the East London area. It conducts a high volume of good quality legal work, notably including State of Emergency and security litigation against the South African and Ciskeian authorities. AID funds support this practice.

Project Status: ST&VH had problems under its financial review which we are endeavoring to sort out; there is no question, however, of funds being misused and it is anticipated that the planned increment of funding will be provided on schedule later in FY89.

20. Bell, Dewar & Hall (31 Areas)

674-0305-G-SS-7041

LOP: \$103,325; FY86-88

Exp. to date: \$79,106

Johannesburg; practice extends throughout the Transvaal.

BD&H is the premier private law firm engaged in human rights practice in Johannesburg, and is a major recipient of AID funds. Funds under this agreement supported a critical aspect of the defense in the State v. Baleka ("Delmas") treason trial.

Project Status: This grant is considered active only because BD&H has not yet fully liquidated an advance.

21. Bell, Dewar & Hall (General)

674-0305-G-SS-8034

LOP: \$100,000; FY88-89

Exp. to date: \$75,788

Johannesburg; practice extends throughout the Transvaal.

(See 20. above for background.) This agreement follows on to an FY87 agreement supporting BD&H's general human rights practice. AID funds cover costs of work related principally to detainees, removals and claims against the security forces.

Project Status: BD&H is using its funds well but more quickly than planned. It is anticipated that further funds will be provided in FY89. Consideration is being given to splitting severable activities covered under this agreement into two separate grants.

22. Bell, Dewar & Hall (Delmas Appeal)

674-0305-G-SS-9013

LOP: \$100,000; FY89-90

Exp. to date: \$0

Johannesburg; case is being prepared in Johannesburg and will be argued in Bloemfontein.

(See 20. above for background.) This agreement is a follow-on to others, including 20., supporting the Delmas trial. AID funds here will cover many of the costs of the appeal of the convictions and sentences in the Delmas trial.

Project Status: Activities are well underway and we expect to receive the first claims shortly. No action other than administration of the agreement is anticipated for FY89.

23. Bernadt, Vukic & Potash (General)

674-0305-G-SS-8015

LOP: \$87,500; FY88-89

Exp. to date: \$0

Cape Town; practice extends throughout the Western and Northern Cape Province.

BV&P is one of the few major private firms in Cape Town with an active human rights practice; its reputation in such cases is quite good. AID funds support several specified human rights cases.

Project Status: It has proven difficult to extract reports and billings from BV&P largely, we believe, because of the press of substantive legal work on the principals involved. We are pressing them to submit such bills and reports in view of the fact that the agreement formally terminated March 31. Renewal or extension of the agreement to cover other matters will depend largely on BV&P's response.

24. Bernadt, Vukic & Potash (Upington 25)

674-0305-G-SS-8033

LOP: \$50,000; FY88-89

Exp. to date: \$0

Cape Town; litigation is taking place in Northern Cape.

(See 23. above for background.) AID funds support costs of the argument in mitigation of death sentence in a case involving the controversial "common purpose" doctrine.

Project Status: We are told all funds have been expended, but no claims have yet been filed. BR&P has been asked to provide this billing and the required final report. (See 19. above.)

25. Chennells, Albertyn (Stellenbosch)

674-0305-A-OO-8156

LOP: \$10,000; FY88-89

Exp. to date: \$994

Stellenbosch; practice extends to surrounding rural areas of Western and Southern Cape Province.

Chennells, Albertyn is a small, newly-established human rights practice operating in the Boland, a rich agricultural area near Cape Town noted for regressive social and labor practices. AID funds support this firm's human rights practice; this is the first agreement under a program of directly funding non-metropolitan firms with an active human rights practice.

Project Status: We are in frequent contact with Chennells, Albertyn and are fully satisfied with performance under the agreement. Further funds will be provided later in FY89 if the firm's activities so require.

B. Victims of Violence

None.

C. Democratic Alternatives

26. Centre for Enrichment in African Political Affairs

674-0305-G-SS-7084

LOP: \$195,000; FY87-91

Exp. to date: \$43,944

Johannesburg.

CEAPA is a black think tank established in 1987 as a research and educational center addressing major political issues from a black perspective. AID funds cover salaries and overhead as well as supporting CEAPA's seminars and production of working papers on political issues.

Project Status: CEAPA appears to have weathered a mid-1988 crisis deriving from policy disagreements between some board members and its management and its programs are on course. Disbursement was long deferred due to problems relating to its first financial review, but financial management systems are now in place. No special actions are required in FY89, but close watch will be kept on this recipient in view of the financial and policy difficulties referred to above.

D. Small Grants

27. Bell, Dewar & Hall (Hospital Case)

674-0305-A-OO-8162

LOP: \$10,000; FY88-89

Exp. to date: \$0

Johannesburg; litigation is to take place in Natal or the Transvaal.

(See 20. above for background.) AID funds contribute to costs of developing and litigating a challenge to racially-unequal allocation of funds in State hospitals.

Project Status: There is no current activity under this agreement, but the recipient is examining the likelihood of bringing it to life and will report in the near future. In the event this litigation gives promise of being effective it is possible that additional FY89 funds will be committed to it.

28. Media Defense Fund Trust

674-0305-A-OO-8166

LOP: \$10,000; FY88-89

Exp. to date: \$0

Johannesburg-based; activities throughout S.A.

The MDFT was set up at AID initiative to provide a central, South African-run source of funding for cases involving new State efforts to restrict the media. AID funds cover costs of legal action related to defending against such efforts.

Project Status: The MDFT is fully functional. In anticipation of a flurry of activity which happily did not materialize, all funds were paid out in the form of an initial advance. Now that the agreement has terminated, the recipient has been asked to account for its use of funds. The grant will be extended, and if justified additional funds put into it, at the recipient's expected request to that effect.

29. S.A. Newspaper Education Trust

674-0305-G-SS-9005

LOP: \$30,000; FY89

Exp. to date: \$0

Johannesburg.

SANET is the foundation which runs the Weekly Mail's training program. Funds were contributed to support that program in the context of the State's closure of the Mail for the month of November 1988.

Project Status: All funds have been expended but claims have not yet been submitted. The recipient has been reminded that such a claim is required.