UNITED STATES

AGENCY FOR INTERNATIONAL DEVELOPMENT

USAID / ANTANANARIVO
DEPARTMENT OF STATE
WASHINGTON D.C. 20521-2040

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George Scharffenberger
Madagascar Country Representative
Private Agencies Collaborating Together
1901 Pennsylvania Avenue, NW
Suite 501
Washington, DC 20006

Subject: Award No.: 687-0125-A-00-6138-00

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 Private Agencies Collaborating Together (herein after referred to as PACT or "Recipient"), the sum of $1,499,976.00 to provide support for a program in Participation and Poverty, as described in the Schedule of this award and the Attachment 2, entitled "Program Description."

This award is effective and obligation is made pursuant to Attachment 1, Schedule, paragraph 1.2 entitled Period of Agreement and shall apply to commitments made by the Recipient in furtherance of program objectives during the period beginning with the effective date and ending June 30, 1999. USAID shall not be liable for reimbursing the Recipient for any costs in excess of the obligated amount.

This award is made to PACT, 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."

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 Grant Officer.

Sincerely,

Karen M. Poe

Ms. Karen Poe
A/Mission Director

Attachments:

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

ACKNOWLEDGED: Private Agencies Collaborating Together

BY: _____ Mr. George Scharffenberger

Title: Country Representative

Date: 17 July 1996

ACCOUNTING AND APPROPRIATION DATA

A. GENERAL

1. Total Estimated Amoun	:	$1,499,976.00
2. Total Program Amount	:	$1,512,826.00
3. Total Obligated Amount	:	$1,499,976.00
4. Cost-Sharing Percentage (Non-Federal)	:	.008
5. Project No.	:	687-0125
6. USAID Project Office	:	Program Development Assessment Villa Vonisoa III Avenue Dr. Ravoahangy Anosy BP 5253 Antananarivo (101) Madagascar
7. Tax I.D. Number	:	13-2702768
8. CEC No.	:	07-770-5911
9. LOC Number	:	72-00-1484

B. SPECIFIC

1. PIO/T Number	:	687-0125-3-50011
2. Appropriation	:	725/61014
3. Allotment		
4. BPC	:	GSS5-95-21687-KG13
5. PIO/T Obl. Amount	:	$1,499,976.00
6. ECN: A550021	:	$ 21,976.00
ECN: A550020	:	$1,478,000.00

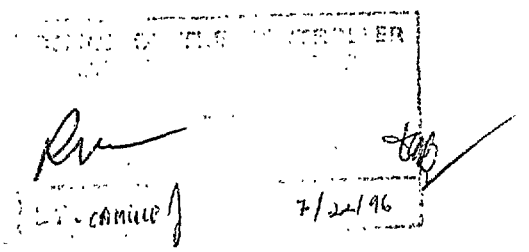

TABLE OF CONTENTS

	PAGE
ATTACHMENT 1, THE SCHEDULE	6
1.1 PURPOSE OF AGREEMENT	6
1.2 PERIOD OF AGREEMENT	6
1.3 AMOUNT OF AWARD AND PAYMENT	6
1.4 BUDGET	6
1.5 (RESERVED)	7
1.6 REPORTING AND EVALUATION	7
1.6.1 Financial Reporting	7
1.6.2 Monitoring and reporting program performance	7
1.7 SUBSTANTIAL INVOLVEMENT UNDERSTANDINGS	8
1.8 KEY PERSONNEL	8
1.9 TITLE TO AND CARE OF PROPERTY	8
1.10 AUTHORIZED GEOGRAPHIC CODE	8
1.11 INDIRECT COSTS	8
1.12 RESOLUTION OF CONFLICTS	9
1.13 COMMUNICATIONS PRODUCTS (OCT 1994)	9
1.14 PAYMENT OFFICE	10
1.15 SPECIAL PROVISIONS	10
ATTACHMENT 2, PROGRAM DESCRIPTION	11
ATTACHMENT 3, STANDARD PROVISIONS	68
3.1 INELIGIBLE COUNTRIES (MAY 1986)	68
3.2 NONDISCRIMINATION (MAY 1986)	68
3.3 U.S. OFFICIALS NOT TO BENEFIT (NOV 1985)	68
3.4 INVESTMENT PROMOTION (JAN 1994)	68
3.5 NONLIABILITY (NOV 1985)	69
3.6 AMENDMENT (NOV 1985)	69
3.7 NOTICES (NOV 1985)	69
3.8 OMB APPROVAL UNDER THE PAPERWORK REDUCTION ACT (AUG 1992)	69
3.9 AIR TRAVEL AND TRANSPORTATION (AUG 1992)	70
3.10 OCEAN SHIPMENT OF GOODS (AUG 1992)	74
3.11 AID ELIGIBILITY RULES FOR GOODS AND SERVICES (AUG 1992)	75
3.12 SUBAGREEMENTS (FEB 1995)	78

3.13 NEGOTIATED INDIRECT COST RATE PROVISIONAL (AUG 1992) 79
3.14 REGULATIONS GOVERNING EMPLOYEES (AUG 1992) 80
3.15 USE OF POUCH FACILITIES (AUG 1992) 81
3.16 CONVERSION OF UNITED STATES DOLLARS TO LOCAL CURRENCY (NOV 1985) 82

ATTACHMENT 4 83

STANDARDS FOR USAID-FUNDED PUBLICATIONS 83

STANDARDS FOR USAID-FUNDED VIDEO PRODUCTIONS 84

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 July 1, 1996 and the estimated completion date is June 30, 1999.

1.3 AMOUNT OF AWARD AND PAYMENT

(a) USAID hereby obligates the amount of $1,499,976.00 for the purposes of this Agreement.

(b) Payment shall be made to the Recipient by Payment - Letter of Credit 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.

	USAID Contribution	PACT Contribution
Field Personnel	352,383	0
Home Office Personnel	20,242	0
Consultants	47,593	0
Travel/Per Diem	130,099	0
Allowances	140,645	0
Training	200,853	10,000
Other Direct Costs	275,481	0
Subtotal	1,167297	10,000
Indirect Cost 28.5%	332,680	2850
TOTAL	**1,499,976**	**12,850**

1.5 RESERVED

1.6 REPORTING AND EVALUATION

1.6.1 Financial Reporting

In keeping with the requirements established in 22 CFR 226.52, the Recipient is required to prepare a "Financial Status Report", SF 269a, on an accrual basis and submitted quarterly in an original and two copies to USAID/M/FM/CMP.

1.6.2 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/CDIE/DI, 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).

1.7 SUBSTANTIAL INVOLVEMENT UNDERSTANDINGS

USAID shall be substantially involved in this cooperative agreement as follows:

1. Approval of annual workplans.

2. Approval of the one long-term recipient employee (key-person) located in Madagascar.

3. Approval of an initial monitoring and evaluation plan, with clear benchmarks and indicators, which shows that project objectives are being attained, as laid out in a time frame over the course of the cooperative agreement.

1.8 KEY PERSONNEL

The following positions and individuals have been designated as key to the successful completion of the objective of this award. In accordance with the Substantial Involvement clause of this Award, these personnel are subject to the Approval of the USAID Project Officer.

Mr. Vincent Carbonneau, Project Director

1.9 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.

1.10 AUTHORIZED GEOGRAPHIC CODE

The authorized geographic code for procurement of goods and services under this award is 935.

1.11 INDIRECT COSTS

Pursuant to the Standard Provision of this Award entitled "Negotiated Indirect Cost Rates - Provisional (For-Profits)," an indirect cost rate or rates shall be established for each of the Recipient's accounting periods which apply to this Award. Pending establishment of final or revised provisional indirect cost rates, provisional payments on account of allowable costs shall be made on the basis of the following negotiated provisional rate(s) applied to the base(s) which is (are) set forth below:

Type	Rate	Base	Period
Home Office	30%	1/	Until amended
Fringe Benefits	31%	2/	Until Amended

1/ Base of Application: Modified total direct costs less subgrants and partners.

2/ Base of Application: Total headquarters salaries.

1.12 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

1.13 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

USAID Financial Management Office
Cash Management/Payment Division
M/FM/CMP, Room 700, SA-2
Washington DC 20523

1.15 SPECIAL PROVISIONS

Pact

ATTACHMENT 2
PROGRAM DESCRIPTION

The Recipient's proposal entitled "Madagascar Participation and Poverty Project" and dated April 16, 1996 is attached hereto as the Program Description (Attachment 2) and is made a part of this Award.

Pact

Participation and Poverty Project

Table of Contents

Page

List of Acronyms 13

I. Executive Summary

II. Background 18
- A. Problem Statement 18
- B. Pact's Survey of Civil Society 22

III. Goals, Purpose and Expected Outputs 24
- A. Goal and Purpose 24
- B. Expected Outputs 24

IV. Conceptual Approach 28
- A. Pact Approach to Development 28
- B. Conceptual Approach to the Participation and Poverty Project 28

V. Technical Approach and Methodology 34
- A. The B.E.S.T. Approach 34
- B. Methodology 37

VI. Program Management 47
A. Madagascar Team 47
B. Short term consultants 51
C. Home Office Support 52
D. Project Relationships 53
E. Monitoring, Evaluation and Reporting 54
F. Project Plan 60

VII. Pact Experience and Resources 61
A. General 61
B. Relevant Project Experience 62

List of Acronyms/Liste des Acronymes

ADHOC	Cambodian Human Rights Coalition (Coalition cambodgienne pour les droits de l'homme)
ALJM/AFJM	Asociation Libre des Journalistes de Madagascar/Association des Journalistes Féminins de Madagascar
AMEP	Alliance for Micro-Enterprise Practitioners (Alliance des Micro-entrepreneurs)
ASSONG	Association des ONG pour la Santé (Association of Health NGOs)
CIDST	Centre d'Information et de Documentation Scientifique et Technique (Center for Scientific and Technical Information and Documentation)
CNOE	Comité National d'Observation des Elections (National Election Observation Committee)
COMODE	Conseil des ONG pour le Développement et l'Environnement (Council of NGOs for Development and the Environment)
CSO	Civil Society Organization
FFKM	Fikambanan'ny Fiangonana Kristianina eto Madagasikara (Conseil Chrétien des Eglises de Madagascar)
GEM	Global Excellence in Management (Excellence mondiale en gestion) -- a centrally-funded project of USAID
GOMAN	Groupement des Opérateurs Economiques de Mahajanga (Group of Economic Operators of Mahajanga)
GSEPM	Groupement Socio-Economique Professionel de Madagascar (Group of Socio-Economic Professional of Madagascar)
HQ	Headquarters (Siège)
IAA	Institute for African Alternatives (Institut pour les alternatives africaines)
IEC	Information, Education, Communication
INSTAT	Institut National de la Statistique (National Statistical Institute)
KID	Khmer Institute for Democracy (Institut khmer pour la Démocratie)
LOVA	Long-term Opportunities for Voluntary Action) Léguer des Opportunités pour la Viabilité des Associations
LST	Law Society of Thailand (Société de Législation de Thailande)
ME&R	Monitoring, Evaluation and Reporting (Suivi, Evaluation et Rapport)
NEQA	National Environmental Quality Act (Acte Nationale pour la qualité environnementale)
NGO	Non-Governmental Organization
ONG	Organisation non-gouvernementale
OSC	Organisation de la société civile
P&P	Participation and Poverty (Participation et Pauvreté)
PRIP	Private Rural Initiative Project (Projet pour les initiatives privées rurales)

PRODEPAS	Project to strengthen NGOs for Peace and Development in El Salvador (Projet pour le renforcement des ONG de paix et de développement)
RDP	Reconstruction and Development Program (Programme de reconstruction et de développement)
RESCUE	Reaching Street Children in Urban Environments (Assistance aux enfants des rues en milieu urbain)
RFA	Request for Applications (Appel d'offres)
RICAF	Rassemblement des Intellectuels et Cadres Fianarois (Union of Fianarantsoa Intellectuals and Senior Managers)
SAVEM	Sustainable Approaches for Viable Environment Management (Approches durables pour la gestion viable de l'environnement)
SME	Small and Micro Enterprise (Petites et Micro Entreprises)
SPIRITED	Strengthening NGO Institutions and Rebuilding Coalitions : an environmental and self-sustaining approach (Renforcer les ONG et rebâtir les coalitions : une approche environnementale et auto-durable)
USAID	United States Agency for International Development (Agence des Etats Unis pour le Développment International)
WORD	Women Reading for Development (Femmes lettrées pour le développement)
WPCG	Weing Ping Children's Group

I. Executive Summary

Madagascar's democratic transition of the past five years has resulted in a significant expansion of free expression and in marked political and market liberalization. It has not, however, created an environment sufficiently conducive to private action and initiative. Political stalemate, growing cynicism in the political process, ineffective media without credibility, associations without a clear role or the resources to play it, the lack of effective economic policies based on reliable data and rigorous analysis -- such is the context in which the Participation and Poverty project must operate. It is a particularly challenging context and one which easily explains the deepening and broadening of poverty that one sees in every community, rural or urban, of Madagascar.

A broad combination of political, social, historical, and economic forces has resulted in this situation of stagnation, fragmentation, and inertia at a time when dynamism, solidarity and action are desperately needed. Among the significant causes is the imbalance between the three "sectors" of society: government, for-profit business, and civil society. The civil society sector, the essential counterweight to the other two in the democratic, market-based model, is particularly weak.

Pact translates the purpose of the civil society participation component as **the expansion and deepening of interactions within civil society and between civil society and power holders to improve the development and implementation of policies, rules/procedures and resource allocation decisions affecting the poor.**

Pact's civil society component will have three primary expected outputs:

- an increased openness of power holders to the participation of civil society in governance;
- a qualitative and quantitative expansion of civil society in terms of broader participation, greater representativity, and increased capacity; and
- a social and political environment more conducive to citizen participation in the formulation and implementation of policies, rules/procedures and resource allocation decisions affecting the poor.

Pact proposes an approach that integrates four key concepts:

- multi-level action in which partners and activities are defined at both the national and local levels. Pact's program will include a two-pronged strategy to maximize both "trickle-up" and national level impacts;
- intense piloting of activities with a limited number of partners and in a limited number of regions --Pact proposes Fianarantsoa and Mahajanga;
- a reliance on partnerships with Malagasy civil society and government organizations to multiply project success among their respective constituencies;
- active participation of the broad range of stakeholders associated with the project;

Pact will **build on** existing experiences, **educate** broadly on the meaning of democracy, **share** experiences among its partners, and use a **testing approach** to draw lessons and improve performance.

Project activities will be grouped under the following categories:

- Partnerships, Networking and Coalition Building -- establishing an effective team to implement project activities and encourage the development of vertical and horizontal groupings of civil society organizations to increase their weight in the formulation of policies affecting the poor

- Research -- collecting the baseline and on-going data needed to develop effective project interventions grounded in Malagasy realities, to adjust them during the course of the project, and to inform project stakeholder as they plan follow-on activities

- Civic Information, Education, Communication, and Advocacy -- broad-based IEC activities, and more focussed training, mentoring, exchanges and experiential learning in which the perceptions of the public at large and of power holders vis à vis the role of civil society will be changed, the principal "services" delivered by civil society organizations (CSOs) will be expanded and sharpened, and more organizations encouraged to participate in advocacy and policy dialogue

- Organizational and Institutional Development -- training to help CSOs become more viable, democratic, better managed, and sustainable.

The P&P project will be managed according to the same values and high standards of administration and accountability that characterize Pact's participation in the SAVEM project. Working largely through partner organizations, Pact will field a small local staff, including regional program officers in Fianarantsoa and Mahajanga. In addition to management, they will have specific technical roles in capacity building and mentoring.

Pact proposes Mr. Vincent Carbonneau as Project Director for the civil society component of the Participation and Poverty Project. Mr. Carbonneau brings substantial relevant technical skills to this project as well as a deep understanding of civil society organizations in Madagascar. For the past three years, he has worked at the Comité National d'Observation des Elections in Antananarivo. His technical skills have translated ideas into vibrant CNOE programs which mobilize citizens into active participation in community action. Mr. Carbonneau's intimate knowledge of the country, and his experience in effectively managing multi-cultural offices in Antananarivo make him an ideal candidate for this project.

As part of its learning environment Pact will establish a comprehensive ME&R system to regularly provide necessary data and information for reporting to USAID/Madagascar and other stakeholders and to establish the baseline data with which to evaluate impact. The system will gauge the vibrancy of public policy debate and the level of satisfaction of civil society organizations in policy dialogue. It will track the development of service delivery and organizational capacities among project partners and their constituencies. By using a participatory model to design and implement its monitoring and

evaluation activities, Pact will reinforce the capacity of its Malagasy partners and ensure their sense of "ownership."

Pact has the institutional ability and experience to effectively implement the P&P project. Over the past 25 years it has demonstrated its ability to strengthen partner organizations' capabilities to educate their members in civic IEC, advocacy and basic CSO management. In so doing, it has helped CSOs to mobilize their members in effective public policy formulation and debate. Pact has managed over $100,000,000 in USAID funds over the past 10 years.

Strong institutionally, competently staffed, grounded in an intimate knowledge of Madagascar, and using an approach of BUILDING ON, EDUCATING, SHARING, AND TESTING, Pact feels that it has the **B.E.S.T.** approach to implement USAID Madagascar's Participation and Poverty project.

II. Background

A. Problem Statement

Madagascar's democratic transition of the past five years has resulted in a significant expansion of free expression and in marked political and market liberalization. It has not, however, created an environment sufficiently conducive to private action and initiative. The reasons for this apparent contraction to traditional wisdom form the basis for the Participation and Poverty project's problem statement and are the target of Pact's proposed approach, strategy, and methodology.

1. Political transition

A major milestone in Madagascar's movement towards democracy was the year 1991 when the popular movement of the Forces Vives brought into question the very legitimacy of the existing government. This broad-based, courageous, unprecedented, and largely peaceful civic action ultimately resulted in the agreement of the then president to a new constitution and to the birth of Madagascar's 3rd Republic in late 1992. The 1992-1993 transition period was characterized by political liberalization, an end to overt government censorship, and the explosion of political activities at every level. Presidential elections were followed by those for the National Assembly, bringing to power in 1993 what can be argued to be Madagascar's first democratically elected government.

This citizen-initiated momentum for democracy to a large extent stalled following the heady days of those first elections. Three years later major institutions of the 3rd Republic are yet to be put in place and problematic relationships between the rest have hampered the formulation of strategies and programs to address the nation's critical needs. Though the causes will be debated for years to come, many are related to Madagascar's inexperience with democracy, to entrenched interests in the status-quo, and to contradictions and a lack of consensus regarding key elements of the 3rd Republic's constitution. Among the latter, the lack of a precise separation of powers between the Executive and the Legislative branches, ambiguity regarding the meaning and modalities of decentralization, and divergent views related to the independence of the judicial branch have been particularly troublesome.

One significant result has been a high degree of political fragmentation with parties based more on personalities, patronage, and short-term issues than on wider alignments, more fundamental positions and ideology. Broad-based and durable coalitions under these conditions have been illusive with a resulting instability and focus on the short-term politics of politics rather than longer term strategies. Key pillars envisioned by the framers of the 3rd Republic's constitution, such as decentralization and the establishment of an independent judiciary, have been held hostage to political manoeuvering and more limited self-interest.

The popular response has been a gradual drift from the activism of 1991 to passivity and from the optimism of 1993 to apathy and cynicism today.

2. The media

Despite the end of censorship and a proliferation of new independent journals and radio and television programs, the media have been relatively ineffective in informing the public about significant policy issues. One reason is that freedom of expression is not rooted in Malagasy tradition. People used to censorship and propaganda under the 2nd Republic were not prepared to read or listen to an independent media. Journalists were equally not prepared for their responsibilities. More often than not the public has been treated to the excesses of mass media rather than to its benefits. The media frequently report rumor rather than the results of serious journalistic investigations. There are few examples over the past five years of instances where cogent, accurate reporting on issues of significant interest to public policy have had anything more than minor echoes in public opinion or any effect at all on political life. A general perception that journalists are either required to report as they do or personally benefit from the positions they take continues to undermine media credibility and its potential to contribute to good governance.

3. Associations

Associations have seen an equally dramatic expansion in the transition and post-transition phase. Largely restricted and often suspect during the 2nd Republic, the new constitution specifically underscored the right to associate. This new legitimacy combined with the decline in the capacity of government services and the interest of donors to channel aid through non-governmental organizations to incite a proliferation of new groups. But the absence of a consensus on the roles and responsibilities of such organizations, a dearth of technical and management skills, relatively few resources, limited internal democracy, difficulties in forming broader coalitions, and the lack of a clear regulatory framework to foster accountability have resulted in a chaotic situation in which results have lagged far behind expectations. Few organizations bridge the gap between those national level organizations having a modicum of skills and resources and the multitude of small, local organizations having neither. In other countries, these intermediaries often serve to support, train, and provide a voice for organizations most representative of the poor. In Madagascar, their absence constitutes what was referred to as the "missing middle" in the 1994 USAID study of politics and civil society in Madagascar.[1]

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[1] "Evaluation de la Politique de la Gouvernance à Madagascar," ARD/MSI, 24 avril 1994

4. Economics and poverty

The economic context has paralleled the socio-political with the difference that both liberalization and stagnation began earlier. In 1985 the government initiated a structural adjustment program in collaboration with the International Monetary Fund and the World Bank. Despite a difficult beginning, results had begun to be felt by 1990 and 1991 as seen in an appreciable increase in both national and international private investment and growth in support by multi-lateral and bi-lateral donors. The positive momentum was interrupted by the political events of 1991/92 which included prolonged strikes by public sector employees and in key areas of the private sector.

The situation did not improve during the transition period of 1992/93. The transition government's mandate was to establish the institutions of the 3rd Republic. It was not empowered to finalize agreements with the Bretton Woods institutions needed to get the economy back on track. International investment and assistance stagnated awaiting the formation of a new government. In mid-1993, inflation rose to 40%, purchasing power dropped precipitously, foreign exchange became scarce, and producers -- especially those in rural areas -- were unable to obtain credit. The continuation of poor economic policies of the past (controlled exchange rates, subsidies on rice imports, ineffective monopolies for the marketing of export crops, etc.) were particularly felt in the rural agricultural sector. The exodus from rural areas aggravated unemployment and placed added strains on already collapsing public services in the cities. A drought in the south compounded the economic hardship.

The 3rd Republic has not done much better. Though there has been some progress regarding such things as energy prices and foreign exchange controls, agreement with the Bretton Woods institutions still remains elusive. Privatization of state enterprises has been slow and poorly managed, producing only meager revenue for the state, increased unemployment, and little improvement in production. Poor management of reform and half measures have had a disappointing impact on the economy as a whole. Forward movements on such things as liberalization of prices for basic necessities have been partially reversed. Investors -- Malagasy and foreign, private and public -- hesitate to commit to Madagascar's future.[2] And at the local level, continuation of old patterns of patronage, corruption and interference with the market has failed to unleash the potential of greater liberalization. The lack of political consensus for reform and the politization of relations with the IMF and World Bank in the context of narrow partisan politics have worked against the development and implementation of a coherent adjustment program. Decision making remains highly centralized and is rarely based on accurate data or rigorous analysis. Data reflecting the true realities of rural Madagascar are particularly scarce.

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[2] Foreign investment reached $22 million in 1990. It fell to $6 million in 1994.

Though liberalization of foreign exchange markets has resulted in palpable improvements in amenities for those with means, the net effect of reforms to date has left the middle class barely able to make ends meet. It takes no more than an illness or loss of employment to fall into the every-expanding abyss of desperate poverty. Those already poor cope with whatever strategies available -- charity of family, begging, raiding garbage heaps, eating less, petty crime, forgoing the "luxuries" of education and health care for themselves and their children. But recent studies confirm what can be so readily seen.[3] The proportion of Malagasy in poverty is growing and survival strategies are reaching their limits.

5. Participation and poverty

Political stalemate, growing cynicism in the political process, ineffective media without credibility, associations without a clear role or the resources to play it, the lack of effective economic policies based on reliable data and rigorous analysis -- such is the context in which the Participation and Poverty project must operate. It is a particularly challenging context and one which easily explains the deepening and broadening of poverty that one sees in every community, rural or urban, of Madagascar.

A broad combination of political, social, and economic forces has resulted in stagnation, fragmentation, and inertia at a time when dynamism, solidarity and action are desperately needed. Among the significant causes of the apparent inability to determine and then move forward on a clear and consistent course to respond to these challenges is the gross imbalance between the three "sectors" of society (government, for-profit business, and civil society). Administration (*fanjakana* in Malagasy) and power (*fahefana*) are still both highly concentrated in the hands of the government sector.[4]

The civil society sector, the essential counterweight to the other two in the democratic, market-based model, is particularly weak. In Madagascar, civil society organizations have been largely ineffective in representing the interests of the poor. This weakness combines with a lack of openness to civil society's participation in governance (policy formulation and oversight) and the inadequacy of economic information/analysis to reduce the ability of Madagascar's democratically-elected government to establish and implement essential policies. In the absence of an open, participatory process for policy design, broad political consensus is difficult, compounding existing fragmentation based on geography, culture and history.

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[3] Per capita income fell from approximately $430 in the early 60s to $230 in today. Preliminary findings of a UNDP funded study on poverty in Madagascar indicate that 75% of the population is now "poor" compared with 43% in the 1960s.

[4] The recent initiative of the Groupement Socio-Economique Professionnel de Madagascar (GSEPM) to call meeting of all civil society groups to discuss the current crisis and the role that civil society should play in its resolution is based on a recognition of this current disequilibrium.

Political instability, half-measures, and half-hearted implementation have been the results. Spiraling poverty has been the consequence.

B. Pact's Survey of Civil Society

A recent study[5] undertaken by Pact in response to the Participation and Poverty RFA confirms the problematic role of civil society in Madagascar and the P&P project's rationale. Its major finding is that power holders[6] and leaders of civil society concur on the existence of a wall separating the two. Democracy has been narrowly defined in terms of elections with little understanding or acceptance of the fundamental need for an on-going dialogue between the government and civil society as a pillar of good governance.

Though there was an overall expression of interest in expanding the role of civil society, the combined image drawn from fifty-four interviews from around the country is similar to that found in the May 1994 USAID assessment -- an informal indicator of a lack of progress over the past two years:

- There is no clear and common understanding of what civil society is and what role it should play in governance;
- There is a high level of mistrust and lack of appreciation *(tsy miraharaha)* between power holders and civil society organizations (CSOs)[7];
- As a group, CSOs are poorly funded, organizationally weak, and uncertain and unskilled regarding their advocacy role. Most have a relatively narrow constituency -- particularly among the poor -- though there are notable exceptions;

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[5] The two-week study contacted a total of 54 individuals representing power holders and civil society organizations in Antananarivo, Diego Suarez, Anivorano, Mahajanga, Ambatolampy, Antsirabe, Ambovombe, Ft. Dauphin, and Ambohipary. Sample questionnaires and a list of respondents are found in Annexes 1 and 2.

[6] Pact uses the term "power holder" to denote both the state and certain segments of traditional authority which together hold *fanjakana* and *fahefana* within Malagasy society.

[7] Depending on how civil society is defined, Civil Society Organizations (CSOs) and Non-governmental Organizations (NGOs) are sometimes used interchangeably. The RFA defines CSOs as non-state organizations involved in reform, distinguishing their advocacy function from that of NGOs involved in humanitarian relief or economic and social development. In the Malagasy context, many NGOs either do or can potentially be encouraged to perform both humanitarian/development and advocacy roles. In this proposal Pact uses CSOs to include such "potential" advocates among the NGO community.

- Civil society continues to be organized primarily along vertical lines -- lineage, church hierarchy, etc. There are few examples of broader-based horizontal organizations. There is little tradition of "neutrality" on the part of organizations involved in the political area;

- In terms of advocacy, those CSOs that manage to develop positions or articulate a need most often work through traditional informal, clientalist channels;

- Poverty is a major constraint to broader participation via CSOs;

- Traditional cultural values, structure, and communication forms provide rich potential with which to engage both civil society and power holders in a debate on the role of the former in policy decisions and of the responsibility of the latter to be accountable generally and in particular to the plight of the poor.

III. Goals, Purpose and Expected Outputs

A. Goal and Purpose

The overall goal of the Participation and Poverty project is to *foster a national policy, regulatory and resource environment in which private action can flourish.* Two major constraints to the development of such an environment are 1) the lack of a strong role for civil society in the formulation and implementation of policies and regulatory procedures, and in public resource allocation decisions and 2) inadequate data and analysis to form the basis for such necessary civil society/state interactions. P&P's purpose is thus to *strengthen the role of civil society and to assist the government of Madagascar to design implementable public policies that emphasize poverty alleviation in a participatory and open fashion.*

Pact's analysis translates the purpose of the civil society participation component as the *expansion and deepening of interactions within civil society and between civil society and power holders to improve the development and implementation of policies, rules/procedures and resource allocation decisions affecting the poor.* The poverty-based policy analysis component will have a critical role in providing accurate data and analysis of policy options and impacts in a useable form. The two components must work closely together, jointly establishing program priorities, coordinating activities, and collaborating on monitoring and evaluation. The poverty analysis component will produce information which will form the grist for effective civil society/state interactions. Ability of the civil society component to provide timely feedback on policy impact and ground truthing for data and analysis will be an important factor in the effectiveness of its partner component's impact.

A critical assumption in attaining the project's purpose is the existence of sufficient social, political, and economic stability.

B. Expected Outputs

The civil society component will have three primary expected outputs:

- *an increased openness of power holders to the participation of civil society in governance;*
- *a qualitative and quantitative expansion of civil society in terms of broader participation, greater representativity, and increased capacity; and*
- *a social and political environment more conducive to citizen participation in the formulation and implementation of policies, rules/procedures and resource allocation decisions affecting the poor.*

1. Increased openness of power holders to the participation of civil society in governance

While examples of civil society/state exchanges and of civil society input into policy formulation do exist,[8] they continue to be the exception rather than the norm. Civil society organizations are often perceived of by power holders as "opportunist," "ineffective," "suspicious" and "unwilling to work with government."[9] Advocacy is frequently seen as "criticism" and civil society organizations viewed by power holders as thinly disguised elements of the opposition. There is a common perception of CSOs as political organizations in the sense of party politics. While much of this is common to many new democracies, the looseness of Madagascar's law on associations (No. 60-133) and the number of self-proclaimed CSOs formed during the struggles of 1991 and the transition period which have been transformed into political parties has reinforced this impression.

Through its proposed program, Pact expects to make measurable in-roads into this perception. Power holders at both the national and regional/local level also will be recruited as "partners" in project implementation. Targeted individuals will include leaders from the executive and legislative branches concerned with policies and programs affecting the poor.

The success of this output will be measured in:

- Changed perceptions on the part of targeted power holders as assessed through periodic qualitative assessments, and

- An increase in the number and diversity of exchanges between power holders and CSOs pertaining to policies and procedures affecting the poor.

Both of these indicators will be integrated into the project's monitoring and evaluation system. In addition, activities targeted to creating a greater openness of power holders to the participation of civil society (training, IEC and mentoring) will include the concepts of values and ethics as fundamental starting points for good governance.

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[8] In addition to those reported in the RFA, Pact's interviewees mentioned: several instances where NGOs are included as members of the Local Development Committees; the outreach activities of one provincial "delegate;" and consultations between CNOE and newly elected mayors as examples of such positive exchanges. The recent effort by GSEPM to bring together civil society groups in the face of the current crisis is another interesting initiative.

[9] From Pact's survey of civil society.

An indication of success will be the development during the course of the project of a draft government code of ethics that includes the role of civil society in good governance, starting with existing texts regulating public service.[10]

A critical assumption to attain these results is the willingness of both power holders and CSOs to participate as partners in this effort.

2. Quantitative and qualitative expansion of civil society in terms of broader participation, greater representivity, and increased capacity

The Pact survey revealed broad agreement among CSOs themselves of the weaknesses of their sector. Critical to attaining the P&P project's purpose will be the development of existing CSOs and the increased participation of targeted development NGOs, community associations, professional/business associations and other interest groups in CSO activities as defined in the P&P project. While recognizing the need to start with existing vertical structures, Pact's strategy will be to use mentoring, training and exchange opportunities to bring organizations together and to encourage the development of effective horizontal linkages. Relying on tools, methods, and techniques from Pact's 25 year experience as well as those of its Malagasy partners, Pact will develop a comprehensive multi-pronged program including organizational development of individual CSOs, technical skill upgrading, facilitation of the creation and institutional development of CSO coalitions, networks, and partnerships[11], and encouragement of informal fora for inter-CSO exchanges, particularly on policy issues affecting the poor.

Success will be measured in increases in the indicators of organizational capacity through the monitoring and evaluation system, the formulation by CSOs of (and action on) coherent and articulate policy positions assessed through media and other reports, the number of active partnerships between CSOs, the number of issue exchange fora initiated by CSOs, the number of NGOs and other associations that undertake advocacy/lobbying for the first time, and the number of contacts made with power holders.

Essential in achieving these results will be the willingness on the part of CSO partners to build their internal capacity, to undertake advocacy/lobbying, and to work together with other CSOs to achieve common goals. It will require the existence of a critical mass of active CSOs with clear and shared missions.

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[10] A promising sign in this regard is the recent call by the president of the High Constitutional Court to open a debate on values in the public service.

[11] Pact makes the distinction between "organizational development," an activity geared towards an individual organization, and "institutional development," that geared toward larger coalitions, networks and partnerships, either of a sectoral or cross-sectoral nature.

3. A social and political environment more conducive to citizen participation in the formulation and implementation of policies, rules/procedures and resource allocation decisions affecting the poor.

To a great degree, this final output is the combined outcome of the other two. A stronger, better skilled, more broad-based, more articulate civil society sector willing to engage power holders on the one hand, and power holders more open to that collaboration on the other, are both pivotal to the creation of such an environment. Additional IEC efforts beyond targeted partners -- through the media, through opinion leaders, and through broader programs of civic education -- will reinforce efforts to expand civil society and to open leaders to participatory governance by helping to produce a common vocabulary and broad public consciousness regarding civil society and its role. In addition, such mass efforts will lay the foundation for a broader and more rapid replication of success beyond the limited number of partners directly involved in project activities.

In addition to the indicators for the other two outputs, those associated with the creation of an environment conducive to citizen participation include:

- An increase in debate on poverty-related issues in the media and in local public fora as measured through reports in which there is mention of the role of one or more CSOs;
- An increase in the number of CSOs delivering civic education messages and programs;
- Increased mention in the media of the importance of the role of civil society and of civil society organizations in good governance;
- An increase in the number of CSO members.

The success in reaching this output will depend upon the willingness of CSOs and the media to participate in these activities and a minimal level of stability of the social, economic and political climate. Though the regulatory and legal environment for CSO/NGO action is adequate, if current efforts to revise law No. 60-133 and to create an NGO code are unsuccessful or if they result in restrictions on NGO involvement in advocacy, efforts to build the conducive climate for broader participation could be restricted. Continued delay in fully putting into place the 3rd Republic's judicial system could form a further obstacle. The current legal system and legal practices produce de facto limits on the rights of citizens and citizen groups to appeal or challenge government decisions, policies and practices. The absence of such a potent tool on the part of civil society limits it force. Though substantial work on judicial and legal reform is beyond the immediate scope of this project, support for related lobbying activities to increase citizen rights vis à vis the government could be included in project activities.

IV. Conceptual Approach

A. Pact Approach to Development

Since its inception in 1971, Pact has worked around the globe to strengthen civil society organizations so that they can play meaningful roles in national and regional development and contribute to good governance. Pact's guiding philosophy in this pursuit is summarized in two words: participation and partnership.

On international, national and local levels, Pact builds consensus and understanding with clients through a process of consultation and participatory decision making. By working with stakeholders to define needs and to devise appropriate programs to address them, Pact ensures that they feel a sense of genuine partnership, ownership and active participation in the programs which affect them. Pact sees its role as providing front line local entities with new approaches or expanded skills which they can then contextualize, adapt and incorporate into their own situations. This enables them to move forward without continued dependency on external entities and to solidify their legitimacy in their own societies. Pact's ultimate goal is to transfer skills to these stakeholders in order to build and sustain local capacity.

Pact recognizes the importance of fostering relationships between different sectors in order to accomplish development objectives. Therefore Pact often focuses resources on promoting collaboration between CSOs, government, donors, the private business sector and development professionals toward joint action for greater impact.

In keeping with its overall mission and vision, Pact's proposed design for the P&P project is founded on participatory approaches that will incorporate the aspirations of stakeholders and on collaborative partnerships with a representative range of Malagasy civil society organizations including development NGOs.[12]

B. Conceptual Approach to the Participation and Poverty Project

Given the economic and political background in which the Participation and Poverty Project will occur and its overall objectives, Pact proposes an approach that integrates four key concepts: multi-level, piloting of activities, partnership, and participation.

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[12] The first step in that process has been the participatory manner in which this Pact proposal has been designed.

1. Multi-level

Pact's program is firmly rooted in the need of Civil Society Organizations to prepare for Madagascar's decentralization program -- irrespective of its pace and ultimate extent. Pact feels that only a multi-level approach can reach the objectives of the Participation and Poverty project.

At the national level, Pact will work with CSOs and government partners to encourage dialogue and with its economic policy partner to ensure that the debate is framed by accurate data and rigorous analysis. The overall macro-economic context and the policy choices related to it lay the foundation on which the Malagasy economy will develop. The poor have a large stake in the success of structural adjustment but also in defining it in such a way that they are not at the same time its principal victims. The need for vibrant civil society/power holder dialogue at this level will be essential.

But to be effective, voices beyond the macrocosm of Antananarivo politics will need to be included. Each of Madagascar's different regions has its own cultural, social and economic characteristics and structures which would best be addressed by the input of indigenous regional organizations. Pact will work with its CSO national-level partners to deepen their outreach to the rest of the country while also working to increase the capacity of local-level CSOs to make their voice heard by national decision makers.

At the same time, the opinions of the poor are easier to mobilize and their impact more keenly and immediately felt in the context of local level issues. These often take the form of the way in which regulations and procedures are applied and services provided. Such issues as the manner in which land use rights are distributed through the application of land tenure laws and rules and the granting of rights to clear forest, can have significant direct impact on the poor. Similar to CNOE's successful anti-corruption program, education and mobilization at the local level, conveyed to the national level by organized CSOs, can ultimately have national impact (trickle-up). Pact's approach will be to develop both the capacity of local-level CSOs to identify and mobilize around pertinent local issues and their ability and that of intermediary and national CSOs to move those issues to the national agenda.

2. Pilot Activities

Based on findings of its survey of civil society, Pact has incorporated the concept of piloting project activities as an integral element of its design for the P&P project. Pact will concentrate project resources on key partner institutions and in key regions instead of stretching funds and technical assistance out thinly across a multitude of partners throughout the country. The rationale for the approach stems from programmatic and financial considerations. First, many of the ideas behind activities Pact envisages in collaboration with Malagasy partners are new to Madagascar and will need careful planning, pre-testing and refining before they are ready for use on a national level. As a result, Pact has opted to

concentrate activities with a manageable number of institutions and regions. Secondly, once programs have been tested and are ready for use on a larger scale, Pact will encourage its partner organizations to take the initiative to move to other regions and broaden institutional participation with their own or other donor resources as appropriate. Finally, the relatively modest budget allocated for the project mandates highly focussed, targeted activities whose impact can be documented over a relatively short period.

Pact's design proposes to pilot activities in two geographical areas, Fianarantsoa (official statistics report this to be one of the poorest regions of the country) and Mahajanga (civil society organizations and government officials are dynamic in the region, linkages already exist between sectors, and private sector producers are beginning to mobilize). These two regions are also high priority for USAID programs. Within these regions, Pact will concentrate on several pilot communities in order to benefit from the impact of multiple interventions.

Pact will also pilot activities with a limited number of civil society organizations with national level impact -- organizations capable of reaching out from the national to the local levels to deliver messages in regions outside of the two selected pilot regions.

An approach that pilots activities in key geographical areas and among key national and local level organizations offers specific benefits. It can yield valuable "best practices" and lessons learned regarding the impact of project activities on civil society and power holders. It can also help identify issues that require greater depth and/or focus. Such information can inform Pact, USAID and other stakeholders regarding future projects of this nature.

3. Partnership

In addition to its fundamental relationship with the university (and its partners) involved in the poverty-based economic analysis component of the project, Pact will develop partnerships with key power holder, CSO and media organizations in order to undertake project activities and meet objectives. These partnerships, which will be described in either memoranda of understanding or partnership agreements, will bring a range of organizational expertise and resources to project activities. Three factors influence the decision to rely on partnerships. First, the P&P project requires that a wide range of activities be simultaneously aimed at diverse target groups at the national and local levels. One organization cannot do it all or do it well. Secondly, though external organizations can provide a wide range of support, sustainable change can only be initiated, designed and carried out by local organizations. And finally, partnerships can offer opportunities for leveraging partner resources, a critical consideration given the level of USAID funding available for this project.

Partnerships will maximize the impact of inputs through resource sharing and will allow impact to trickle up from local to national levels: the impact of multiple community-based interventions that advocate and influence decisions at the local government level will grow to influence policy and decision making at the higher, national level.

Examples of the types of partners[13] which may be included are:

National civil society organizations

- CNOE (Comité National d'Observation des Elections), which has pioneered civic education programs since 1989, has relevant local and national experience in the field of civic IEC, and social mobilization. CNOE has broad representation through its thousands of members;

- FFKM (Christian Council of Madagascar), a religious coalition that has assumed the function of mediator between government and citizens and has a reputation for moderation and wisdom in handling sensitive issues. FFKM's network of regional branches which are already involved at local levels with power holders, is a keen advocate for the poor;

- ALJM (Free Association of Journalists of Madagascar) and AJFM (Association of Women Journalists (AJFM), which are committed to public interest issues and have specific skills and resources in the field of information and public communication;

- CIDST (Scientific and Technical Documentation Information Center), a possible partner for data collection, analysis and dissemination.

Local civil society organizations

- Local branches of CNOE and FFKM

- Business and professional associations -- local branches of the Jeune Chambre Econmique, GOMAN

- Local NGOs/community associations --RICAF and Fondation Miezaka

- The Universities of Fianarantsoa and Mahajanga

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[13] Contacted during Pact's Civil Society survey, CNOE, FFKM, and the ALJM have expressed keen interest and willingness to collaborate with Pact.

Power holders

- The newly established civil society office within the Office of the President: Partnership with a representative of this new office would encourage the flow of information at the highest levels and assist in the design of a stronger long term Government/CSO collaboration;

- The Office of the Secretary of State for Population Issues, which has overall responsibility for NGOs: This office has regional presence, holds much information on NGOs and on regulations concerning associations.

- The Office of Poverty Alleviation of the Secretary of State for Housing and Poverty Alleviation.

- The General Direction for Decentralization

- Local Development Committees of Fianarantsoa and Mahajanga

- Leaders of local associations of traditional leaders

National and/or international non-governmental organizations sharing interest in this project.

- The Friedrich Ebert Foundation, which provides financial and technical support to CSOs

- COMODE, which as an NGO coalition aims to create an enabling legislative environment for non governmental organizations

- ASSONG, a similar coalition grouping health-related NGOs

- Other USAID projects and their networks (CAP, APPROP, etc.)

The selection of partner institutions will be one of the first project activities.

4. Participation

Participation of stakeholders in the project is a key in Pact's conceptual approach: activities that will ensure broad and active participation include, for instance, the development of a project monitoring, evaluation and reporting system that involves partners and stakeholders in the definition of objectives and indicators and periodic review of achievements. Participation is also reflected in an emphasis on formal and informal exchanges at local and national levels between government and CSO representatives.

Finally, Pact will use its organizational development program to encourage its partner organizations to increase internal participation and democracy.

An essential objective will be to engage individuals in rural and urban communities in public debate. But active and public participation at this level is not common in Madagascar and will require that Pact's Malagasy partners use culturally-sensitive advocacy and social mobilization skills to motivate and encourage their members.

Participation offers a number of benefits, including:

- Linking the individuals and organizations involved in defining priorities and enabling the project to move towards a common objective;
- Recognizing democratic change and allowing and encouraging increased and improved popular participation in development;
- Providing a sense of "ownership" for project participants as an important means to encourage maximum effort and enhance the chances of sustainability.

V. Technical Approach and Methodology

A. The B.E.S.T. Approach

Pact has developed a comprehensive technical approach that will foster a social and political environment which welcomes citizen participation, the strengthening of civil society organizations, and more responsive governance -- particularly in the area of policy formulation affecting the poor.

Madagascar is in a period of far-reaching change and structural adjustment. Pact's approach is based on an understanding of the dynamics of this period of change and an intimate knowledge of the cultural, social and political aspects of Malagasy society. In-depth comprehension of and respect for these elements is capital to the design and implementation of an effective program.

Four pillars make up the Pact's technical approach called **B.E.S.T.** -- BUILD ON, EDUCATE, SHARE, AND TEST.

1. Build on

The environment of the P&P project, one of change and adjustment, is marked by dynamic, resistant and passive forces. Pact's approach builds on the forces that support change, giving them the skills and knowledge to go further, breaking through barriers and leading the way for others. Individuals, groups and sectors already have the potential to bring about desired change.

Pact's approach is to identify and ***build on*** existing endeavors, investing itself and associating with partners in geographical and sectoral areas in which efforts are already bringing about positive change.

To build on existing momentum, Pact will:

- Choose partners in national and local CSO, NGO and government institutions who want to acquire new ideas, are open to change and support existing advocacy efforts[14],

[14] For example: the Comité Ad Hoc des ONG, with 190 participating NGO/CSOs, has held regional fora on the challenges that lay ahead for civil society and associative life. It is moving in a participatory manner towards a draft law on associative life to modify/add to law 60-133. The CSO group COMODE (Conseil Malgache des ONG pour de Developpement et l'Environnement), a Pact SAVEM partner which regroups NGOs, has linked with DVRH (Direction de la Valorisation des Ressources Humaines - GRM), the FFE (Foundation Friedrich Ebert) and

paying particular attention to current examples of government openness to civil society;

- Work with existing networks and mechanisms for exchange where there is shared vision and commitment to change;

- Select regions in which the potential for change exists, as demonstrated by active associations working with the poor, openness of certain leaders, and an emerging willingness of citizens to participate in public life;

- Build on existing effective programs in civic education, with a proven track record of activities that have direct impact on communities;

- Identify potential in regional universities and other learning institutions and associate them in the process of capacity building, thus reinforcing their own capacity and bringing voluntary local contributions to the project.

In view of the nascent character of Malagasy civil society, of the resistance to change of different elements of society, of the pace at which events take place, of the available funds and project duration, Pact considers ***build on*** essential to the success of the P&P project.

2. Educate

Three years after the democratic transition to the 3rd Republic, there is still little understanding of the fundamentals of democracy among citizens, CSOs, and at the very top echelons of power. Few appreciate that it entails much more than freedom of speech and free election. For CSOs to adequately engage in advocacy, for public officials to engage in responsive governance and for a political environment that welcomes citizen participation to develop, there must first be a true understanding of the principles chosen by the Malagasy people in 1992.

These principles cannot be defined in the same way in Madagascar and in the West. Democratic principles must adjust and respond to the specific political, cultural, and social situation of Madagascar, and to Malagasy ideas of civics and governance.

Pact's technical approach is to reconcile democratic principles with Malagasy tradition and to use the resulting concepts as a base for all project activities. In doing this, Pact's objective is to foster an understanding of ***how democratic principles may be used by the Malagasy to reach objectives of positive development***, as opposed to considering democratic principles as

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the ILO (International Labour Office) to develop a draft law on groups and associations that are involved in economic activities. Such examples of exchange between CSOs and power holders would be monitored, assisted and their efforts publicized.

an end in themselves.

Pact will:

- Incorporate an understanding of value/principles into its training programs and relations with public officials;

- Inject on a regular basis into Pact's CSnet (Civil Society communications network) content on democratic principles adjusted to Malagasy reality and articulated by concrete examples from Madagascar and abroad;

- Support the expansion and deepening of existing civic education activities of local and national CSOs;

- Firmly root the P&P project in Malagasy realities by providing a readily understood vocabulary and conceptual framework consistent with local values and concepts

Malagasy democracy will develop only if there is sufficient participation from citizens and officials, in the adoption and application of key principles and mechanisms. ***Educate*** is an integral part of Pact's approach because, if democracy requires participation, participation requires understanding.

3. Share

The sharing of concrete experiences between partners will be a key feature of the Pact approach. In Malagasy society, where the spoken word is king, theoretical concepts often translate with difficulty into action. Experience, on the other hand, has the power to link theory and concrete actions and to engage others to follow in a given example. In Malagasy society, one person's successful experience can often draw tens of people in the same direction. Experience makes sense of theory and bridges a gap.

Pact's will use key CSOs as vanguards in the process of advocacy by encouraging and facilitating examples of positive exchange between civil society and government and then using them as patterns for others through a structured process of sharing. Concrete experience is a valuable commodity in this period of Madagascar's history and is necessary for the assimilation of new ideas.

Pact will:

- Create opportunities for regular exchange between CSOs and public officials, with emphasis on small-scale, personal exchange, conducive to the free flow of experiences and opinions.

- Disseminate experiences to a broad range of CSOs through the project's communication network (CSnet).

- Create opportunities for exchange visits between CSO and power holder groups from one region to the other and from the regions to the capital and vice versa.

Through ***Share***, Pact's goal is to accelerate the learning process, to foster a binding environment between CSOs and to bring about valuable, practical experience in using new paths and new ways for civil society to deal with government. Because of the limited project timeframe and the importance of creating tested and replicable methods, Pact believes the ***Share*** approach will be instrumental in the success of the P&P project.

4. Testing

Pact believes in a learning model of development. Activities are conceived and carried out based on specific hypotheses regarding the existing context and the impact that the activity will have on that context. Monitoring and Evaluation systems are designed to contribute to the cyclical process of trying, learning, and adapting. Pact's approach to the Participation and Poverty project will intentionally take risks, seek out lessons, and learn in order to do better. Through ***Testing*** Pact will continuously strive to improve its performance and project impact. It will seek to develop replicable approaches and models for the benefit of its partners and for USAID.

With **B**uild on, **E**ducate and **S**hare, together with the **T**esting approach Pact proposes what it considers the **B.E.S.T.** approach.

B. Methodology

The highly interrelated nature of the Pact's three proposed project outputs[15] in terms of content, actors and process lead Pact to propose an integrated program of activities rather than isolated components directed at each output. In so doing, Pact expects to build on the potential synergies of combining multiple actors, organizations and institutions in the same activity. In organized training programs, meetings and through civic IEC activities, the

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[15] The three principal outputs of Pact's proposed Participation and Poverty program are:

- *1) an increased openness of power holders to the participation of civil society in governance;*
- *2) a qualitative and quantitative expansion of civil society in terms of broader participation, greater representivity, and increased capacity; and*
- *3) a social and political environment more conducive to citizen participation in the formulation and implementation of policies, rules/procedures and resource allocation decisions affecting the poor.*

proposed program will seek opportunities to bring together diverse groups representing both civil society and power holders. Pedagogically, this provides the opportunity to pattern the type of interactions and exchanges after those sought under the P&P project. The shared experiential base will also build a level of mutual understanding, trust and amity essential to the B.E.S.T. approach. For this reason, the activities which comprise Pact's proposed methodology and action plan are presented together rather than by output.[16]

As discussed already, the activities described below will be highly focussed at the national level and in two regions and through partnership with a limited number of national and local institutions.

1. Partnerships, Networking and Coalition Building

The initial project activity will be the development of partnership relations at all levels to serve as the "vanguards" for P&P activities. Though the possibility exists to modify and expand these partnerships during the course of the project, the short time available requires a concerted initial effort to identify viable partners and establish the basis for collaboration. These partnerships will be based on principles of collaboration which have evolved from Pact's worldwide experience and confirmed during the series of workshops between Northern and Southern NGOs under the auspices of USAID's GEM project.

The development of effective civil society networks and issue-based coalitions is a critical step in increasing the importance of civil society in policy formulation and implementation. Given the current dearth of such networks and coalitions, a major focus of P&P activities will be on supporting and nurturing those that exist and providing the catalyst for the creation of new ones.

Among the relationships targeted in collaboration with Pact's poverty-based analysis component partner will be those between key CSOs and national institutions responsible for collecting, analyzing and disseminating economic data such as INSTAT.

The activities under **Partnerships, Networking and Coalition Building** will include:

- Development of selection criteria for partnerships;

[16] Where individual activities are more directed at one of the three principal expected outputs, this will be noted.

- A broad-based information campaign directed at targeted potential partner groups[17] -- development and distribution of a project brochure and other information materials, information campaigns, etc. -- to create a general awareness of the P&P project;

- A series of roundtable discussions to explain the P&P project at both national and local levels;

- One-on-one meetings with potential partners including CSOs, CSO networks/coalitions and power holders at both the national and local levels;

- Negotiation of approximately 20 partnership agreements defining mutual expectations and operational terms of the partnership relation;

- Establishment of a project advisory group including CSO and government partners and resource persons from among the university, training, and development communities;

- Facilitation of communication and the development of partnerships between key CSOs and organizations responsible for economic data collection, analysis and dissemination such as INSTAT;

- Financial and technical support to civil society-initiated fora to discuss policy issues related to the role of civil society or poverty.

Indicators of success will include:

- 20 partnership agreements with CSOs and power holders at both the national and local levels. Pact will seek at least 5 of these among organizations not currently engaged in advocacy or lobbying, and 4 to represent the interests of women and special needs groups;

- Formation and/or consolidation of 4 CSO networks/coalitions;

- Functioning partnerships between 5 CSOs and organizations responsible for economic data collection and policy analysis;

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[17] The media, power holders at both the national and local levels having key roles in the development and/or implementation of policies and procedures with particular impact on the poor, and civil society organizations and institutions apt to participate in P&P activities. A particular effort will be made towards representative elements of sectors of civil society not generally active in advocacy/lobbying (NGOs, certain church groups, professional/business associations, etc.) who could serve as vanguards to expand the civil society base among their type organizations.

- Existence and functioning of a P&P advisory group;
- 5 CSO-initiated issue fora related to the role of civil society in governance and/or issues affecting the poor.

2. Research

Building on its civil society survey and other existing studies, Pact and its partners will continue its research and analysis of the existing civil society context as it pertains to the P&P project objectives. Within this context, particular importance will be given to information collection and analysis on how traditional Malagasy cultural norms, values, concepts and customs as well as institutions and communication forms can be reconciled and integrated with broad principles of democracy, the role of civil society, accountability, and social responsibility for the plight of the poor. Though this will be an on-going process, the investment in establishing baseline data early in the project is seen as critical to success. At both the national and local levels, this process will identify a limited number of key current policy, regulatory and resource allocation issues with particular implications for the poor which will serve as the focus of project interventions.

Through a highly participatory process using methodology tested by Pact in Madagascar[18] and elsewhere, Pact and its P&P partners will identify existing resources to accomplish partner-defined goals and objectives related to the P&P project's purposes. Pact feels that it is essential to begin with an examination of existing resources -- organizational strengths, human resources, available financing -- in an effort to avoid or at least limit the negative elements of power relations within traditional "partnership" between donors and beneficiaries. The same process will then identify areas of weakness and lack of capacity which will serve as the basis for determining training, information and mentoring needs. Based on these assessments, partners will identify their own indicators of success and impact. Pact sees this as a continuous process of data collection and analysis. This methodology for participatory resource and needs assessments will be transferred from Pact to its vanguard partners to permit them to develop similar programs with their own partners and constituents.

Activities under **Research**[19] will include:

- Rapid compilation and analysis of existing studies to produce a synthesis and identify what information might be lacking;

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[18] Pact Madagascar's LOVA program under the SAVEM project has conducted organizational analyses with 37 NGO partner organizations.

[19] Research activities are on-going and continuous.

- Continuation of Pact's survey of civil society will included targeted "fill-in" studies and "ground truthing" in the form of additional interviews and focus groups;

- Regional surveys of proposed target regions (Mahajanga and Fianarantsoa) to determine pilot communes;

- Establishment of an initial list of issues to be targeted in civil society/power holder exchanges;[20]

- Development of an approach to reconcile traditional Malagasy concepts with democratic principles;[21]

- Workshops to train partners in a participatory process to define mission, values, objectives and strategies followed by its implementation by the partners with Pact support as needed;

- Second step workshop to train partners in resource and needs assessment techniques followed by partner-implemented assessments;

- Participatory development of individual training, information, and mentoring plans.

Indicators of success will include:

- Completion of an expanded survey of the existing context for civil society/power holder interactions as they relate to P&P project purposes;

- Civil society profiles for two target regions;

- Development of a strategy document reconciling/integrating traditional Malagasy concepts with democratic principles;

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[20] Issues to be addressed will be developed in close collaboration with the economic analysis component and other project partners. Issues dealing with structural adjustment will certainly be included as will laws and procedures regulating small businesses and the informal sector. At the local level, such things as land titling, permits to clear forest, and access to services are examples of the types of issues that could be chosen. Rural credit and policies affecting rice and other commodity pricing are other possibilities for both national and local level exchanges.

[21] In addition to Pact's P&P partners, it is expected that a number of scholars, traditional leaders, and experts will be brought into this process through a series of local and national workshops and the establishment of an on-going network to reflect on this issue.

- Development of organizational/institutional profiles for 20 "vanguard" partners. These profiles will serve as the baseline data for monitoring and evaluation activities related to capacity building;

- Training, information and mentoring plans for 20 partners.

3. Civic Information, Education, Communication, and Advocacy

The "services" provided/delivered by CSOs include civic information, education, communication and advocacy. Such programs need to expand dramatically in scope if they are to have positive results on the ground. Pact will manage the four disciplines in a highly integrated manner, ensuring that information programs involving media and government feed into educational programs designed at community level by CSO and NGO partners and that they correspond to needs in issue management and advocacy. It is important to note that Pact includes under the term media both mass media including print, television and radio and traditional and folk media.

The project's training activities will include a range of technical topics related to CSO service delivery, as determined by start-up resources and needs assessments. These are likely to include appropriate modules directed towards the important areas of IEC, advocacy, issues management, conflict resolution, mediation, and economic policy analysis.

Civic IEC activities are critical to the success of the Participation and Poverty project. IEC will be directed at government and at CSOs. Particular attention will be directed to the media and to improving its understanding and reporting of civil society organizations. Furthermore, efforts will be made to develop viable information identification, retrieval and management systems, recognizing that there is actually much information available in Madagascar, but, due to poor information management, it is not easily accessible nor in a useful format. Pact will work with a range of media professionals and with media associations to create a vibrant Civil Society Communications Network (***CSnet***).

Though national exchanges between different partners will play a key role in sharing experiences, Pact feels that exposure to different patterns of CSO/power holder interaction beyond Madagascar would be of equal benefit. Pact proposes to include one such exchange with its ground-breaking civil society programs in South Africa.

Activities under **Civic Information, Education, Communication, and Advocacy** will include:

- Reaching up to 25 CSOs who, as "subscribers" to the CSNet, will receive information packages on a regular basis;

- Collaborating with media professionals to increase their understanding of the role and functions of CSOs in democratic governance;

- Building an information research and retrieval system which would include setting up a clipping service and other media monitoring mechanisms that focus on media reporting of civil society issues;[22]

- Producing targeted mass media information kits on selected themes aimed at local CSOs, the media and professional associations;

- Expanding the number and type of organizations currently involved in civic education at local and national levels.

- Identifying existing civic education programs and materials and expanding their dissemination and use at national and local levels;

- In collaboration with partners such as CNOE, developing, producing and distributing innovative civic education programs and materials that focus on topics including but not limited to constitutional rights and responsibilities, the right to free speech and the right to free association;

- Providing training of trainer modules built around an understanding of economics and the implications of economic policy options for use by CSO partners;

- Approximately 1,200 person days of technical training for civil society organizations and civil society networks/coalitions and power holders (advocacy, conflict resolution, mediation, economic policy analysis, issues management and IEC);

- Reporting on and giving wide publicity to examples of advocacy and exchange between CSOs and power holders;

- 6 study tours bringing a total of 30 leaders from CSOs and government exposure to successful examples of CSO/government collaboration;

- A study tour for up to 10 CSO and government leaders to South Africa to exchange experiences with Pact and other programs promoting CSO involvement in policy formulation;

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[22] If additional funds are made available, access to worldwide information via connection to Internet could be added to the CSnet system.

- 10 issue fora at both the national and local levels grouping CSOs or CSOs with power holders dealing with CSO/government relations or policy issues affecting the poor;

- Technical assistance and workshops to develop the concepts of "values" and "ethics" in government and to catalyze the drafting of a draft government code of ethics which will include a clear role for civil society in good governance.

Indicators of success will include:

- A self-sufficient CSnet with a minimum of 25 organizational subscribers;

- A total of 12 different information kits produced during the three years of the project; press releases and accompanying media reports on 6 examples of effective advocacy and Government/CSO exchanges;

- A media monitoring and press clipping service functioning within the offices of a partner organization;

- 4 CSOs operating expanded and innovative national civic information/education programs, and 4 CSOs operating regional civic education programs in Mahajanga and Fianarantsoa;

- A minimum of 20 mass media journalists having participated in project workshops to increase their understanding of the role and functions of CSOs in democratic governance.

- A minimum of 15 examples of dialogue between CSOs and power holders on issues relating to the poor in which government policy, the implementation of procedures or the allocation of resources has been influenced in the direction espoused by the participating CSOs;

- Existence of draft code(s) of ethics under debate within the executive and legislative branches which include(s) specific mention of the role of civil society in policy formulation and oversight of government.

4. Organizational and Institutional Development

Increased ability to provide "services" will be critical to attaining the Participation and Poverty project's ambitious objectives. At the same time, the project will need to address the organizational/institutional weaknesses of NGO/CSOs if they are to survive and flourish as they apply their new skills. A central focus of Pact's proposed activities will be to respond to the organizational development training and mentoring needs of Pact's partners

within civil society, both individual organizations and networks/coalitions. Though specific programs will be based on the resource and needs assessments, likely themes of organizational/institutional development include democratic governance and management, leadership, financial management, strategic planning, fund raising and membership development. Be it for training or mentoring, Pact's approach will be to support and develop the skills of its vanguard partners in order for them to build the skills of other organizations (training of trainers).

Training will be provided using diverse formats -- workshops, seminars, national study tours, or correspondence courses. Though training will be a major focus of the program, one-on-one mentoring by program officers to "accompany" and support them as they apply new skills will be equally important. Firmly based in a belief in experiential learning, proposed activities include financial and technical support to practice what has been learned with resources made available to vanguard partners to expand project activities to their own constituencies (multiplier effect).

Activities under **Organizational/Institutional Development** will include:

- Approximately 800 person days of organizational development training for civil society organizations and civil society networks/coalitions[23] -- workshops, seminars, correspondence courses;

- One-on-one mentoring on the part of Pact staff for CSO and power holder partners (not reflected in person days of training as this is part of the technical responsibility of project staff);

- Implementation of a participatory monitoring and evaluation system to permit partners to assess their own development and to revise resource/needs assessments and training, information, and mentoring needs;

- Support to 15 CSOs or networks to apply skills developed during training, study tours, and mentoring;

In addition to the input indicators above (person days of training, number of exchange visits, etc.), indicators of success will include:

- Demonstrated increased capacity as measured through the monitoring and evaluation system (see Monitoring, Evaluation and Reporting in Section VI, Program Management);

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[23] It is not expected that power holders would benefit from organizational development activities.

- Successful application of skills learned during capacity building activities as measured through self and peer assessments;

- Increased perception of the overall capacity of civil society on the part of power holder and CSOs themselves (measured by periodically repeating baseline attitude surveys);

VI. Program Management

The P&P project will be managed according to the same values and high standards of administration and accountability that characterize Pact's participation in the SAVEM project. Primary responsibility for management will rest with the Project Director and a locally-hired project team which will receive financial, administrative and programmatic support from Pact Headquarters. Key staff on the Madagascar team will have substantial technical responsibilities (in particular training, IEC and ME&R) for project activities. Their skills and experiences will be supplemented by short-term technical expertise, sourced whenever possible in Madagascar.

Pact has opted to work simultaneously at the national and local levels in order to meet the objectives of this project. A small office will be created in Antananarivo, to support a total staff of seven including the Project Director, the Senior Program Officer, Program Officer a part-time Finance Officer, the Office Administrator, the Accountant and the Driver. Pact will hire two Regional Program Officers to work in Mahajanga and Fianarantsoa, but will not maintain regional offices. Instead, Pact regional staff will use space in residences for office purposes.

A. Madagascar Team

1. Project Director

The Project Director's responsibilities will cover three distinct areas: program management, technical services and external relations. Primary responsibility and full authority for project management rests with the Project Director, who will be responsible for the overall planning, organizing, implementing and evaluation of the program. He will supervise Pact project staff and will manage and direct the project consultants and institutional contracts. The Project Director will be responsible for producing detailed workplans, internal and external monitoring and evaluation plans, and establishing financial and narrative reports for the USAID Mission.

The Project Director will be responsible for the overall design and implementation of the project monitoring, evaluating and reporting system. He will determine participatory approaches for collecting information in collaboration with CSOs and NGOs to measure progress in organizational competencies; he will identify a range of quantitative and qualitative methodologies for collecting information that will illustrate changes in the quality and vibrancy of public debate on policy issues affecting the poor.

The Project Director will have overall responsibility for major technical areas involving civic information, education, communications, and advocacy. In addition to a training role, he will provide one-on-one mentoring for selected partners. He will identify key partners and in

collaboration with them, design information, education and communication strategies to broaden the scope of existing educational and communication activities as well as design innovative new civic education programs for implementation by CSOs at the community level. He will ensure a high quality of information flow between government and CSO partners and will develop and manage programs that create fora for structured and regular exchanges between the governmental and non-governmental sectors and between CSOs at the national level.

The Project Director will handle external relations for the project. He will manage relations with USAID, other donors, with the media[24] and with government officials. The Project Director will have primary responsibility for ensuring strong collaboration between the civil society and poverty-based policy analysis components of USAID's P&P project.

2. Biographical information: Project Director

Mr. Vincent Carbonneau is proposed as Project Director for the civil society component of USAID/Madagascar's Participation and Poverty Project. Mr. Carbonneau has worked extensively to support the development of civil society in Madagascar and in the design and implementation of communications programs in Canada and in Madagascar. He brings with him substantial relevant technical skills and a deep understanding of Malagasy civil society organizations. Mr. Carbonneau's intimate knowledge of the country and his experience in effectively managing multi-cultural offices in Antananarivo make him an ideal candidate for this project.

For the past three years, Vincent Carbonneau has worked at the Comité National d'Observation des Elections in Antananarivo. His technical skills have translated ideas into vibrant CNOE programs which mobilize citizens into active participation in community action at the grassroots level. Examples include the National Civic Education Program, for which Mr. Carbonneau produced materials on civic education for use by community-based trainers; and thematic campaigns on elections and on corruption, issues of particular concern in rural and urban Madagascar. Through his work in developing and managing national civic education programs for CNOE, Mr. Carbonneau has demonstrated his ability to develop flexible approaches that integrate concepts of collaboration with local partners, and recognition of key cultural and traditional elements that influence the long-term effectiveness of civic education initiatives.

Mr. Carbonneau's experience in the for-profit communications sector in Canada from 1985 to 1993 served CNOE well: CNOE was able to undertake an important civic education through media program, which was developed and managed by Mr. Carbonneau. Three

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[24] Pact will coordinate media activities with USAID, USIS, and with the US Embassy given the sensitivity of issues raised in this RFA.

radio and print programs continue to have impact on civic education and awareness building today: the weekly program Maso Manenty Malagasy Mijoro, which is broadcast over national and regional radio; MiaraMahita, a bi-monthly magazine devoted to civic education through analysis of national events, and which has an estimated readership of 33,000; and SAFIDY, which uses popular comic strip genres to promote individual rights and responsibilities. His work has earned Mr. Carbonneau the respect of members of the Malagasy media and has given him extensive knowledge of the range of formal and informal media and channels of information that can be used effectively in information, education and communications programs.

Through his work at CNOE and through CNOE partnerships at the local and national levels, Mr. Carbonneau was involved in successful organizational and institutional development activities that focussed on CSO capacities in developing national strategies, programs and approaches and in developing and managing civic education and communications programs. He has considerable experience in developing training curricula and designing and implementing training programs for CNOE members in approximately one hundred different communities.

Mr. Carbonneau held significant management responsibilities at CNOE: he established many of CNOE's internal and personnel management systems, instituted organization-wide operating procedures and is thoroughly familiar with Malagasy employment practices and regulations. He was responsible for public relations for CNOE and in 1994-1995 for the Centre Canadien de'Etudes et de Cooperation Internationale (CECI) in Madagascar.

Mr. Carbonneau's experience in the private sector in Canada includes promotions, management and television production for Television Interactive and copyrighting and campaign development for advertising agencies on national accounts for a wide variety of clients. As owner of a small business in Canada, Mr. Carbonneau recognizes the importance of a conducive policy environment and supportive and transparent government administration for the expansion of the private sector.

Mr. Carbonneau, who holds a degree in communications from Concordia University, Quebec and in Business Administration, Marketing and Sociology from John Abbott College, Quebec, is fluent in French and English.

3. Senior Program Officer

Under the guidance of the Project Director, the Senior Program Officer will have technical responsibility for organizational and institutional development activities and for all training activities of the project. This will include identifying partners to conduct training needs assessments, design organizational and institutional development curricula, advocacy programs and social mobilization courses as well training in other subjects as indicated by the needs assessments, and conduct such training at the national and local levels for government

and CSO partners. In addition to a training role, he or she will provide one-on-one mentoring for selected partners. The Senior Program Officer will make recommendations to the project director for selection and contracting with partners to carry out these tasks. The role of the Senior Program Officer will include devising participatory approaches for engaging stakeholders in public policy debate, as individuals or through CSOs. The Senior Program Officer will work in close association with the two regional Program Officers.

The Senior Program Officer will collaborate with the Project Director in the design and implementation of the ME&R system and will have particular responsibility for all ME&R training elements. He or she will carry out impact appraisals with partners within CSOs and will support all project monitoring, evaluation and reporting activities as determined by the Project Director.

4. Information Officer

The Information Officer will have primary responsibilities in the retrieval, treatment, dissemination, and overall management of economic, civil society, and other information. He or she will help project partners develop information management systems to ensure the accessibility of timely information on economics civil society related policies. The Information Officer will contribute to the packaging of information in various forms for dissemination through the CSsnet. He or she will oversee clipping and media monitoring activities and act as researcher for all information and education sources concerning civil society, participation, democracy issues and advocacy. She or he will oversee ground-truthing activities and information retrieval from local offices, and the distribution of materials to project subscribers.

5. Regional Program Officers

Pact intends to concentrate project activities at the local level in two provinces, Mahajanga and Fianarantsoa. For this purpose, the project team will include two Regional Program Officers. Their responsibilities will be management of capacity building activities for local-level CSOs, training for local government officials, local exchange development and their management -- all in collaboration with local partners. In addition to a training role, they will provide one-on-one mentoring for selected partners and support their efforts at expanded civic education. They will also act as key links with the Poverty Analysis component in disseminating and collecting information and coordinating "ground truthing" activities. The Regional Program Officers will participate in undertaking project monitoring, evaluation and reporting activities, and in any local impact assessments that may be required as part of the project.

6. Finance Officer

Pact intends to use the part-time services of an Antananarivo-based senior finance officer to provide support to the Project Accountant, including training in management of consultant contracts and partnership agreements. The Finance Officer will oversee establishment of sound financial systems for the project and will establish clear procedures for preparation of consultant and partnership contracts. The Finance Officer will provide regular financial management support to the project to ensure compliance with USAID and Pact regulations. The Regional Finance Officer will also be available to offer technical assistance in financial management training for partners.

Ms. Paige Carlson Heim will act as Finance Officer for this project, and will devote 15% of her time to the project. Ms. Carlson Heim is currently Finance Officer for the SAVEM Project in Antananarivo. She was Director of Finance for Pact Headquarters from 1991-1993.

7. Support Staff

Support staff will include an office administrator, an accountant, and a driver for the Antananarivo office.

B. Short term consultants

Pact will utilize local, regional and international consultants to address needs for short-term expertise in the P&P project. In keeping with its approach to development, Pact will always utilize local resources when they are available and appropriate. Pact expects to access expertise from Madagascar institutions on a wide range of topics. For example: for organizational and institutional development, the P&P project would seek to collaborate with the SAVEM/LOVA project and/or DVV (a German program aimed at adult education); for GO/NGO relations, the Malagasy Council for Churches (FFKM); and for civic IEC, the Comité National d'Observation des Elections and the Malagasy Association of Journalists. The outstanding group of local consultants used to complete Pact's Civil Society Survey have proven their capacity and interest in the development of Civil Society.

If expertise is not available locally, Pact will expand its search to other countries. Whenever outside expertise is brought in to Madagascar, Pact will make every effort to place the consultant with a team of local partners who will drive the planning and scope of the activity and ensure that activities are appropriate in Madagascar. This will also assure that skills are transferred to the Madagascar team members.

C. Home Office Support

Pact professionals in the Washington, DC headquarters (HQ) will provide managerial, programmatic, administrative and financial support to the project. Pact HQ will provide effective and cost efficient support to the project office in Antananarivo through application of existing guidelines and procedures which are described in Pact manuals. Each Pact project is assigned program and finance officers responsible for monitoring the effort against workplans, guidelines and budgets and for integrating field data into the Pact-wide financial and program management system.

Pact staff in Washington will support the P&P project and manage its US-based activities:

- Senior management at Pact HQ will provide management support, project oversight and programmatic input, liaise as needed with USAID/Washington and maintain financial oversight of the program.

Ms. Sarah Newhall will provide the senior management support for this project. As Deputy Director for Programs at Pact, Ms. Newhall is responsible for overall performance of Pact country programs and country representatives. Ms. Newhall, who helped design Pact/Madagascar's Long-term Opportunity for Voluntary Action (LOVA) project was Pact Country Representative in Cambodia for three years. Ms. Newhall will devote a total of 2.5% of her time to the Participation and Poverty Project.

- An Africa Program Officer at Pact HQ will provide programmatic and administrative support to the program on a day-to-day basis. These responsibilities include research on relevant programmatic themes, review of narrative and financial reporting, procurement of US equipment and services, coordination of financial transactions, identifying new opportunities relevant to project objectives, maintaining linkages to relevant initiatives and programs including other Pact projects, and maintaining communications with and responding to requests for assistance from the field office.

Ms. Leslie F. Mitchell will provide the program officer support for the project. As Program Officer at HQ, Ms. Mitchell provides support to Pact's on going programs in Ethiopia and Madagascar. She assisted in the start-up of the SAVEM and South Africa programs and participated in the design of the Ethiopia program. Ms. Mitchell was Pact's interim Country Representative in Romania, working with officials from the local and central government to develop the national Adoption policy which is currently in use. Ms. Mitchell will devote a total of 5% of her time to the Participation and Poverty Project.

- A Project Accountant at Pact Headquarters will be responsible for maintaining the financial accounts for the program in coordination with the Africa Program Officer. The Project Accountant will perform detailed reviews of monthly expenditures, prepare monthly and quarterly project financial reports, perform detailed financial

reviews of subcontract monthly financial reports, and provide guidance to program and subcontract staff on financial management aspects as required.

Ms. Evelyn Miyasato will provide the financial project accounting for the project. Ms. Miyasato served as Acting Director for Finance and Administration for the Pact/Madagascar office from April - July 1994. During this time, Ms. Miyasato converted the accounting system and trained the local financial staff in its features, trained Pact Madagascar staff in conducting pre-award surveys for prospective NGO subgrantees; conducted a financial review of one of Pact's USPVO subgrantees in Madagascar; and conducted audits of the Pact Madagascar field offices. Ms. Miyasato will devote 5% of her time to the Participation and Poverty Project.

D. Project Relationships[25]

A fundamental pillar of Pact's approach is partnership. The organizations and individuals contacted during Pact's survey of civil society expressed a unanimous interest in the P&P project and in collaborating with Pact. The expression of interest from CNOE, FFKM, ALJM, and several of the local organizations contacted was particularly strong. Given its methodology, however, Pact has consciously decided not to seek formal letters of commitment in preparation for this proposal. The importance that Pact puts on partnership requires careful discussion and negotiation based on mutual interest. Pact's proposed project director, Vincent Carbonneau, has close ties with many of these potential partners growing out of three years of working together. It is expected that these relationships will facilitate the rapid development of partnership arrangements. Pact foresees formal, written partnership agreements as the basis for collaboration on project activities. In addition, a project advisory panel representing an even broader range of stakeholders will be established. USAID would be invited to participate on this panel.

Pact will work to create effective linkages between the civil society and poverty-based policy analysis components of the Participation and Poverty project. Periodic meetings and joint planning will form the basis of the relationship. Through its project activities Pact will facilitate the flow of information and training in qualitative research methods to allow CSOs to obtain rapid feedback on the possible impact at the grassroots level of proposed policies and to prepare them for a dialogue with government on policy options. In addition Pact intends to have regular communications with the collaborating Malagasy organizations on the poverty-based analysis component including the Institut National de la Statistique (INSTAT), Division des Etudes Economiques and the Institut Malagasy des Techniques de Planification (IMATEP).

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[25] See also section IV.B.3., "Partnership."

Throughout implementation, Pact will communicate on a regular basis with USAID. The potentially sensitive nature of activities envisaged for the P&P project require particularly strong links between Pact and USAID/Madagascar. Similarly, Pact expects to establish good working relationships with the Government of Madagascar government offices involved in this activity including the Ministries of Finance and of Economy and Plan.

E. Monitoring, Evaluation and Reporting

1. Purposes of the ME&R System

The RFA states USAID's need for a project monitoring, reporting and evaluation system that will enable it to gauge the vibrancy of public policy debate and the level of satisfaction of civil society organizations with public policy decisions and their participation in the process. Pact adds several objectives to this. First, the project ME&R system needs to assess the effectiveness of Pact's effort to create an environment conducive to effective CSO/Government exchanges in two critical areas: enabling CSOs to take on a crucial advocacy role; and improving CSO organizational and analytical capacity in order to participate effectively in good governance. Secondly, Pact intends to use its ME&R system in a participatory manner and as a learning tool, thereby providing an opportunity for commitment from participating CSOs and for developing their capacity to sustain ME&R activities following the project.

The purposes of the Pact/Madagascar ME&R system are to assess:

- Understanding of project goals, objectives, strategies and time-lines;
- Effectiveness and appropriateness of on-going project activities;
- Progress in meeting project goals;
- Impact of project activities on individuals and groups of individuals;
- Success of the project in addressing the requirements of women and special needs populations;
- Project success.

2. Monitoring, Reporting and Evaluation Approach

Pact's approach to ME&R emphasizes a learning process of value to the entire project community and including all stakeholders. For Pact, evaluations necessarily involve different sets of understandings which need to be negotiated. Pact's ME&R methodology is developmental rather than judgmental and the negotiation and clarification of objectives are an important part of the learning process.

The proposed ME&R System for the Participation and Poverty Project will serve four ends:

- it will provide necessary data and information for reporting to USAID/Madagascar and other stakeholders on overall project progress, achievement of objectives, changes in assumptions or attitudes and recommendations for further USAID action;

- provide baseline data with which to evaluate impact in the final project evaluation;

- by using a participatory model to design and implement its monitoring and evaluation activities, serve to reinforce capacity strengthening of Malagasy partners, in particular CSOs in monitoring and evaluation; and

- provide information by which Pact and its partners can identify additional organizational strengthening interventions required for to meet project objectives.

3. ME&R Methodology

The ME&R methodology used by Pact/Madagascar will involve partners and their beneficiaries in a process that is built on the vertical logic of the results framework. Planning for ME&R will provide everyone with an understanding of what the project is supposed to do and the time lines and strategies for doing it. The products of ME&R will provide a rich context-laden description of the project, including participants and other major stakeholder resources, intended accomplishments and key outcome indicators prior to the start-up of project activities to serve as a baseline for measuring success. The ME&R systems will also take into account gender and other special needs to ensure all partners are adequately represented.

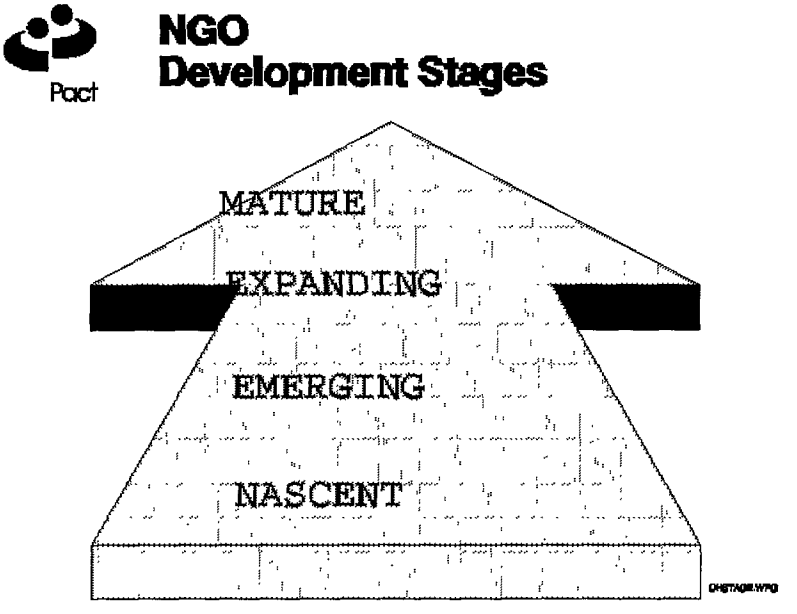
Pact/Madagascar will base its ME&R system on the routine and regular collection and analysis of data and results. The system will provide information on results at all levels that enable managers to track progress toward achieving strategic objectives, intermediate results and activity output. Pact/Madagascar will use a variety of data collection and analysis approaches to strengthen participation and feedback from partners, beneficiaries and stakeholders including surveys, rapid appraisal techniques, interviews of key informants, focus groups, community interviews, site observations, mini surveys and mapping.

a. ME&R: Organizational and Institutional Development

In order to establish an effective ME&R system, Pact/Madagascar will work with collaborating CSOs to define the elements of a healthy Malagasy civil society organization required to deliver services and represent their constituents .

These organizations will identify a program based on where they are currently, where they want to be, how they will get there and how they will know when they have achieved their goal.

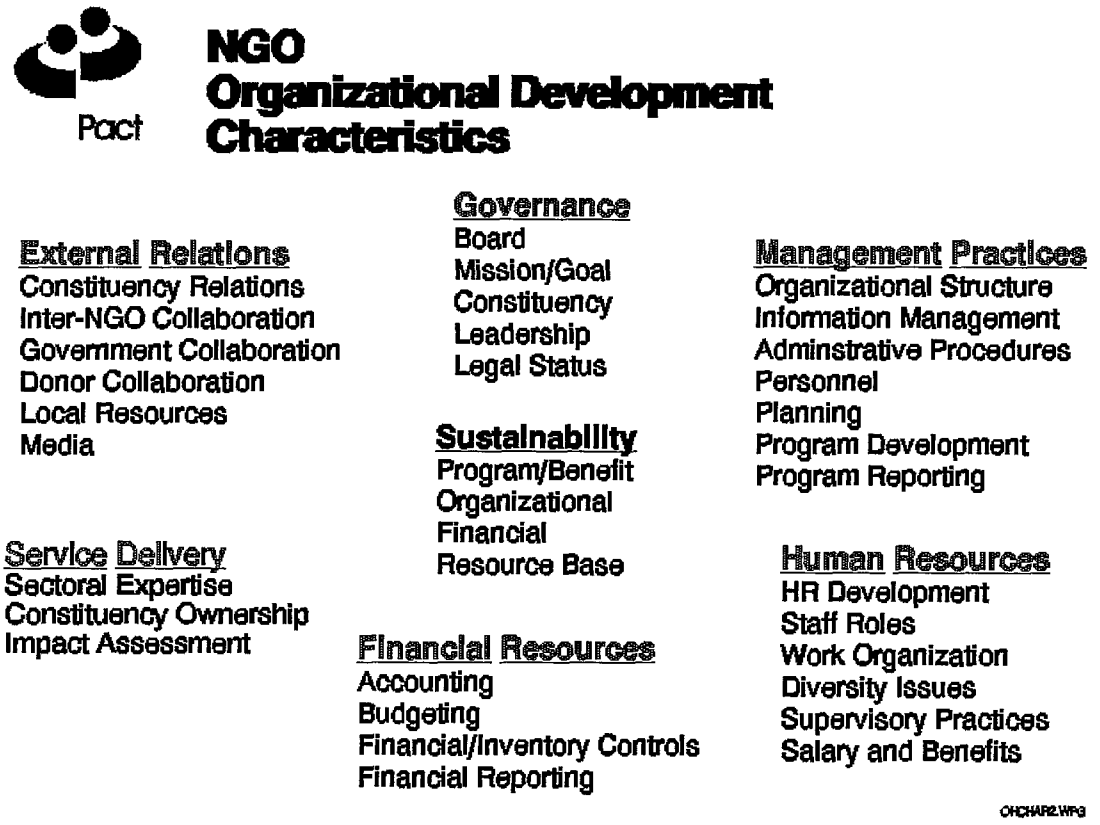
Pact experience around the world has shown that in order to build capacity among local organizations, it is necessary to assess how an organization is placed in respect to a template of best practices for an organization. Such an assessment will allow an organization to identify where is under-performing and where help is needed. There are certain aspects of organizational behavior which are common to all CSOs, which include the following seven components: governance, management practices, human resources, financial resources, service delivery, external relations and sustainability. These seven elements will need to be refined to reflect the characteristics of the civil society sector in Madagascar.



The instrument with which to collect information on each of these organizational components will be designed in collaboration with CSO partners to serve a variety of purposes. It will identify the characteristic criteria or indicators of performance for each of the seven components of organization effectiveness. Once information is collected and analyzed, this instrument will categorize CSOs into four distinct stages or development according to their competence in each of the seven components. These stages of development are dynamic and interactive and a CSO will not necessarily be at the same stage of development with regard to all components at any one time.

The instruments required to collect such information, to be designed in the early stages of the project, can provide CSOs with means to conduct participatory self-assessments or to be assessed by external evaluators, technical assistance providers or trainers. They provide a basis for communication and planning between CSOs and Pact program officers.

b. ME&R: Civic Information, Education, Communication, and Advocacy



Together, civic information, education, communication, and advocacy form the "services"

delivered by CSOs. A number of activities are built into the ME&R system to monitor targeted activities and to collect and analyze data for use in reports to USAID and stakeholders. ME&R activities in this area will involve both quantitative and qualitative elements and will be conducted in collaboration with USAID.

Quantitative ME&R elements include information on number of articles appearing in various media that discuss citizen participation in public policy debate; range of media carrying such reports (number of French and Malagasy-language newspapers, number of radio stations, inclusion of this type of debate in traditional and folk media); or number of formal round tables or other public exchanges that include representatives of government and of civil society.

Qualitative data collected using a range of techniques will permit USAID, Pact and other project stakeholders to measure impact of activities through changes in perceptions of power holders toward civil society and CSOs, in quality of reporting on civil society and in understanding by the media of the functions and roles of CSOs as participants in democratic governance.

4. Reports

a. Reporting on CSO activities

Pact envisions structuring the ME&R to permit reporting on CSO activities at the following levels:

- Level 1: reports which present information for the entire CSO sector or reports which permit comparison among subsets of the CSO sector;
- Level 2: reports which present information on individual CSOs or subsets of CSOs,
- Level 3: reports which present information on the individual CSOs.

A sample representation of a Level 1 report which shows organizational capacity development with the CSO sector over time is presented on the following page.

b. Reporting on Civic Information, Education, Communication, and Advocacy Activities

Pact/Madagascar intends to combine graphic representation of quantitative information with narrative reports that present the findings of qualitative information on civic information,

education, communication, and advocacy activities. The reports will be for use by USAID, project stakeholders and Pact; they may also be used in high level Government of Madagascar, private sector and civil society organization interventions as a means of enlisting high level support for project activities.

c. Other Project Reports

In addition to financial reports required under the standard provisions of the cooperative agreement, Pact will prepare quarterly narrative project reports that describe activities and indicate progress toward achievement of results. In its overall ME&R plan, Pact will ensure that ME&R activities described above, and directed at CSOs, are scheduled to coincide with quarterly reporting requirements.

Pact will prepare annual workplans, which will be submitted to USAID for approval. The workplans will be the result of collaboration with partner organizations in government, among CSOs and from the media.

5. Evaluation

USAID has proposed one, final project evaluation to be carried out during the third and final year of the project. The proposed Pact ME&R system will collect information on a regular basis to enable external evaluators to assess project impact and achievement of results.[26]

F. Project Plan

Pact's Project Plan is presented in graphic (GANTT) form on the following pages:[27]

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[26] Included in Annex 3 to the Technical Proposal is the Organizational Capacity Assessment Tool prepared for Pact Ethiopia as part of the project's ME&R system.

[27] Narrative presentation of activities represented in the GANTT chart can be found in Section V. Technical Approach and Methodology, and as Annex 9.

VII. Pact Experience and Resources

A. General

Pact's mission is to contribute to the growth of civil societies throughout the world. It is a mission accomplished by working strategically to strengthen the civil society sector as a whole and to directly help individual non-governmental organizations identify and implement participatory development approaches that promote social, economic, political and environmental justice.

Pact's critical role is to make the contributions of NGO/CSOs more fundamentally significant, by strengthening the organizational and institutional capacity of NGO/CSOs and their support organizations; demonstrating the benefits of governmental/non-governmental organization relationships; articulating the roles and responsibilities of NGO/CSOs; and working to establish legal frameworks within which NGO/CSOs can operate. Pact makes lasting contributions to democracy and better governance through its efforts to increase local community engagement in public policy formation, an emphasis on transparency and accountability in the work of NGO/CSOs and promotion of a professional NGO/CSO sector.

Pact programs provide NGO/CSO officials opportunities to exert leadership and demonstrate responsibility in addressing common goals. Effective advocacy by these NGO/CSO leaders and implementation of practical interventions by their agencies illustrate the important representative role of CSOs in influencing public opinion and enabling natural leaders to emerge and gain recognition as valid participants in public life.

At this writing, Pact has committed resources to democracy and governance activities in most of its worldwide programs. By emphasizing participatory planning methods, principles of transparency and accountability in leadership and financial management in its organizational development training, Pact helps the non-governmental sector to create a tradition of democratic practices. Pact has helped local NGOs to set national agendas for the sector: a national NGO conference in Peru enabled NGOs to act as a cohesive sector of civil society. Policy advocacy is an integral part of most Pact organizational development programs and takes on greater emphasis when applied to the sector: Pact engages NGO/CSOs in policy advocacy activities including access to family planning methods, agriculture, the environment and education. Democracy and governance objectives also require that civil society function in a supportive legislative and regulatory environment: Pact is working in these areas in Ethiopia and South Africa. Pact's commitment to creating an enabling environment for effective governance increasingly results linkages between government, private business and civil society and national, regional and local levels.

B. Relevant Project Experience

1. Demonstrated ability to work with CSOs and NGOs collaboratively to strengthen the partner organizations' capability to educate members in advocacy and basic CSO management

Pact's work is manifested in organizational and institutional CSO capacity building that centers on participation and partnership within the non-governmental sector and between its members, governments and international development agencies, and that empowers organizations to carry out their mission transparently, credibly and effectively. Transfer of advocacy skills, a strategic ingredient in many Pact organizational and institutional development programs, enables CSOs to represent the views of grassroots communities effectively and to produce concrete results in areas including legislation, mobilization around communal issues, and local governance.

The South African ***Strengthening NGOs and Their Partnership with Government*** program illustrates how Pact directly helps organizations of civil society, strengthened by series of coalitions and associations, to become legitimate contributors to democratic evolution.

- Pact has supported NGOs in the development and implementation of advocacy strategies. With skills acquired through a Pact advocacy training program, the Disabled People of South Africa organization successfully advocated on behalf of its constituents for representation in the National Reconstruction and Development Program office, where it now has a desk.

- Pact has been one of several supporters in the development of NGO coalitions, which first emerged at the provincial level as strong representatives of grassroots interests. The Eastern Cape NGO Coalition, the strongest in South Africa, is now an active member of the province's Socio-Economic Consultative Council: its current Chair is executive director of the council. The National NGO Coalition, formed in August 1995, advocated successfully to participate with government in resource allocation for NGOs; more significantly, it provides a structure for the review of draft legislation affecting the sector.

The ***Black Entrepreneurship and Enterprise Support program (BEES)*** in South Africa has addressed advocacy and participation in policy formulation by representatives of small and micro entrepreneurs.

- BEES provided start-up and operational support to two young national advocacy organizations, the Association of Micro Enterprise Development Practitioners (AMEP) and the National Women's SMME Focus group. BEES also helped produce the

AMEP Newsletter as well as Policy Digest, a policy publication of the University of Witswatersrand Center for Developing Business.

- BEES introduced the concept of issues management among South Africa's SME NGO advocacy groups: fourteen government, university and NGO officials representing all regions of South Africa were trained in the ordered practice of identifying, prioritizing, planning, managing, monitoring and evaluating the advocacy process.[28]

Under the ***Developing Grant Making Capacities of South African NGOs*** program, Pact helps civil society and government organizations in South Africa to identify and apply mechanisms for incorporating the views of communities into policy formulation.

- The Institute for Democracy (Khulekani - formerly the Democracy in Action Institute), one of Pact's partners in this project, helps newly-elected parliamentarians to link with communities.

- The Institute for African Alternatives seeks to help the RDP formulate strategies for broad public participation in development processes and to build capacity with communities in the Northern Cape and Mpumalanga provinces.

- The Foundation for Contemporary Research is spearheading the process of involving grassroots participation in policy development decisions affecting the design of transportation systems in the Western Cape.

In the ***Children of Romania*** Project, which aimed to improve the plight of Romania's orphaned and abandoned children in collaboration with government and non-governmental institutions, Pact initiated a process that has culminated, 6 years after the project started, in concrete policy reform in two areas: Romania now has a national adoption policy, as a result of which children are being re-unified with their birth families. Disabled people successfully lobbied the government to have their rights acknowledged in the new Constitution. Pact's experience in Romania reinforces the notion that because programs aimed at engaging people in debate on policies that affect their lives involve fundamental changes in attitudes and behaviors, results are rarely evident during the relatively short life span of a project. They do, however, become apparent and effective over the long term.

- Pact strongly supported early linkages and communication between four Romanian government ministries (Health, Labor and Social Welfare, Education, and Handicapped Persons) to coordinate activities and resources for improving the conditions of children residing in institutions.

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[28] Excerpts of the Issue Management Module prepared for BEES is contained in Annex 8.

- Pact was directly involved in creating the interministerial Romanian Committee for Adoption and facilitated developing regulations and procedures on family re-unification and other measures related to child-welfare in line with the Convention on the Rights of the Child, supporting this with training and technical assistance with the judiciary, local government authorities and directors of the orphanages.

Through the ***Ethiopian NGO Sector Enhancement Initiative***, Pact is assisting NGOs in defining the rights and responsibilities of a legitimate Ethiopian NGO sector and fostering consensus on transparency, accountability and other governing concepts. By expanding the understanding of government officials of the contributory and complementary role of NGOs in a pluralistic society, the Initiative is striving to improve the capability of NGOs to act and be accepted as legitimate monitors of and contributors to public affairs and to facilitate changes in the manner the government regulates NGOs.

2. Demonstrated ability to mobilize CSOs' members to increase participation in public policy formulation and debate.

Pact designs activities based on fundamental concepts of participation and partnership with local initiatives. It is through the successes of its partners in empowering their own constituents to participate in public policy formulation and debate, that Pact measures its achievements in this field. Pact's role in such instances is not as a front line organization, but rather as a catalyst whose resources enable indigenous organizations to mobilize participants in the public arena.

Through the Cambodian ***Local Initiatives in Democracy Building*** program, Pact promotes increased opportunities for individuals, in particular women, to experience democratic concepts and practices, and supports the involvement of students in the democracy-building process.

- Pact was one of the first international organizations to support the Cambodian Human Rights Coalition ADHOC. Today, ADHOC is an organization with national scope; it successfully advocates on behalf of individuals whose civil rights have been violated and influences the government of Cambodia to protect human rights.

- The Kmer Institute for Democracy offers another example of a Cambodian civil society organization that influences policy issues, through its regular television debate program. Pact was an early supporter of KID.

- Ponleu Khmer, a small CSO in Cambodia, had direct input into drafting the constitution, through citizen participation. The result of its efforts: inclusion of strong language on the rights of women in the constitution.

Pact supported a range of CSO activities in Thailand from 1992-1994 to advocate policy reforms at the national level and in promoting democratization efforts at the local level. Strategies deployed in Pact Thailand's ***RESCUE (Reaching Street Children in Urban Environments)*** and environmental projects generally included four steps: strengthening the social base, proposing alternatives, building strategic allies in the geographical and topical areas of interest and influencing key actors including mass media.

- In Chiang Mai, the Wieng Ping Children's Group (WPCG), a Pact partner in the RESCUE project, is a visible and effective advocate for the rights of street children. WPCG reviews national government policy, develops implementation plans for the province and prepares information for presentation by the Chiang Mai governor to the national government. WPCG successfully enlisted the mass media as a vehicle for promoting reforms of government policies that were obstructing CSO activities.

- Pact supported early initiatives by the Law Society of Thailand in grassroots education in environmental law following enactment of the 1992 National Environmental Quality Act (NEQA). In 1995, LST lawyers formed a new advocacy organization, Environmental Lawyers of Thailand, which won a major case in a mass-transit project that had serious environmental impacts in Bangkok.

Pact South Africa contributed to the successes experienced by CSOs in engaging their members in advocacy activities.

- Pact supported a strategic training on the Interim Constitution for the Council of Traditional Leaders of South Africa. As a result of the training, the organization defined what strategic advocacy roles traditional leaders should have as local and provincial representatives.

The ***Prip*** project illustrated other Pact involvement in advocacy by members of CSOs.

- Key NGO leaders in Bangladesh formed the social disaster management program, a grassroots movement which aims to mitigate the fundamentalist islamic movement's social messages; the social disaster management is built on social mobilization theories which Prip has introduced to the CSO leaders over the years.

3. Past performance in administering USAID-funded contracts, grants and/or cooperative agreements undertaken during the last three years. Administrative and financial management proficiency sufficient to meet USAID accountability requirements and to select and manage sub-agreements with local consulting firms. Demonstrated ability to acquire and support long-term technical assistance.

Pact currently manages USAID and United Nations financed projects in twelve countries in Asia, Latin America and Africa. USAID has entrusted Pact with management of substantial subgrant funds: subgrantees range from large, international PVOs such as CARE and Conservation International to micro-NGOs participating in literacy programs in Nepal. USAID's confidence in Pact's financial and administrative capabilities is amply supported by Pact's annual audit reports.

The following list briefly describes USAID-funded projects over the past three years. (Annex 2 to the cost proposal includes a description of the activities listed here.)

NGO Strengthening to Promote Democratic Pluralism Project: Nepal, AID 367-0159-G-SS-8185-00; $1,067,772 Phase I, 6/6/88 - 3/31/93; $1,054,729 Phase II; 5/13/93 - 8/31/97

PRIP: Private Rural Initiatives Project:AID 388-0072-A-8104-00; 10/30/88 - 8/31/98; $11,236,000

SPIRITED program, Thailand: AID 493-0342-G-SS-0128-00; 8/10/90 - 9/30/94; $1,608,055;

Children of Romania project: Romania, AID/ANE-0001-A-00-0055-00; 9/12/90 - 3/31/93; $2,271,643

RESCUE I and II: Thailand, AID 493-0343-G-55-7069-00; 8/01/91 - 9/30/94; $606,243

South African Leadership Network (Strengthening NGOs and their Partnership with Government), South Africa, AID 674-0301-A-00-1062-00; 9/13/91 - 9/30/96; $9,473,206

Sustainable Approaches to Viable Environmental Management (SAVEM): Madagascar, AID/REDSO 623-0000-A-00-1035-00; 9/20/91 - 9/30/97; $28,478,243

Cambodia Community Outreach Project (CCOP): Cambodia, AID 442-0104-A-00-1187-00 10/01/91 - 3/31/97; $17,175,122

PRODEPAS: El Salvador, AID/GOES 519-0394; Phase I $1,321,184, 7/9/92-10/15/93; Phase II $489,000, 10/16/93-6/30/94

RESCUE Indonesia, AID 497-0364-G-SS-2093-00; 9/30/92 - 6/15/97; $830,000

PVO Support Project: Peru, AID 527-0353-A-00-2297-00; 9/30/92 - 9/29/98; $13,600,000

Black Entrepreneurship and Enterprise Support (BEES), South Africa, AID 674-0303-G-00-3128-00; 9/30/93 - 9/30/96; $3,690,569

Women Reading for Development (WORD) Project: Nepal, AID 367-0168-G-00-4194-00 8/23/94 - 8/22/96; $3,060,909

Institutional Reinforcement for Community Empowerment (IRCE): Botswana, AID 623-0251-A-00-5083-00; 5/14/95 - 8/31/97; $ 2,660,578

Ethiopian NGO Sector Enhancement Initiative: Ethiopia, AID-663-0020-A-00-5501-00 7/31/95 - 12/31/97; $3,694,642

Developing Grant Making Capacities of South African NGOs: South Africa, AID-674-0318-A-00-5038-00; 10/1/95-9/30/97; $2,999,949

Pact's management capacity is amply illustrated in the example of the US$28 million ***Sustainable Approaches for Viable Environmental Management (SAVEM)*** project in Madagascar: here Pact manages a large and complex project with partners ranging from the Malagasy National Association for the Management of Protected Areas (ANGAP) and several operational international conservation and development organizations (World Wildlife Fund, CARE, Conservation International, VITA, and the State University of New York at Stonybrook) to small, indigenous NGOs. Under SAVEM, Pact supports one central office in Antananarivo and five field offices. Pact staff totals 27, including two long term senior management positions.

Pact South Africa currently manages three separate USAID-funded projects: total budget for the three projects is around US$20 million. Two of the three projects (Developing the Grant Making Capacities of South African NGOs, and the Black Entrepreneurship and Enterprise Support) include substantial grant making components, with US$5 million aimed at South African NGOs. In South Africa, Pact currently supports two long term senior expatriate positions and a staff of nine South African professionals. Pact South Africa has built a strong network of local and regional expertise. The South Africa office contracts regularly with consultants in South Africa and in the region for work in organizational and institutional development, advocacy and community mobilization. Pact HQ was instrumental in supporting the BEES project need for international consultants during the first technical assistance phase of the project.

Acknowledgements

Pact expresses its gratitude to the many people who helped in the preparation of this proposal. It is particularly appreciative of the excellent and work of its consultants who participated in the survey of Malagasy civil society and problem analysis roundtable used as the basis for this document: Balsama Heliarison Andriantseheno, Christian Chadefaux, Sarah Fry, Jean Eric Rakotoarisoa, Belle Jocelyn Ramanantenasoa, Elyett Rasendratsirofo, and Sylvain Razafimamonjy.

ATTACHMENT 3
STANDARD PROVISIONS

3.1 INELIGIBLE COUNTRIES (MAY 1986)

Unless otherwise approved by the USAID Agreement Officer, funds will only be expended for assistance to countries eligible for assistance under the Foreign Assistance Act of 1961, as amended, or under acts appropriating funds for foreign assistance.

3.2 NONDISCRIMINATION (MAY 1986)

(This provision is applicable when work under the grant is performed in the U.S. or when employees are recruited in the U.S.)

No U.S. citizen or legal resident shall be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity funded by this grant on the basis of race, color, national origin, age, handicap, or sex.

3.3 U.S. OFFICIALS NOT TO BENEFIT (NOV 1985)

No member of or delegate to the U.S. Congress or resident U.S. Commissioner shall be admitted to any share or part of this agreement or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this award if made with a corporation for its general benefit.

3.4 INVESTMENT PROMOTION (JAN 1994)

No funds or other support provided hereunder may be used in a project or activity reasonably likely to involve the relocation or expansion outside of the United States of an enterprise located in the United States if non-U.S. production in such relocation or expansion replaces some or all of the production of, and reduces the number of employees at, said enterprise in the United States.

No funds or other support provided hereunder may be used in a project or activity the purpose of which is the establishment or development in a foreign country of any export processing zone or designated area where the labor, environmental, tax, tariff, and safety laws of the country would not apply, without the prior written approval of USAID.

No funds or other support provided hereunder may be used in a project or activity which contributes to the violation of internationally recognized rights of workers in the recipient country, including those in any designated zone or area in that country.

This provision must be included in all subagreements.

3.5 NONLIABILITY (NOV 1985)

USAID does not assume liability for any third party claims for damages arising out of this Agreement.

3.6 AMENDMENT (NOV 1985)

The Agreement may be amended by formal modifications to the basic agreement document or by means of an exchange of letters between the Agreement Officer and an appropriate official of the Recipient.

3.7 NOTICES (NOV 1985)

Any notice given by USAID or the recipient shall be sufficient only if in writing and delivered in person, mailed, or cabled as follows:

To the USAID Agreement Officer, at the address specified in the agreement.

To recipient, at recipient's address shown in the agreement or to such other address designated within the agreement.

Notices shall be effective when delivered in accordance with this provision, or on the effective date of the notice, whichever is later.

3.8 OMB APPROVAL UNDER THE PAPERWORK REDUCTION ACT (AUG 1992)

(This provision is applicable whenever any of the nine provisions below containing an information collection requirement is included in the grant.)

Information collection requirements imposed by this grant are covered by OMB approval number 0412-0510; the current expiration date is 8/31/97. Identification of the Standard Provision containing the requirement and an estimate of the public reporting burden (including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information) are set forth below.

Standard Provision	Burden Estimate
Air Travel and Transportation	1 (hour)
Ocean Shipment of Goods	.5
Patent Rights	.5
Publications	.5
Negotiated Indirect Cost Rates Predetermined and Provisional	1
Voluntary Population Planning	.5
Protection of the Individual as a Research Subject	1

Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Procurement Policy and Evaluation Staff (M/OP/E), Agency for International Development, Washington, DC 20523-1435 and to the Office of Management and Budget, Paperwork Reduction Project (0412-0510), Washington, DC 20503.

3.9 AIR TRAVEL AND TRANSPORTATION (AUG 1992)

(This provision is applicable when any costs for air travel or transportation are included in the budget.)

(a) The grantee is required to notify the project officer of the proposed itinerary for each planned international trip financed by this grant, by providing the name of the traveller, purpose of the trip, origin/destination (and intervening stops), and dates of travel, as far in advance of the proposed travel as possible, but at least three weeks before travel is planned to commence. International travel, as provided for in the grant, is authorized unless otherwise disapproved by the project officer in writing prior to the commencement of travel. At least one week prior to departure, the grantee shall notify the cognizant U.S. Mission or Embassy, with a copy to the project officer of planned travel, identifying the travellers and dates and times of arrival.

(b) Travel to certain countries shall, at AID's option, be funded from U.S.-owned local currency. When AID intends to exercise this option, AID will, after receipt of advice of intent to travel required above, either issue a U.S. Government S.F. 1169, Transportation Request (GTR) which the grantee may exchange for tickets, or AID will issue the tickets directly. Use of such U.S.-owned currencies will constitute a dollar charge to this grant.

(c) All air travel and shipments under this grant are required to be made on U.S. flag air carriers to the extent service by such carriers is available. A U.S. flag air carrier is defined as an air carrier which has a certificate of public convenience and necessity issued by the U.S. Civil Aeronautics Board authorizing operations between the United States and/or its territories and one or more foreign countries.

(d) Use of foreign air carrier service may be deemed necessary if a U.S. flag air carrier otherwise available cannot provide the foreign air transportation needed, or if use of such service will not accomplish the agency's mission. Travel and transportation on non-free world air carriers are not reimburseable under this grant.

(e) U.S. flag air carrier service is considered available even though:

(1) Comparable or a different kind of service can be provided at less cost by a foreign air carrier;

(2) Foreign air carrier service is preferred by or is more convenient for the agency or traveler; or

(3) Service by a foreign air carrier can be paid for in excess foreign currency, unless U.S. flag air carriers decline to accept excess or near excess foreign currencies for transportation payable only out of such monies.

(f) Except as provided in paragraph b. of this section, U.S. flag air carrier service must be used for all Government-financed commercial foreign air travel if service provided by such carriers is available. In determining availability of a U.S flag air carrier, the following scheduling principles should be followed unless their application results in the last or first leg of travel to or from the United States being performed by foreign air carrier:

(1) U.S. flag air carrier service available at point of origin should be used to destination or in the absence of direct or through service to the farthest interchange point on a usually traveled route;

(2) Where an origin or interchange point is not served by U.S. flag air carrier, foreign air carrier service should be used only to the nearest interchange point on a usually traveled route to connect with U.S. flag air carrier service; or

(3) Where a U.S. flag air carrier involuntarily reroutes the traveler via a foreign air carrier the foreign air carrier may be used notwithstanding the availability of alternative U.S. flag air carrier service.

(g) For travel between a gateway airport in the United States (the last U.S. airport from which the traveler's flight departs or the first U.S. airport at which the traveler's flight arrives) and a gateway airport abroad (that airport from which the traveler last embarks enroute to the U.S. or at which the traveler first debarks incident to travel from the U.S.), passenger service by U.S. flag air carrier will not be considered available:

(1) Where the gateway airport abroad is the traveler's origin or destination airport, and the use of U.S. flag air carrier service would extend the time in a travel status, including delay at origin and accelerated arrival at destination, by at least 24 hours more than travel by foreign air carrier:

(2) Where the gateway airport abroad is an interchange point, and the use of U.S. flag air carrier service would require the traveler to wait six hours or more to make connections at that point, or delayed departure from or accelerated arrival at the gateway airport in the U.S. would extend the time in a travel status by at least six hours more than travel by foreign air carrier.

(h) For travel between two points outside the U.S. the rules in paragraphs (d) through (f) of this section will be applicable, but passenger service by U.S. flag air carrier will not be considered to be reasonably available:

(1) If travel by foreign air carrier would eliminate two or more aircraft changes enroute;

(2) Where one of the two points abroad is the gateway airport (as defined in paragraph (g) of this section) enroute to from the United States, if the use of a U.S. flag air carrier would extend the time in a travel status by at least six hours more than travel by foreign air carrier including accelerated arrival at the overseas destination or delayed departure from the overseas origin as well as delay at the gateway airport or other interchange point abroad; or

(3) Where the travel is not part of a trip to or from the United States, if the use of a U.S. flag air carrier would extend the time in a travel status by at least six hours more than travel by foreign air carrier including delay at origin, delay enroute and accelerated arrival at destination.

(i) When travel under either paragraph (g) or (h) of this section involves three hours or less between origin and destination by a foreign air carrier, U.S. flag air carrier service will not be considered available when it involves twice such travel time or more.

(j) Nothing in the above guidelines shall preclude and no penalty shall attend the use of a foreign air carrier which provides transportation under an air transport agreement between the United States and a foreign government, the terms of which are consistent with the international aviation policy goals set forth at 49 U.S.C. 1502(b) and provide reciprocal rights and benefits.

(k) Where U.S. Government funds are used to reimburse the grantee's use of other than U.S. flag air carriers for international transportation, the grantee will include a certification on vouchers involving such transportation which is essentially as follows:

"CERTIFICATION OF UNAVAILABILITY OF U.S. FLAG AIR
hereby certify that the transportation service for
(and their personal effects) or property by certificated
air carrier was unavailable for the following reason(s)."
(State appropriate reason(s) as set forth above).

(l) International Travel

(1) As used herein, the term "international travel" means travel to all countries other than those within the home country of the traveler.

(2) The grantee will be reimbursed for travel and the reasonable cost of subsistence, post differentials and other allowances paid to employees in an international travel status in accordance with the grantee's established policies and practices which are uniformly applied to federally financed and other activities of the grantee. The standard for determining the reasonableness of reimbursement for overseas allowance is the Standardized Regulations (Government Civilians, Foreign Areas), published by the U.S. Department of State, as from time to time amended. The most current subsistence, post differentials, and other allowances may be obtained from the grant officer.

(m) This provision will be included in all subgrants and contracts which require air travel and transportation under this grant.

3.10 OCEAN SHIPMENT OF GOODS (AUG 1992)

(This provision is applicable when goods purchased with funds provided under this grant are transported to cooperating countries on ocean vessels whether or not grant funds are used for the transportation.)

(a) At least 50% of the gross tonnage of all goods purchased under this grant and transported to the cooperating countries shall be made on privately owned U.S. flag commercial ocean vessels, to the extent such vessels are available at fair and reasonable rates for such vessels.

(b) At least 50% of the gross freight revenue generated by shipments of goods purchased under this grant and transported to the cooperating countries on dry cargo liners shall be paid to or for the benefit of privately owned U.S. flag commercial ocean vessels to the extent such vessels are available at fair and reasonable rates for such vessels.

(c) When U.S. flag vessels are not available, or their use would result in a significant delay, the grantee may request a determination of non-availability from the AID Transportation Division, Office of Procurement, Washington, D.C. 20523, giving the basis for the request which will relieve the grantee of the requirement to use U.S. flag vessels for the amount of tonnage included in the determination. Shipments made on non-free world ocean vessels are not reimburseable under this grant.

(d) Vouchers submitted for reimbursement which include ocean shipment costs shall contain a certification essentially as follows:

> "I hereby certify that a copy of each ocean bill of lading concerned has been submitted to the U.S. Department of Transportation, Maritime Administration, Division of National Cargo, 400 7th Street, S.W., Washington, D.C. 20590, and that such bills of lading state all of the carrier's charges including the basis for calculation such as weight or cubic measurement."

(e) Shipments by voluntary nonprofit relief agencies (i.e., PVOs) shall be governed by this standard provision and by AID Regulation 2, "Overseas Shipments of Supplies by Voluntary Nonprofit Relief Agencies" (22 CFR Part 202).

(f) Shipments financed under this grant must meet applicable eligibility requirements set out in Handbook 1, Supplement B, Chapter 7.

(g) This provision will be included in all subagreements which will finance goods to be shipped on ocean vessels.

3.11 AID ELIGIBILITY RULES FOR GOODS AND SERVICES (AUG 1992)

(This provision is applicable when goods or services are procured under the grant.)

(a) Ineligible and Restricted Goods and Services: If AID determines that the grantee has procured any of the restricted or ineligible goods an services specified below, or has procured goods and services from unauthorized sources, and has received reimbursement for such purpose without the prior written authorization of the grant officer, the grantee agrees to refund to AID the entire amount of the reimbursement. AID's policy on ineligible and restricted goods and services is contained in Chapter 4 of AID Handbook 1, Supplement B, entitled "Procurement Policies".

(1) Ineligible Goods and Services. Under no circumstances shall the grantee procure any of the following under this grant:

(i) Military equipment,
(ii) Surveillance equipment,
(iii) Commodities and services for support of police or other law enforcement activities,
(iv) Abortion equipment and services,
(v) Luxury goods and gambling equipment, or
(vi) Weather modification equipment.

(2) Ineligible Suppliers. Funds provided under this grant shall not be used to procure any goods or services furnished by any firms or individuals whose name appears on the "Lists of Parties Excluded from Federal Procurement and Nonprocurement Programs." AID will provide the grantee with a copy of these lists upon request.

(3) Restricted Goods. The grantee shall not procure any of the following goods and services without the prior written authorization of the grant officer:

(i) Agricultural commodities,
(ii) Motor vehicles,
(iii) Pharmaceuticals,
(iv) Pesticides,
(v) Rubber compounding chemicals & plasticizers,

(vi) Used equipment,
(vii) U.S. Government-owned excess property, or
(viii) Fertilizer.

(b) Source and Nationality: The eligibility rules for goods and services based on source and nationality are divided into two categories. One applies when the total procurement element during the life of the grant is over $250,000, and the other applies when the total procurement element during the life of the grant is not over $250,000, or the grant is funded under the Development Fund for Africa (DFA) regardless of the amount. The total procurement element includes procurement of all goods (e.g., equipment, materials, supplies) and services. Guidance on the eligibility of specific goods or services may be obtained from the grant officer. AID policies and definitions on source (including origin and componentry) and nationality are contained in Chapter 5 of AID Handbook 1, Supplement B, entitled "Procurement Policies."

(1) For DFA funded grants or when the total procurement element during the life of this grant is valued at $250,000 or less, the following rules apply:

(i) The authorized source for procurement of all goods and services to be reimbursed under the grant is AID Geographic Code 935, "Special Free World," and such goods and services must meet the source (including origin and componentry) and nationality requirements set forth in Handbook 1, Supp. B, Chapter 5 in accordance with the following order of preference:

(A) The United States (AID Geographic Code 000),
(B) The Cooperating Country,
(C) "Selected Free World" countries (AID Geographic Code 941), and
(D) "Special Free World" countries (AID Geographic Code 935).

(ii) Application of order of preference: When the grantee procures goods and services from other than U.S. sources, under the order of preference in paragraph (b)(1)(i) above, the grantee shall document its files to justify each such instance. The documentation shall set forth the circumstances surrounding the procurement and shall be based on one or more of the following reasons, which will be set forth in the grantee's documentation:

(A) The procurement was of an emergency nature, which would not allow for the delay attendant to soliciting U.S. sources,

(B) The price differential for procurement from U.S. sources exceeded by

50% or more the delivered price from the non-U.S. source,

(C) Compelling local political considerations precluded consideration of U.S. sources,

(D) The goods or services were not available fromU.S. sources, or

(E) Procurement of locally available goods and services, as opposed to procurement of U.S. goods and services, would best promote the objectives of the Foreign Assistance program under the grant.

(2) When the total procurement element exceeds $250,000 (unless funded by DFA), the following applies: Except as may be specifically approved or directed in advance by the grant officer, all goods and services financed with U.S. dollars, which will be reimbursed under this grant must meet the source (including origin and componentry) nationality requirements set forth in Handbook 1, Supp B, Chapter 5 for the authorized geographic code specified in the schedule of this grant. If none is specified, the authorized source is Code 000, the United States.

(c) Marine Insurance: The eligibility of marine insurance is determined by the country in which it is placed. Insurance is placed in a country if payment of the insurance premium is made to, and the insurance policy is issued by an insurance company located in that country. Eligible countries for placement are governed by the authorized geographic code, except that if Code 941 is authorized, the Cooperating Country is also eligible. Section 604(d) of the Foreign Assistance Act requires that if a recipient country discriminates by statute, decree, rule, or practice with respect to AID-financed procurement against any marine insurance company authorized to do business in the U.S., then any AID-financed commodity shipped to that country shall be insured against marine risk and the insurance shall be placed in the U.S. with a company or companies authorized to do marine insurance business in the U.S.

(d) Ocean and air transportation shall be in accordance with the applicable provisions contained within this grant.

(e) Printed or Audio-Visual Teaching Materials: If the effective use of printed or audio-visual teaching materials depends upon their being in the local language and if such materials are intended for technical assistance projects or activities financed by AID in whole or in part and if other funds including U.S.-owned or U.S.-controlled local currencies are not readily available to finance the procurement of such materials, local language versions may be procured from the following sources, in order of preference:

(1) The United States (AID Geographic Code 000),
(2) The Cooperating Country,
(3) "Selected Free World" countries (AID Geographic Code 941), and
(4) "Special Free World" countries (AID Geographic Code 899).

(f) Special Restrictions on the Procurement of Construction or Engineering Services: Section 604(g) of the Foreign Assistance Act provides that AID funds may not be used for "procurement of construction or engineering services from advanced developing countries, eligible under Geographic Code 941, which have attained a competitive capability in international markets for construction services or engineering services." In order to insure eligibility of a Code 941 contractor for construction or engineering services, the grantee shall obtain the grant officer's prior approval for any such contract.

(g) This provision will be included in all subagreements which include procurement of goods or services over $5,000. [End of Provision]

3.12 SUBAGREEMENTS (FEB 1995)

(This provision is applicable when subgrants or cooperative agreements are financed under the grant.)

(a) All provisions of 22 CFR 226 and all Standard Provisions attached to this agreement shall be applied to subrecipients which meet the definition of "Recipient" in that part, unless a section specifically excludes a subrecipient from coverage.

(b) Any subawards made with entities which fall outside of the definition of "Recipient" (such as Non-US organizations) will be made in accordance with USAID Handbook 13, Appendix 4D "Standard Provisions for Non-US Nongovernmental Grantees" except for the "Accounting, Audit and Records" Standard Provision. Recipients must apply the following guidelines when subawarding to entities which do not meet the definition of "Recipient".

(c) A recipient that receives a USAID award and provides $25,000 or more of it during its fiscal year to a sub-recipient (whether meeting the definition of "Recipient" or not) shall follow the guidelines of OMB Circular A-133. The recipient shall ensure that:

(1) The nonprofit institution sub-recipients that receive $25,000 or more have met the audit requirements of OMB Circular A-133, and that sub-recipients subject to OMB Circular A-128 have met the audit requirements of that Circular;

(2) Appropriate corrective action is taken within six months after receipt of the sub-recipient audit report in instances of noncompliance with Federal laws and regulations;

(3) They consider whether sub-recipients audits necessitate adjustment of the grantee's own records; and

(4) Each sub-recipient is required to permit independent auditors to have access to the records and financial statements as necessary for the grantee to comply with OMB Circular A-133.

3.13 NEGOTIATED INDIRECT COST RATE - PROVISIONAL (AUG 1992)

(This provision is applicable to FOR-PROFIT organizations whose indirect cost rate(s) under this grant are on a provisional basis.)

(a) Until final annual indirect cost rate(s) are established for any period, the grantee shall be reimbursed either at the provisional rate(s) for the previous fiscal year or other period, or at billing rates acceptable to the AID grant officer subject to appropriate adjustment when the final rate(s) for the fiscal year or other period are established, depending on the availability of funds.

(b) The allowable indirect costs under this grant shall be obtained by applying final indirect cost rate(s) to the base(s) agreed upon by the parties, as specified in the schedule of this grant.

(c) Final annual indirect cost rate(s) and the appropriate bases shall be established in accordance with Subpart 42.7 of the Federal Acquisition Regulation (48 CFR Ch. 1) in effect for the period covered by the indirect cost rate proposal.

(d) Not later than 90 days after the close of the grantee's fiscal year, the grantee shall submit to the cognizant Government Audit Activity proposed final indirect cost rate(s) and supporting cost data. In the event AID is the cognizant agency or no cognizant agency has been designated, the grantee shall submit a copy of the proposed final indirect cost rate(s) and supporting cost data to the AID Inspector General, Washington, DC 20523, and to the Overhead and Special Costs - Contract Closeout Branch, Office of Procurement, Washington, DC 20523. The proposed rate(s) shall be based on the grantee's actual cost experience during that fiscal year. Negotiations of final indirect cost rate(s) shall begin as soon as practical after receipt of the grantee's proposal.

(e) Allowability of costs and acceptability of cost allocation methods shall be determined in accordance with the provisions of the applicable cost principles in effect on the date of this grant.

(f) Rates for subsequent periods shall be negotiated and the results of each negotiation shall be set forth in a written indirect cost rate agreement executed by both parties. The agreement shall specify (1) the agreed upon final annual indirect cost rate(s), (2) the basis to which the rate(s) apply, (3) the periods for which the rates apply, and (4) any specific items treated as direct costs or any changes in the items previously agreed to be direct costs. The final indirect cost rate agreement shall not change any monetary ceiling, grant obligation, or specific cost allowance or disallowance provided for in this grant.

(g) Any failure by the parties to agree on any final indirect rate(s) under this provision shall be a dispute within the meaning of the Disputes provision.

3.14 REGULATIONS GOVERNING EMPLOYEES (AUG 1992)

(The following applies to the grantee's employees who are not citizens of the cooperating country.)

(a) The grantee's employees shall maintain private status and may not rely on local U.S. Government offices or facilities for support while under this grant.

(b) The sale of personal property or automobiles by grantee employees and their dependents in the foreign country to which they are assigned shall be subject to the same limitations and prohibitions which apply to direct-hire AID personnel employed by the Mission, including the rules contained in 22 CFR Part 136, except as this may conflict with host government regulations.

(c) Other than work to be performed under this grant for which an employee is assigned by the grantee, no employee of the grantee shall engage directly or indirectly, either in the individual's own name or in the name or through an agency of another person, in any business, profession, or occupation in the foreign countries to which the individual is assigned, nor shall the individual make loans or investments to or in any business, profession or occupation in the foreign countries to which the individual is assigned.

(d) The grantee's employees, while in a foreign country, are expected to show respect for its conventions, customs, and institutions, to abide by its applicable laws and regulations, and not to interfere in its internal political affairs.

(e) In the event the conduct of any grantee employee is not in accordance with the preceding paragraphs, the grantee's chief of party shall consult with the AID Mission Director and the employee involved and shall recommend to the grantee a course of action with regard to such employee.

(f) The parties recognize the rights of the U.S. Ambassador to direct the removal from a

country of any U.S. citizen or the discharge from this grant of any third country national when, in the discretion of the Ambassador, the interests of the United States so require.

(g) If it is determined, under either (e) or (f) above, that the of such employee shall be terminated, the grantee shall use its best efforts to cause the return of such employee to the United States, or point of origin, as appropriate.

3.15 USE OF POUCH FACILITIES (AUG 1992)

(This provision is applicable when activities under the grant will take place outside of the United States.)

(a) Use of diplomatic pouch is controlled by the Department of State. The Department of State has authorized the use of pouch facilities for AID grantees and their employees as a general policy, as detailed in items (1) through (6) below. However, the final decision regarding use of pouch facilities rest with the Embassy or AID Mission. In consideration of the use of pouch facilities, the grantee and its employees agree to indemnify and hold harmless, the Department of State and AID for loss or damage occurring in pouch transmission:

(1) Grantees and their employees are authorized use of the pouch for transmission and receipt of up to a maximum of .9 kgs per shipment of correspondence and documents needed in the administration of assistance programs.

(2) U.S. citizen employees are authorized use of the pouch for personal mail up to a maximum of .45 kgs per shipment (but see (a)(3) below).

(3) Merchandise, parcels, magazines, or newspapers are not considered to be personal mail for purposes of this standard provision and are not authorized to be sent or received by pouch.

(4) Official and personal mail pursuant to a.1. and 2. above sent by pouch should be addressed as follows:

Name of individual or organization (followed by letter symbol "G") City Name of post (USAID/_____) Agency for International Development Washington, D.C. 20523-0001

(5) Mail sent via the diplomatic pouch may not be in violation of U.S. Postal laws and may not contain material ineligible for pouch transmission.

(6) AID grantee personnel are not authorized use of military postal facilities (APO/FPO). This is an Adjutant General's decision based on existing laws and regulations governing military postal facilities and is being enforced worldwide.

(b) The grantee shall be responsible for advising its employees of this authorization, these guidelines, and limitations on use of pouch facilities.

(c) Specific additional guidance on grantee use of pouch facilities in accordance with this standard provision is available from the Post Communication Center at the Embassy or AID Mission.

3.16 CONVERSION OF UNITED STATES DOLLARS TO LOCAL CURRENCY (NOV 1985)

(This provision is applicable when activities under the grant will take place outside of the United States.)

Upon arrival in the Cooperating Country, and from time to time as appropriate, the grantee's chief of party shall consult with the Mission Director who shall provide, in writing, the procedure the grantee and its employees shall follow in the conversion of United States dollars to local currency. This may include, but is not limited to, the conversion of currency through the cognizant United States Disbursing Officer or Mission Controller, as appropriate.

ATTACHMENT 4
STANDARDS FOR USAID-FUNDED PUBLICATIONS

The following standards are intended as general guidelines for the production of USAID-funded publications that fall within the scope of those requiring USAID (LPA) approval.

The purpose of establishing basic standards is to enable LPA to work in a cooperative effort with agency bureaus and field missions to produce informative, professional and cost-effective products that meet the needs of a designated audience. The audience and distribution plans must be clearly defined and justification given that a real need exists for the proposed publication.

We are fully aware that there will be situations that warrant exceptions to these standards. Exceptions will be made by LPA on a case-by-case basis.

I. Publications Intended for a U.S. Audience, Including Congress:

A. Use of color: Two-color maximum for both cover and text (black or blue ink, generally used for text, counts as one color). In the case of publications such as conference proceedings, one color is the standard.

B. Paper: For both cover and text, use the most cost-effective stock that suits the publication's purpose. Make every effort to use recycled paper. Do not use heavy stock.

C. Photos: Black-and-white.

D. Content: Emphasize results achieved toward sustainable development through USAID programs. NOTE: In most cases, LPA will ask for a separate textual (ASCII) version of the final document for possible posting on USAID's Internet, which at present can support text only.

E. Design: Avoid expensive folds/paper cuts, inserts/foldouts, die cuts, embossing, foil stamps and other design elements that add additional expense.

II. Reports Required by Congress

Most reports should be in typewritten, xeroxed format and respond specifically to what is required by statute.

III. Use of Metric Units of Measurement

Unless a waiver is granted, metric units are to be used in accordance with Executive Order 12770. Traditional units may be shown in parentheses after metric.

IV. Use of Agency Logo

The USAID logo (or the name of the agency written out) should be displayed prominently, e.g., on the cover or title page.

V. Approval Form

LPA is developing a "request-for-approval" form that will be put on the agency-wide computer network as a macro to simplify and streamline the approval process. Information that will be required is as follows: type and design/format of publication; justification for its need; clearly defined audience and distribution plans; print run; budget breakdown including costs for photographic services (if a contract photographer is used), writing, editing, design, layout and printing; whether OE or program funds are being used; and plans to evaluate the effectiveness of the product.

STANDARDS FOR USAID-FUNDED VIDEO PRODUCTIONS

The following standards are intended as general guidelines for USAID-funded video productions that require USAID (LPA) approval. The purpose of establishing these basic standards is to enable LPA to work in cooperation with agency bureaus and field missions to produce informative, professional and cost-effective programs that meet the needs of the designated audience. The audience and distribution plans must be clearly defined. The purpose and production plans must be justified and must support a real need.

We are aware that USAID video productions generally fall into two categories--those produced for information/education of U.S. audiences, and those produced with program funds for largely foreign audiences. These guidelines will help missions decide which programs warrant video productions and how these should be produced.

We are also aware that certain situations will justify exceptions to these standards. Exceptions will be made by LPA on a case-by-case basis.

I. Basic Guidelines

A. Content: Videos intended for U.S. audiences, including Congress, should portray concrete results or chronicle a USAID success story. The video should not be

a "promo" for a contractor or a specialized technical report aimed at a narrow audience of experts. Videos produced with program funds for foreign audiences would usually be training tapes or other instructional material. Also, LPA will not approve video recordings of conference proceedings that can more appropriately be shared as written transcripts or audiocassette recordings.

B. Format: The program should be shot in a professional television format: BETA, BETA-SP, or 3/4". Only viewing copies should be made in VHS. Programs may be shot in American TV standard (NTSC) or in PAL or SECAM TV standard.

C. Producers: Direct contracts must comply with OFPP Letter No. 79-4 which establish a "Government-Wide Contracting System for Motion Picture and Videotape Productions" (as required by OFPP by OFPP letter 79-4.) The designated production team must have a track record producing information/education programs or other professional broadcast products. A brief list of previously produced programs should be included.

D. Length: The video should be no more than 15 minutes, unless there is a strong justification.

E. Copies: The number should be determined by the bureau/mission and reflected in the production budget. Viewing copies for NGOs, PVOs and local officials should be in VHS. Copies for local TV placement must be in 3/4" or BETA. A copy of the master of the finished program must be sent to the LPA video archive.

II. Approval Form

To simplify the approval process, LPA is developing a macro for the "request-for-approval" form that will be put on the agency wide computer network. The following information will be required.

A. A general description of the subject of the video.

B. The intended audience and a detailed distribution plan.

C. Whether OE or program funds will be used.

D. Budget breakdown to include costs for the following items:

- Pre-production: research, script, shooting schedule (where the video will be shot);

- Production: how many shooting days (include travel days), how much per day for the crew plus equipment. Please note: where possible, a local crew should be used; and Editing: how many hours, how much per hour, how much for graphics and titles.

E. Discussion of plans to evaluate the script and the "rough cut" for the effectiveness of the product.

Note: All videos produced with USAID funds must be deposited in the LPA video archive. This includes all "source" tapes, plus a copy of the completed master program.