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UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

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ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR FOR AFRICA

FROM : AFR/PD, Carol Peasley *MS for*
SUBJECT: South Africa Alternative Education (674-0302)

Problem: Your approval is requested for authorization of the South Africa Alternative Education Project, to be funded for an LOP total of \$6 million. Of the total \$6 million, \$550,000 will be funded from the EHR account, and the balance from the Economic Support Fund.

Background

The impoverishment of black education under apartheid in South Africa is well-known and its consequences well-documented. These factors have long since made education a political issue in South Africa. Over the past year, the politicization of education has deepened, led by the resumption of school boycotts and the growing activism of students in the black townships. Demands for improving the quality of education for blacks have become demands for "education for change."

These demands have unified the black community, encouraging the emergence of broad-based organizations bringing together disparate groups within the black community and placing "alternative education" squarely on the agenda of the anti-apartheid movement. Coalitions representing students, teachers, and parents have formed, seeking constructive alternatives to continued school boycotts and organizing to take the initiative in pressing for and implementing educational reforms.

Against this background, AID proposes to support the "alternative education" movement as one of the three key areas in its expanded South Africa program strategy, approved by the Bureau in January 1986. The purpose of the proposed Alternative Education project is to support and expand selected activities in South Africa that advance the black community goals of educational equity and elimination of all forms of apartheid in the content and structure of the educational system in South Africa.

Summary Project Description

This is an umbrella-type project which will fund direct grants to key groups working in alternative education in support of

black community goals. Emphasis will be given to activities in the following four program areas:

- Strengthening the capacities of black educational organizations;
- Supporting educational planning and research (especially on such key issues as curriculum reform and school finance and administration);
- Upgrading the performance and leadership skills of black teachers; and
- Supporting pilot and experimental programs for black students (with special focus on bridging programs in science, math, and English and on developing supplementary curricula in black history and arts).

Under the project, AID will finance grants (or contracts) with community-based groups as well as professional service organizations. U.S. universities and other private U.S. organizations will be funded where they can provide appropriate technical assistance, but only at the request of participating South African organizations.

South African grantees will be selected on the basis of specific criteria as detailed in the Project Paper. Key criteria include: groups must be privately sponsored; groups must embrace the goal of ending apartheid; and they must demonstrate a commitment to increasing black participation in decision-making in the organization. No funding will be provided to political parties.

The PP describes a number of groups which are illustrative candidates for support under the project. These include: the African Teachers' Association of South Africa (ATASA); the University of Western Cape (UWC)--Outreach Program; the University Preparation Programme (UPP); and the South African Committee on Higher Education (SACHED). In addition to these national and regional organizations, there are numerous local-level groups operating alternative education programs, which could receive project support. Other possible grantees are university-linked groups carrying out independent research on subjects related to alternative education.

The project will also fund a consortium of black American colleges and universities, for support to project subactivities. Headed by Florida Memorial College, the consortium will carry out planning activities for future teacher training and other professional development programs for black South African teachers. Direct budget support to ATASA is planned, which will be provided either through the consortium or another agency yet to be determined.

Prior to each obligation of funds, it is expected that planning sufficient to meet the requirements of Section 611(a) of the Foreign Assistance Act of 1961, as amended, will be completed, if required, for such obligations. This planning will be reviewed in the field.

Financial Summary

The estimated cost of the project is \$6 million, to be obligated over three years and disbursed over five years. Obligations break down as follows:

	<u>(\$000's)</u>		
	<u>FY86</u>	<u>FY87</u>	<u>FY88</u>
1. NGO Grants	550	2,700	2,550
2. Technical Assistance	<u>--</u>	<u>150</u>	<u>50</u>
TOTAL	550	2,850	2,600

Project Issues

1. Contract technical assistance to the mission. The ECPR questioned the need for and appropriateness of hiring of a U.S. educational consulting firm to provide advisory services to the mission on overall program direction and strategies for selection of future grantees. It was agreed that the new mission director should have such services at his disposal, if he feels they are needed, and that the decision should be left to his discretion.

In addition, the ECPR agreed that project funds should be available to finance technical assistance to the mission in financial and management oversight of project grantees. In particular funds would support locally available expertise for

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monitoring of grantee financial and audit-related performance. These resources may be necessary, given the relative inexperience in auditing procedures of some of the groups AID is likely to be dealing with.

2. HBCU component. Still at issue is the Deputy Project Manager position for the consortium's activities under the project; AID and the consortium have not as yet agreed on a candidate. Rather than rush a decision, the cooperative agreement to be signed with Florida Memorial College will include a condition precedent requiring AID and the consortium to agree on a mutually satisfactory candidate, before disbursements are made under the grant.

Special Actions Requested

-- Local cost financing. We anticipate that virtually all commodities and services needed under the project will be available locally. Therefore, you are requested to authorize local cost financing of procurement for up to the totality of the project's LOP cost. This would be in addition to the authorized code, 000 (U.S. only). Approval of local cost financing will enable grantees to purchase commodities and services locally, using local currency, in unlimited quantities, so long as commodities and services have their source/origin in South Africa or are imported shelf items of Code 941 origin.

Other Actions

1. IEE. The AFR Environmental Officer approved a Categorical Exclusion on June 16, for grants under this project.

2. Limitation of competition for grants. On June 26, 1986, you delegated to the USAID/South Africa director the authority to restrict in all AID projects invitations for grants or cooperative agreements in accordance with criteria in Section 1B2e of AID Handbook 13. (For grants or cooperative agreements entered into with U.S. entities, this authority is limited to \$1 million.) This authority will be utilized in the project mainly for ease of management purposes, since most grantees will be locally identified and contracted with. It is expected that the main criterion for limiting competition will be the mission director's judgment that the entity is unique or is most appropriate to undertake the subactivity in question (criterion number 3, HB 13, chapter 1B2e).

Also, in authorizing this project, you are requested to approve limitation of competition for the HBCU cooperative agreement, to be signed in AID/W with Florida Memorial College. Limiting competition for the HBCU component is specifically proposed in the Project Paper (page 29), and is within your authority, per HB 13, chapter 1B2e3, which permits you to limit invitations to a "single entity which the technical office deems unique or most appropriate to undertake the effort which the office wants to support or stimulate."

Florida Memorial will head a consortium which is unique or most appropriate because: (1) it represents the larger community of historically black colleges whose own historical experience qualifies them to make a unique contribution to black educational reform in South Africa; and (2) the select group of HBCU presidents who participated in the State Department-sponsored fact-finding trip to South Africa unanimously supported the consortium's proposal in its recommendation for USG responses to the crisis in black education in South Africa.

3. Congressional Notification. A CN was submitted to Congress June 13, 1986. A hold was placed, due to questions concerning selection of grantees to be supported in the early phases of project implementation. These have been substantially resolved, and agreement has been reached to permit funding of proposed subgrants to the HBCU consortium, READ, and UWC's Outreach Program. (Due to time constraints, only the HBCU component will be funded in FY86.)

Recommendation: That you (1) approve authorization of the South Africa Alternative Education Project in the amount of \$6 million, and local cost financing of procurement for up to the totality of the project's LOP cost, by signing the attached Project Authorization document; and (2) approve limitation of competition for the HBCU cooperative agreement, to be signed with Florida Memorial College, by signing below.

APPROVE Mark S. Edelman

DISAPPROVE _____

DATE 9-24-86

Drafted: AFR/PD/SAP, Mary Ann Riegelman, x7-8818, #2776L

Clearances:

AFR/PD/SAP, WStickel (draft)

AFR/SA, MFeldstein (draft)

AFR/SA, RCarlson (draft)

AFR/TR/EHR, MShaw (info)

GC/AFR, AVance (draft)

AFR/DP, GCauvin (draft)

DAA/AFR/ESA, LSaiers 

AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

ASSISTANT
ADMINISTRATOR

PROJECT AUTHORIZATION

Name of Country: South Africa
Name of Project: Alternative Education
Number of Project: 674-0302

1. Pursuant to Sections 105 and 531 of the Foreign Assistance Act of 1961, as amended, I hereby authorize the Alternative Education Project involving planned obligations of not to exceed \$6,000,000 in grant funds, over a three year period from date of authorization subject to the availability of funds in accordance with the AID OYB allotment process, to help in financing foreign exchange and local currency costs for the project. The planned life of the project is five years from the date of initial obligation. Funding authorized under the project will be charged to the cited appropriations accounts as follows:

Section 105:	\$550,000
Section 531:	\$5,450,000

2. The project consists of assistance to South African community-based groups and professional service organizations for activities designed to: (1) strengthen the capacities of black educational organizations, (2) support educational planning and research, (3) upgrade the performance and leadership skills of black teachers, and (4) support pilot and experimental programs for black students. Organizations will be selected for funding based on criteria provided in the Project Paper the most important of which require that (a) groups and organizations should reflect the objective of ending apartheid, (b) they must demonstrate a commitment to increasing black participation in decision-making in the group or organization, and (c) no support shall be provided to organizations financed or controlled by the South African government or to political parties.

The Project Paper described a number of national and regional groups which are illustrative candidates for support under the project. In addition to these organizations, there are numerous local-level groups operating alternative education programs which could receive project support. Other possible South African grantees are university-linked groups carrying out independent research on subjects related to alternative

education. U.S. universities and other private U.S. organizations will be funded where they can provide appropriate technical assistance, but only at the request of participating South African organizations.

3. The Grant Agreements and Cooperative Agreements which may be negotiated and executed by the officers to whom such authority is delegated in accordance with A.I.D. regulations and Delegations of Authority shall be subject to the following essential terms and covenants and major conditions, together with such other terms and conditions as A.I.D. may deem appropriate.

4. Source and Origin of Commodities, Nationality of Services.

Commodities financed by A.I.D. under the project shall have their source and origin in the United States or the Republic of South Africa, except as A.I.D. may otherwise agree in writing. Except for ocean shipping, the suppliers of commodities or services shall have the United States or the Republic of South Africa as their place of nationality, except as A.I.D. may otherwise agree in writing. Ocean shipping financed by A.I.D. may, unless otherwise agreed in writing, be financed only on flag vessels of the United States.

9-24-86

Date

Mark L. Edelman

Mark L. Edelman

Assistant Administrator
for Africa

Clearances:

AFR/SA:MFeldstein

Date 9/19/86

AFR/PD:WStickel

Date 9/19/86