

ACTION MEMORANDUM FOR THE ACTING DIRECTOR

July 19, 1988

THROUGH: *CH Schoux*
Christina H. Schoux, Acting Deputy Director

FROM: Chief, OHRD, Liliana Ayalde *Liliana Ayalde*

SUBJECT: Guatemala Strengthening of Democracy Project (520-
[REDACTED] Request for Project Approval and Authorization

PROBLEM: Your approval is requested for the subject project involving life-of-project funding of \$1,200,000 from Section 106 (SDA) and Section 531 (ESF) to be obligated in an amendment to the Cooperative Agreement with the Washington-based Center for Democracy to continue implementation of a program to strengthen the institutional capacity of Guatemala's National Congress. Of the proposed total, \$200,000 in Section 106 funds and \$500,000 in Section 531 funds will be provided in FY 1988 with the remaining \$500,000 to be provided in FY 1989 from Economic Support Funds.

The project will constitute the final two years of a three-year program. The first year of the program was financed under the Regional Strengthening of Democracy Project (597-0003.10) which provided \$465,000 in FY 1987 and \$100,000 in FY 1988 for a total contribution of \$565,000.

DISCUSSION:

Project Background and Description

The Washington-based Center for Democracy proposed to AID a three-year program to strengthen the institutional capacity of the National Congress of Guatemala through the provision of training, technical assistance and logistical support. The project was initially authorized and funded for the first year under the Regional Strengthening of Democracy Project No. 597-0003.10 (see Attachment B). In FY 1988 the LAC Bureau requested the Mission to authorize and finance project activities for the remaining two years as a bilateral project.

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The project has had a successful first year, and during its final two years will provide for the continuation of regularly scheduled seminars for legislators which act as forums for the members of Congress to discuss issues regarding the development of its structures and responsibilities and to adopt appropriate solutions. It will also finance a training component to undertake, at the request of the leadership of the Guatemalan Congress, exchange activities and site studies for the development of national policies and specific recommendations to address technical and developmental issues raised by Guatemalan legislators and staffers with their counterparts from the U.S. and other democracies. Beginning with this bilateral project, financing will also be provided for a commodity support component to assist the Congress in establishing a database, retrieval system, and related research services.

The Center for Democracy will be required to present by July 15 each year an annual implementation plan, including itemized projected costs, for USAID approval. Two evaluations of the project are scheduled, one at the 18-month point and a final evaluation in September 1990, both of which will be financed from Program Development and Support funds. The project will be managed by the Office of Human Resources Development by a U.S. PSC under the supervision of the Deputy Chief of the Office.

Conformity with GOG Policy/USAID Country Strategy

The Center for Democracy's proposed project is consistent with the Government of Guatemala's priority development need to strengthen the democratization process through the development of strong democratic institutions and processes, especially in the legislative area. Towards this end, the Government of Guatemala allocates resources from its annual national budget to support such efforts. The project is consistent with both the larger NBCCA goal and the Mission's own Action Plan objective of contributing to the development of stronger democratic institutions in Guatemala.

Beneficiaries

The primary or direct beneficiaries of the project are the 100 members of the National Congress plus its legislative and

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administrative support personnel. Indirect beneficiaries are Guatemala's entire population.

Financial Requirements

The total cost of the project is approximately \$1,267,200 over a two-year period, of which AID will provide \$1.2 million for the following:

	<u>FY 1988</u>	<u>LOP</u>
Technical Assistance	150	250
Training	300	550
Commodities	200	300
Other Costs	<u>50</u>	<u>100</u>
 TOTAL	 \$700	 \$1,200

The Guatemalan Congress will provide \$67,200 equivalent in in-kind support as counterpart to the SDA funding of \$200,000 (ESF requires no counterpart contribution.)

Host Country Request for Assistance

A written request for assistance was submitted to AID by the President of the Guatemalan Congress on July 6, 1987.

Initial Environmental Examination (IEE)

An IEE will be forwarded to LAC/DR, recommending a categorical exclusion, on July 22nd.

Congressional Notification and Budget Allowances

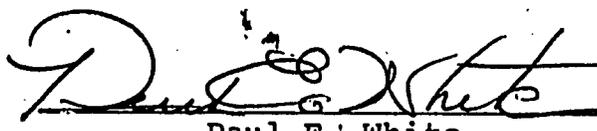
A Congressional Notification was submitted to Congress on June 30, and the waiting period expired on July 14 per State 223544. In addition, a budget allowance has been received to cover SDA funding, but we are still awaiting a separate budget

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allowance for ESF funds. The latter was requested by immediate cable on July 15.

Recommendation: That you approve the project described above pursuant to the authority provided to you by Delegation of Authority No. 753 (authority to approve projects up to \$20 million) by signing below, and that you sign the attached Project Authorization to authorize the project.

Approved



Date: 7/26/88

Paul E. White
Acting Director
USAID/Guatemala

Disapproved

Date: _____

Paul E. White
Acting Director
USAID/Guatemala

Attachment: Attachment A: Project Authorization
Attachment B: Regional Strengthening of Democracy
Project Authorization

Drafted by: OHRD:ATuebner *Atuehner*

Clearances:

A/PRM: Mott

Mott

Date: 4/20/88

PDSO: CSchoux

CSchoux

Date: 7/19/88

CONT: JOHill, Jr.

JOHill

Date: 7/22/88

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JUN 4 1987

ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR, LAC

FROM: LAC/AJDD, Thomas L. Geiger

Subject: Proposed Grant to the Center for Democracy

Problem: To provide funds from the Central America Regional Strengthening Democracy project to enable USAID/Guatemala to finance a three-year program to strengthen the institutional capacity of the National Congress of Guatemala.

Discussion: In June 1986, with A.I.D. support, the Guatemalan Congress conducted its first legislative training seminar. Funds were provided to the mission from the regional Strengthening Democracy project to finance expenses related to preparation and execution of the training program. The seminar stimulated considerable interest on the part of legislative leaders to undertake other initiatives that could help increase the competence of members and staffs and otherwise strengthen legislative capacity. In addition, the Guatemalans have eagerly accepted opportunities that bring them in contact with parliamentarians from other countries. They were enthusiastic participants in an A.I.D.-funded regional program offered in December 1986 by Boston University's Center for Democracy, which brought four representatives each from the legislatures of Costa Rica, El Salvador, Honduras, Guatemala and Belize to the United States for meetings with members and staffs of the U.S. Congress and the state legislatures of Massachusetts and Minnesota.

During and after the U.S. visit, the Guatemalan legislators inquired as to the Center's interest in helping them develop a second Guatemalan seminar and other training and institutional development activities. The Center's president and its director of international programs visited Guatemala in early March 1987 to discuss the possibility with legislative leaders as well as with A.I.D. mission and Embassy officials. After concluding that the Center could play a useful role in legislative development and ascertaining that the mission was, in principle, interested in supporting these types of activities, the Center submitted an unsolicited proposal for a three-year program of institutional and logistical support for the National Congress of Guatemala.

After reviewing the proposal, in consultation with this and other LAC Bureau offices and with the Guatemalan Congress, the mission decided to support the proposed project. Lacking available funds, the mission requested LAC/AJDD to make available over the next three years up to \$1.5 million from regional funds to be used to

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finance the project. Upon approval of its request, the mission will enter into a grant agreement with the Center for Democracy.

Recommendation: That you sign the attached cable to Guatemala advising your approval of the use of up to \$1.5 million from the regional Strengthening Democracy project to finance a grant to the Center for Democracy in support of a three-year program to strengthen the institutional capacity of the National Congress of Guatemala. The funds will be provided incrementally over a three-year period, with \$465,000 to be obligated in FY 1987.