

Acuerdos Bilaterales

Clasificación: 121-2003

Fecha de Ingreso: 25 de noviembre de 2003

Nombre de Acuerdo: Modification of Assistance from Amendment No2 to Grant Agreement LAC-GL00-01-00008-00 (Ver Acuerdo 52/2002)

Materia: Medio Ambiente

Partes: SG/OEA & U.S Agency for International Development

Referencia: USAID

Fecha de Firma: 2 de octubre de 2003

Fecha de Inicio: 2 de octubre de 2003

Fecha de Terminación: 30 de marzo de 2005

Lugar de Firma:

Unidad Encargada:

Persona Encargada:

Original:

Claves:

Cierre del proceso:



U.S. AGENCY FOR
INTERNATIONAL
DEVELOPMENT

SEP 29 2003

Mr. César Gaviria
Secretary General
Organization of American States (OAS)
17th and Constitution Avenue, N.W.
Washington, D.C. 20006

Dear Mr. Gaviria:

Please find attached for your signature two originals of the Modification of Assistance form for Amendment No.2 to Grant Agreement LAC-G-00-01-00008-00 (the "Grant") between the United States Agency for International Development (hereinafter "USAID"), and the General Secretariat of the Organization of American States (hereinafter "GS/OAS", "OAS", or "Grantee"). This amendment will provide an additional sum of Two Hundred Seventy Thousand United States Dollars (U.S. \$270,000) to help support the activities described in the Program Description (Attachment 2) of this Amendment No.2 and extend the end date of the Grant from September 30, 2004 to March 30, 2005.

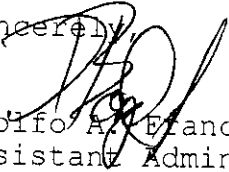
This Amendment No.2 is effective and obligation of the additional funds is made as of the date set forth in Box 15 of the attached Modification of Assistance form (Attachment 1) and shall apply to expenditures made by the Grantee in furtherance of program objectives during the period from such date and ending March 30, 2005. The additional funds are made available to the Grantee under this Amendment No.2 on condition that such funds will be administered in accordance with the terms and conditions set forth in the original Grant, as amended, and the attached Program Description, all of which have been agreed to by your organization, as acknowledged by your signature on the attached Modification of Assistance forms.

After you have signed both originals of the Modification of Assistance forms, please retain one copy for your files and return the other to me. I would like to take this opportunity to thank you for the important contributions the OAS is making

1300 PENNSYLVANIA AVENUE, N.W.
WASHINGTON, D.C. 20523

in the important thematic area of environment and trade. We appreciate your efforts and the spirit of collaboration that your staff has displayed.

Sincerely,



Adolfo A. Franco
Assistant Administrator
Bureau for Latin America
and the Caribbean

Attachments:

- Tab 1 - Modification of Assistance
- Tab 2 - Program Description (FY-04)

MODIFICATION OF ASSISTANCE			Page 1 of 2
1. MODIFICATION NUMBER 02	2. EFFECTIVE DATE OF MODIFICATION see box 15 below	3. AWARD NUMBER: LAC-G-00-01-00008-02	4. EFFECTIVE DATE OF AWARD: 09-25-2001
5. GRANTEE: ORGANIZATION OF AMERICAN STATES (OAS) 17TH ST. & CONSTITUTION AVE., N.W. Washington, D.C., 20006 DUNS NO.: TIN NO.: 0		6. ADMINISTERED BY: US Agency for International Development 1300 Pennsylvania Avenue, NW Washington, D.C. 20523	
7. FISCAL DATA: Amount Obligated: \$270,000.00 Budget Fiscal Year: 2003 Operating Unit: LAC/RSD Strategic Objective: 598-018* Team/Division: ENV Benefiting Geo Area: LAC Object Class: 410000		8. TECHNICAL OFFICE: LAC/RSD-ENVIRONMENT 9. PAYMENT OFFICE: M/FM/CMP	
10. FUNDING SUMMARY:			
		Obligated Amount	Total Est. Amt.
Amount Prior to this Modification:		\$395,000.00	\$395,000.00
Change Made by this Modification:		\$270,000.00	\$270,000.00
New/Current Total:		\$665,000.00	\$665,000.00
11. DESCRIPTION OF MODIFICATION: The purpose of this modification is to amend the PIO Grant to OAS for a regional trade and initiative such that: 1. The obligation is increased by \$270,000 for FY 2003, and the attached program description is incorporated into the grant; and, 2. Specific changes to the grant schedule are as follows: Section A. 1: Insert the following sentence at the end of this section: "The purpose of this Grant is further expanded as more specifically described in Attachment 2 to Amendment No. 2 (Program Description) to this Grant, such attachment being hereby incorporated into the Grant by reference." Please see the continuation page for the rest of the description of the modification.			
12. THIS MODIFICATION IS ENTERED INTO PURSUANT TO THE AUTHORITY OF the Foreign Assistance Act of 1961 AS AMENDED. EXCEPT AS SPECIFICALLY HEREIN AMENDED, ALL TERMS AND CONDITIONS OF THE GRANT REFERENCED IN BLOCK #3 ABOVE, AS IT MAY HAVE HERETOFORE BEEN AMENDED, REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT.			
13. GRANTEE: <input checked="" type="checkbox"/> IS <input type="checkbox"/> IS NOT REQUIRED TO SIGN THIS DOCUMENT TO RECONFIRM ITS AGREEMENT WITH THE CHANGES EFFECTED HEREIN			
14. GRANTEE: BY: _____ Mr. Cesar Gaviria (Name Typed or Printed) TITLE: Secretary General DATE: 10/2/03		15. THE UNITED STATES OF AMERICA U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT BY: _____ Adolfo A. Franco (Name Typed or Printed) TITLE: Assistant Administrator, LAC DATE: 9-29-03	

CONTINUATION PAGE

Specific changes to the Grant Schedule continued:

Section A.2:1 is hereby deleted in its entirety and replaced with the following: "1. the effective date of the original Grant is September 25, 2001. Amendment No. 1 to the Grant became effective on September 27, 2002 and Amendment No. 2 to the Grant is effective as of the date set forth in Box 15 of Attachment No. 1. thereto. The Grant will expire on March 30, 2005."

Section A. 2.2: Delete the funds availability date "September 20, 2004" and replace it with "March 30, 2005."

Section A.3.1: Delete the amount "\$215,000" and replace with "\$395,000."

Section A.3.2: Delete the amount "\$180,000" and replace it with "\$270,000." Delete the reference to "B.2." and replace it with "A.2.2."

Section A.4 (Grant Budget) is amended by deleting the first sentence thereof and inserting the following sentence in its place: "The Grant Budget is set forth in the Appendix to Attachment 2 to Amendment No. 2 to the Grant, and is incorporated into this Section by reference."

Section A.5.4: Delete the name "Morris Israel" and insert "The LAC/RSD/ Environment Team Leader or his designee."

* In addition to Strategic Objective 598-018 listed in Box 7 of this modification, Strategic Objectives 598-017 and 933-008 are contributing funds to this Grant Modification.

Attachment 2 - Program Description (FY-04)

Environmentally Sustainable Trade: National Environmental Assessments of Free Trade Areas (FTAs)

Overview

The Organization of American States Inter-American Forum on Environmental Law (OAS/FIDA) is working with World Resources Institute, Tulane University's Institute for Environmental Law and Policy, and the University of Miami's North-South Center (the "Consortium"), and with government officials and expert organizations from the region, to produce *National Environmental Assessments* of the potential impact of proposed multilateral trade agreements in the Americas. The project follows two interrelated paths:

1. **Research and Analysis.** Assessing potential environmental challenges in the context of increased trade and investment (under FTAs and other potential multilateral trade commitments) through country studies undertaken in collaboration with national environmental officials and experts. The methodology centers on identifying high-growth sectors with a high potential impact on the environment as a means to clarify the most significant potential environmental consequences of trade-related - and FTA driven - growth. The principal focus of the project is on domestic policy alternatives although some findings may be relevant to the text of the agreements themselves.
2. **Dialogue and Capacity Building.** Policy options are analyzed in the domestic context through public/private dialogue as government officials consider alternatives to manage and minimize environmental impact and to promote environmental benefits. Constructive dialogue and peer review is emphasized in all project elements so governments and their counterparts can apply, replicate, and build upon the analytical methodology - and manage trade and environment issues in their own domestic circumstances.

To date, environmental assessments have been concluded in Argentina and Brazil, and are under way in Paraguay and Uruguay to complete all MERCOSUR countries. The Consortium has also begun work in Costa Rica and Guatemala, with preliminary assessments circulating. In Argentina and Brazil, governments have received the results with interest and local initiatives are planned to replicate and build upon the work.

Proposal in Brief

The Consortium will continue and deepen the accomplishments of the Environmentally Sustainable Trade project by conducting assessments in the remaining countries of the proposed Central American Free Trade Area (CAFTA), El Salvador, Honduras and Nicaragua (with funding from US EPA), and by taking the project to the Caribbean through assessments in at

least three CARICOM member states. The Consortium will also stimulate regional dialogue on Environmental Assessment methodology and policy planning in both the Caribbean and Central America, and take the first steps toward expanding the project to regions outside the Americas by introducing the project methodology to the five member states of the Southern African Customs Union (SACU). Finally, the Consortium will support efforts to convene a forum for sustainable trade in connection with the Miami FTAA Trade Ministerial.

Background

World Resources Institute (WRI), the Tulane University Institute for Environmental Law and Policy (Tulane), the University of Miami North-South Center (NSC), and the Organization of American States Inter-American Forum for Environmental Law (OAS/FIDA), (the "Consortium"), have been working in partnership with governments and experts in Latin America and the Caribbean since 2001 on a program of empirical assessment and substantive dialogue relating to Free Trade Agreements (FTAs) proposed for the Americas. The Consortium recognizes that any regional free trade regime (regardless of the final text of an FTA) will create opportunities for - and challenges to - good environmental governance, and the region must move from rhetoric to realistic policy options to meet those challenges and capitalize on opportunities.

At the heart of this project is technical support for states that wish to pursue an FTA consistent with their national sustainable development objectives. By seeing trade as one element of broader development goals, the project offers a meaningful context within which to assess environmental impacts. The Consortium asks how expanded trade under an FTA will affect these goals and how national governance frameworks can be strengthened to address impact.

The Consortium engages governments as peers in every step of the process, and supports governments in adapting the project methodology to their own unique circumstances. Decision makers who participate in the project not only strengthen its impact and relevance, but are able to adapt and replicate the project model domestically - seeking locally appropriate responses to the environmental challenges and opportunities of trade expansion.

The environmental assessment methodology has four essential parts:

1. Conduct an **economic analysis** to identify key sectors and industries within study countries that are likely to grow or change significantly under a free trade regime. This research is stimulated through small grants to non-governmental organizations from the region working in interdisciplinary teams of economists, engineers and legal experts. A **public consultation mechanism** further engages non-governmental and governmental actors for important inputs to this analysis
2. Conduct a basic **environmental impact assessment** of identified high-growth sectors and industries (from 1 above) to determine which are likely to have significant environmental impacts and to gauge the

nature and level of those impacts. This includes not only a basic technical review of environmental impact from a biological, chemical and engineering standpoint, but also an assessment of how effectively national legal frameworks and institutions are able to address or minimize that impact - both under existing economic conditions and under anticipated conditions of an FTA. Again, this analysis is done in consultation with other non-governmental and governmental actors.

3. To facilitate deeper substantive analysis, the Consortium commissions **country reports** presenting the economic and technical findings from steps 1 and 2 above and analyzing policy and institutional challenges and opportunities raised by trade expansion. Focusing on key sectors where high growth and high impact overlap, the reports direct efforts at those environmental issues that are potentially more significant under an FTA. Each country report provides insights about the policy and institutional framework, and the necessary steps that need to be considered to guarantee an environmentally sound FTA - from the standpoint of the country studied. Each invites peer review from other non-governmental and governmental actors. Through these reviews, the authors stimulate specific recommended actions for the main stakeholders - the private sector, governments, funding institutions, NGOs, and the public in general.
4. Finally the Consortium integrates the results of the country reports into existing analysis and economic models and promotes the dissemination and understanding of results through **in-country workshops, publication and regional dialogue**. An emphasis is placed on making final products and information available to environmental regulators and legislators and to economic and trade policy makers. Steps are also taken to share broader literature and information about the positive connections between trade and environment so that key decision-makers are more open to substantive dialogue.

To support each step above, Consortium members provide access to technical information, quantitative tools, expertise and networks, and offer peer review and editing of results to local partners. They also work to facilitate the ensuing dialogue among government decision-makers and nongovernmental experts to deepen the understanding of results and promote the design and implementation of policy responses.

USAID Justification

In addition to meeting the development objectives outlined in this proposal, the project advances important US Government trade priorities relating to the environment. The project specifically responds to the Trade Promotion Act (TPA) signed by the President in August 2002 by "strengthening the capacity of US trading partners to protect the environment" and "ensuring that trade and environmental policies are mutually supportive." (See Public Law 107-210, HR 3009). While this project does not trench upon any trade negotiations, nor

seek to affect the position of US trading partners relative to FTAs, it is designed to make any eventual agreement more sustainable and consistent with the objectives stated in the TPA. This proposal will leverage over \$600,000 invested to date by USAID, the OAS and the Mott Foundation to design the methodology, secure the buy-in of US trading partners, and complete reviews in MERCOSUR. In addition, this proposal will leverage the funding support of US EPA, which has recently announced its intention to buy into this project to fund assessments in three CAFTA countries (El Salvador, Honduras and Nicaragua).

Progress to Date

USAID provided seed money for phase one of the project in FY-02, and the Consortium concentrated on identifying experts across disciplines, developing a methodology for impact analysis, and testing that methodology in MERCOSUR. The model asks where markets are likely to shift as trade barriers fall, and what environmental consequences can be anticipated. The model then examines how legal and institutional frameworks (domestic and regional) are arrayed to address these changes and puts governments in a better position to assess and implement policy alternatives that will make trade expansion more sustainable. Phase one saw country studies for Argentina and Brazil prepared by teams of economic and legal experts from those countries. The country reports for Argentina and Brazil are in press and anticipated by the end of September 2003.

During the second phase of the project in FY-03, the Consortium continued its work in MERCOSUR - vetting the studies in Argentina and Brazil and developing those for Paraguay and Uruguay. It also expanded work to Central America, replicating the methodology developed under phase one in partnership with Central American experts and with additional financial support from the Mott Foundation. Country studies are underway for Costa Rica and Guatemala with preliminary drafts already being peer reviewed. Efforts are also ongoing to support project partners and governments from Argentina and Brazil as they seek to replicate, deepen and expand the initial country studies. This will largely involve independent activities financed through local partners, although the Consortium will offer guidance and support as appropriate.

Principal Objectives

This proposal contemplates continuing and deepening the accomplishments to date through two activities:

ACTIVITY ONE

Activity one contemplates coordination, dissemination, and replication of National Environmental Assessments in the region.

First Component: Coordination, Dissemination and Further Engagement

The Consortium will continue to coordinate regionally and to disseminate National Environmental Assessments as they are completed. Partners from MERCOSUR, CAFTA and CARICOM countries will be convened to exchange results, examine lessons learned, and

strengthen the project's overall methodology. They will also be asked to participate in briefings for governments and multilateral agencies to maximize the reach of the project's results. The Consortium will also work to leverage funds to add the Dominican Republic and/or Panama to the CAFTA studies phase pursued under component two. Some funds will also be devoted to exploring and preparing for phase four expansion into Andean countries.

Second Component: Caribbean Expansion

This proposal contemplates expanding the project to Caribbean countries during phase three, with an emphasis on the members of the Caribbean Common Market (CARICOM), and introducing the project methodology to Southern African states, emphasizing members of SACU, with a view to replicating the methodology in that region in the future.

Expanding the Project to CARICOM

The Consortium will work with project partners from the Caribbean to adapt and replicate the methodology in at least three CARICOM countries. States will be determined in coordination with USAID and national counterparts to incorporate representative economies from the region, but may tentatively include Antigua & Barbuda, Barbados, and Jamaica. Some limited funds from this proposed grant will be used to assure a smooth linkage between the work in other regions by engaging partners in cross-regional training on methodology and dialogue regarding challenges and opportunities for implementation.

The consortium will also facilitate a Caribbean "Trade and Environment Roundtable" through OAS/FIDA during the course of the year to spark constructive discussion of emerging trade and environment issues and to further stimulate interest in and awareness of the National Environmental Assessments conducted under this project. The experts who are working on country studies will be invited to examine their work through this forum and to discuss how the general methodology can be shaped or adjusted to assure that it is appropriate for the Caribbean. The roundtable will be web broadcast by OAS Multimedia to expand its reach.

The Consortium will also send representatives, including representative governmental participants, to outside forums on trade and environment and environmental assessment as and when they are relevant to the project objectives of substantive and positive dialogue. The Consortium will take advantage of regional events to leverage project results and introduce the methodology to a broader audience.

Bringing SACU Governments to the Table

The Consortium will take the initial steps toward expanding the project methodology to Southern Africa through SACU countries by engaging SACU partners, assessing the viability of Environmental Assessments in SACU, and creating a framework for future adaptation and replication the project methodology in Southern Africa. To facilitate this outcome, the Consortium will work with USAID and other relevant USG agencies to:

- Identify relevant governmental and non-governmental actors and suitable regional partners and networks within SACU states to receive training in the methodology and participate in the development of country studies by Caribbean partners.
- Train these partners in the use of the methodology and invite them as observers and participants as the project unfolds in the Caribbean.
- Identify related environmental assessment programs that should be taken into account in moving forward in Southern Africa, or that might be strengthened by future projects.
- Assess and report to USAID on the feasibility of expanding the National Environmental Assessment project and methodology to Southern Africa, and on the means by which such an expansion might be achieved.

ACTIVITY TWO

The Consortium will also support the creation of a proposed new forum, the Americas Trade and Sustainable Development Forum (ATSDF), at the Miami 2003 FTAA Ministerial Conference to provide a unique opportunity for the federal, state and local hosts to strengthen U.S. leadership in bringing transparency and meaningful public participation to trade relations. This activity is described more fully in the attached annex on the ATSDF prepared by Consortium partner, the University of Miami North-South Center. This activity is described in greater detail in the Appendix to the Program Description.

Timeline

Work will begin immediately, and all activities will be concluded within 12 - 18 months under the funding contemplated in this proposal.

Activity One Budget

The total budget for activity one is \$220,000. The allocation of these funds is set forth below.

Latin America Regional Component	Cost
Regional Coordination	\$40,000
Additional Country Study (TBD)	\$30,000
Sub Total - Latin America Regional Component	\$70,000
Caribbean Regional Component	
Caribbean Country Study 1	\$30,000
Caribbean Country Study 2	\$30,000
Caribbean Country Study 3	\$30,000
Caribbean Regional Coordination	\$30,000
SACU Integration	\$30,000
Sub Total - Caribbean Regional Component	\$150,000
TOTAL - COMPONENT ONE	\$220,000

Activity Two Budget

The total budget for activity two is \$50,000. The allocation of these funds is described more fully in the attached ATSDF annex prepared by Consortium partner, the North-South Center.

Further Information

For further information, contact Claudia de Windt, Staff Attorney, OAS/FIDA, 202-458-6924, or Eric Dannenmaier, Director, Tulane University Institute for Environmental Law and Policy, 504-862-8829, edan@law.tulane.edu

Appendix to Attachment 2: Program Description:
Activity Two -- Americas Trade and Sustainable Development Forum



DRAFT

THE AMERICAS TRADE AND
SUSTAINABLE DEVELOPMENT FORUM (ATSDF)

AT THE
FTAA MINISTERIAL CONFERENCE
MIAMI, FLORIDA, U.S.A.
NOVEMBER 2003

A PROPOSAL SUBMITTED TO THE
UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

BY THE

NORTH-SOUTH CENTER, UNIVERSITY OF MIAMI

IN ASSOCIATION WITH

Tulane University's Institute for Environmental Law
PARTICIPA, . Chile
North-South Center, University of Miami
International Institute for Sustainable Development (IISD)
Facultad Latinoamericana de Ciencias Sociales, Argentina (FLACSO)
Centro Ecuatoriano de Derecho Ambiental (CEDA)
Caribbean Policy Development Centre (CPDC)
Carnegie Endowment for International Peace
Canadian Foundation for the Americas (FOCAL)
Americas Trade and Sustainable Development Forum (ATSDF)
FTAA Ministerial Conference
Miami, Florida, U.S.A.
November 2003

Objective

To establish meaningful participation of civil society actors from business, academia, labor, and the full range of non-governmental

organizations in the FTAA process in order to build public support for the Free Trade Area of the Americas.

As a permanent fixture of FTAA process, the Americas Business Forum (ABF) is not currently structured in such a way as to encourage the participation of the full range of governmental and non-governmental actors. There is a need for a forum that affords the cross-fertilization of ideas around issues that reflect the values of democracy and sustainable development recognized in the official process. A new forum, the Americas Trade and Sustainable Development Forum (ATDSF) should be established within the security perimeter at the Miami 2003 FTAA Ministerial Conference, providing a unique opportunity for the federal, state and local hosts to strengthen U.S. leadership in bringing transparency and meaningful public participation to trade relations.

Background and Rationale

Since the 1999 WTO Ministerial in Seattle, trade negotiations have become a magnet for often violent confrontations between anti-globalization forces and government officials engaged with other members of civil society, including the private sector, in pursuing development through trade expansion. It is now almost universally acknowledged that trade involves more than economic interchange; it brings with it transformations that involve the full range of social, political, and environmental impacts. As the United States Trade Representative said in 2002, "Trade is about more than economic efficiency; it reflects a system of values: openness, peaceful exchange, opportunity, inclusiveness and integration, mutual gains through interchange, freedom of choice, appreciation of differences, governance through agreed rules, and a hope for betterment for all peoples and lands." The Trade Promotion Authority granted to the President by Congress in 2002 reflects this view with specific political, developmental, labor and environmental negotiating objectives.

The anti-globalization movement, nevertheless, is not convinced of the positive impacts of trade liberalization, and its positions have been hardened by the limited opportunities for non-governmental actors to participate in the official global trade institutions and in the regional and global processes launched to expand free trade. Many other civil society organizations, which generally support trade liberalization as a vehicle for social, political and environmental goals, express frustration at such limited opportunities and have been forced to establish "parallel" forums at major official trade conferences, outside the official process. (See attached "Summary History of Civil Society Participation at FTAA Ministerial Conferences")

In the case of the Free Trade Area of the Americas, the first three ministerials in Denver, Cartagena, and Belo Horizonte established the ABF as a forum in which a wide range of economic, social, labor, and

environmental issues were discussed by government, private business, and other civil society representatives. Organizations such as the Fundación Futuro Latinoamericano, Audubon Society, INCAE, the AFL-CIO, the North-South Center, the National Wildlife Organization, and others helped organize and participated in workshops within the ABF, reporting consensus findings to the ministers.

Beginning with the San Jose Ministerial in 1998, when the 9 official negotiating groups of the FTAA were established, the ABF organized its workshops around only the specific technical trade issues in the nine official groups. Social, political, labor and environmental issues were no longer included, forcing constructive non-governmental representatives to establish parallel forums, or in some cases, join the more confrontational and contestatory Hemispheric Social Alliance. While most in the Hemispheric Social Alliance advocate peaceful opposition, the movement also includes groups that have been responsible for creating the conditions for violent clashes at official trade meetings and the Summit of the Americas, whose centerpiece is the FTAA.

A New Approach for Miami

Establishing a ATSDF at the Miami FTAA Ministerial, while preserving the integrity of the ABF, would add a the needed dimension of a full range of workshops and public events that deal with trade-related social, political, labor and environmental issues. This would strengthen the FTAA in many significant ways, including:

- Encouraging the participation of the full range of governmental and non-governmental actors in a forum that affords the cross-fertilization of ideas around issues that reflect the values of democracy and sustainable development recognized in the official process.
- Eliminating the need for many civil society organizations to establish parallel forums outside the security perimeter that reflect an unfortunate perception that non-governmental organizations cannot or will not contribute productively to free trade process and that private business has better access to the official process.
- Establishing the FTAA and the Western Hemisphere as leaders in promoting transparency and meaningful citizen participation while building public support for the FTAA and other free trade initiatives.

Progress to Date in Establishing the ATSDF

At a public meeting on May 21, 2003 at the Carnegie Endowment in Washington, D.C. Chris Padilla, Assistant United States Trade Representative for External Affairs, described U.S. goals for public involvement in the FTAA Miami

Ministerial. Learning from past FTAA ministerials, the United States' objective is to organize opportunities for more interactive discussion between trade ministers, sub-minister level government officials, and representatives from non-governmental organizations. The Office of United States Trade Representative (USTR) is committed to ensuring a safe and secure environment in which to facilitate meaningful interaction with civil society at a level equal to the access afforded to the Americas Business Forum. To that end, USTR has taken the following steps:

Working with representatives from the Miami FTAA Host Committee and the North-South Center at the University of Miami, USTR has created an opportunity for civil society groups to organize workshops within the security perimeter of the ministerial. A core organizing and sponsoring group of non-governmental organizations from several countries throughout the Americas with experience and expertise in coordinating civil society involvement at FTAA ministerials and in the Summit of the Americas has been formed and an initiative for a Americas Trade and Sustainable Development Forum, November 17-19, 2003, has been launched. Civil society activities within this perimeter will facilitate interaction between workshop organizers, participants, and country delegates. While the United States government cannot guarantee delegation involvement in the workshops, it will encourage the FTAA parties including FTAA negotiating group chairs to attend, and wherever possible, participate.

USTR has scheduled a meeting between civil society workshop representatives and the trade ministers, tentatively set for late afternoon, November 19. The meeting will be designed for substantive discussion among the participants, as opposed to the Americas Business Forum tradition of making speeches to the ministers, and previous fora where civil society representatives have simply made one-way presentations to ministers. Furthermore, USTR will seek to use technology to ensure a broad public audience for the civil society roundtable discussion with ministers, including closed-circuit television and a video to be posted to USTR's website.

USTR will work to facilitate the participation of sub-minister level officials, including Negotiating Group chairs and Vice-Ministers during the first day of the ATSDF. The FTAA Trade Negotiating Committee (TNC) (Vice-Ministerial level) will be meeting during the time of the ABF and ATSDF in advance of the Trade Ministers, whose meetings begin on November 19.

We consider this major breakthrough at the Miami FTAA Ministerial as an historically unprecedented opportunity for civil society engagement of the FTAA negotiating process.

AFTSD Governance and Organizational Structure

Thematic Tents-

The AFTSD will be organized with an architecture that envisions a series of simultaneous "Thematic Tents," under which a broad range of activities will be conducted by multiple institutional and expert participants from across the Americas.

The AFTSD contemplates a collection of sessions that will be held over the 2-day period under each of the social, political, economic, and environmental themes related to trade. Thematic Tent issues will (tentatively) include:

Trade and labor	Trade and gender issues
Trade and environment	Trade and indigenous concerns
Trade, participation & access	Capacity Building and Institutional Reform
Trade, corruption and transparency	Investment in the FTAA
Trade, democracy, and rights	Trade and agriculture
Trade and Migration	

The first objective--already underway--is to solicit input from civil society groups regarding the themes that should be covered during the Forum. A list of possible themes was circulated during the meeting (attached). The list was not intended to be inclusive, but to spark a discussion among interested parties. Individuals and/or organizations also are encouraged to submit specific workshop proposals, noting proposed objectives, panelists, and whether or not they have the financial resources to cover costs associated with coordinating the workshop.

The core organizing and sponsoring group will synthesize collected information and circulate it for comments. By July, organizers hope to have completed an outline of events and selected workshop coordinators. To assist USTR's planning efforts, a draft conference agenda should be circulating among FTAA parties by the end of July.

The Thematic Tents may be adjusted to encompass additional topics that fall under the respective thematic umbrella, or to respond to logistical realities. Each will be organized and coordinated by one or more "Thematic Tent Coordinators" (see below) to provide a logical, cohesive, constructive, and substantive treatment of the theme. An emphasis will be made on going beyond rhetoric and advancing issues in a way that will allow constructive and meaningful input to trade negotiators. The results of the series of activities under each thematic tent will be compiled, synthesized, reported and published as a principal outcome of the AFTSD.

Sessions -

There will be 90-minute (+/-) presentations, roundtables, discussions, panels, etc. designed to advance the theme. These will be organized

and facilitated by experts and interested organizations in coordination with, and pursuant to an agenda developed by Thematic Tent Coordinators

Organizational Structures

Organizing and Sponsoring (Core) Group

This group will remain comprised of the organizations that worked to support the creation of a public space within the perimeter in Miami, and sought to give initial structure to the AFTSD. While broader organization and management will be decentralized in the hands of Thematic Tent Coordinators, the Organizing Group will continue to function as catalysts, adjutants, fundraisers, outreach coordinators, and facilitators to assure that the AFTSD remains cohesive, constructive and substantive - and to liaise with the USTR and local Miami hosts on behalf of the AFTSD.

Institutions now comprising the Organizing and Sponsoring Group are:

Tulane University's Institute for Environmental Law
PARTICIPA, . Chile
North-South Center, University of Miami
International Institute for Sustainable Development (IISD)
Facultad Latinoamericana de Ciencias Sociales, Argentina (FLACSO)
Centro Ecuatoriano de Derecho Ambiental (CEDA)
Caribbean Policy Development Centre (CPDC)
Carnegie Endowment for International Peace
Canadian Foundation for the Americas (FOCAL)
Brazil NGO (TBD)

Coordinating Committee

Composed of the Organizing Group plus other Thematic Tent Coordinators. (Note: if more than two organizations serve as tent coordinators, then they will identify no more than one or two liaisons to serve on the coordinating committee). The Coordinating Committee will share overall responsibility for advancing and coordinating the content of the AFTSD. It will work to assure that overlapping and cross cutting issues are treated within in a logical and meaningful fashion (including joint sessions, where appropriate).

Thematic Tent Coordinators

Organizations (1-2 per tent) will take the responsibility for organizing activities by:

- Identifying, inviting and coordinating additional expertise and institutions to clarify the theme, design the tent, and/or facilitate individual sessions;

- Assuring that the workshops, panels and other activities are cohesive, constructive, and substantive;
- Defining a structure and overall agenda for the 2-day workshops, panels and other activities;
- Following/monitoring all sessions and taking notes to provide a "rapporteur's report" that compiles and synthesizes workshops, panels and other activity results - including any recommendations and consensus that might be reached throughout the sessions of the Thematic Tent activities;
- Identifying or serving as the spokesperson(s) for the Thematic Tent in the production of any final report and in the interaction with USTR, local Miami hosts, or other formal committees or events.
- Fundraising, where possible, to cover the basic costs of the workshops, panels and other activities and to promote attendance by less-well-funded organizations.

Where expertise, capacity and interest exist, members of the Organizing Group will serve as Thematic Tent Coordinators in collaboration with other experts and interested organizations. Where additional expertise is needed, and/or where no Organizing Group member agrees to serve as Thematic Tent Coordinator, additional Thematic Coordinators will be recruited from among experienced organizations with the expertise and capacity to build a constructive and meaningful dialogue on the relevant theme. In these circumstances, interested organizations will be invited to coordinate activities for the AFTSD as outlined above, and in an open, inclusive and constructive fashion consistent with the principles of the AFTSD.

Budget Considerations

The attached proposed budget represents "bottom-line" costs for the North-South Center to perform as the primary logistical coordinator and to guarantee the appropriate space, labor, and facilities to assure high quality activities and meaningful interactions, including the formal meeting with Trade Ministers scheduled for November 19, 2003.

The operating principles of the ATSDF include the requirement that individual groups use their own financial resources to cover their participation in the workshops and other activities. No single organization has the resources to pay for the entire costs of the Forum. Participants will be expected to pay a small participation fee (to be determined), which will be used to defray administrative costs. Participants will be expected to pay for their own transportation, lodging, and if they serve as workshop coordinators, workshop costs. The core organizing group and network organizations will work to raise

funding from private and official sources to defray costs, and enhance the quality of activities and participation.

ANNEX A: Grant Budget
 Second Amended Grant Budget - OAS/FIDA

Grant No. LAC-G-00-01-00008

	Sub-total	Grant Total	Match
<i>ORIGINAL GRANT - FY-01</i>			
Activity One - FTAA Environment Assessment Phase One			
Task A - Planning and Preparation			
Personnel			\$25,000
Travel	\$30,000		
ODC	\$20,000		
	\$2,000		
Task B - Grants, Support and Dissemination			
B.1 Grants to Local Partners for country studies			
Personnel	\$50,000		
Travel	\$5,000		
ODC	\$1,000		
B.2 Monitoring and support for initial research grants			
Personnel	\$25,000		\$10,000
Travel	\$3,000		
ODC	\$2,000		
B.3 Publication and dissemination of initial results			
Personnel	\$10,000		\$2,500
ODC	\$2,000		
Sub-total Activity One (tasks A & B)	(w/match) \$187,500		
Activity Two - Central America CP/E2 Dialogue* (see note)			
Personnel	\$45,000		\$16,250
Travel	\$10,000		
ODC	\$10,000		
Sub-total Activity Two	(w/match) \$81,250		
TOTAL ORIGINAL USAID GRANT - All Activities		\$215,000	
<i>FIRST GRANT AMENDMENT - FY-02</i>			
FTAA Environment Assessment Phase Two			
Personnel	\$130,000		\$150,000
Travel	\$25,000		\$50,000
ODC	\$25,000		\$25,000
Sub-total Phase Two	(w/match) \$405,000		
TOTAL FIRST USAID GRANT AMENDMENT		\$180,000	
<u><i>SECOND GRANT AMENDMENT - FY-03</i></u>			
Activity One - Environmental Assessments of FTAs Phase Three			
Personnel	\$155,000		\$100,000
Travel	\$45,000		\$25,000
ODC	\$20,000		\$25,000
Sub-total Activity One	(w/match) \$370,000		
Activity Two - Americas Trade and Sustainable Development Forum** (see note)			
Personnel	\$21,000		\$10,000
Travel	\$5,000		

ODC

Sub-Total Activity Two

\$24,000

(w/match) \$60,000

TOTAL SECOND USAID GRANT AMENDMENT - All Activities

\$270,000

GRANT TOTAL, WITH AMENDMENTS, FY-02 through -03
TOTAL USAID GRANT - All Activities

\$665,000

NOTES

Personnel = staff, consultants and grantee contracts for results; Travel = transportation. Lodging and per diem

ODC = Other direct costs (telecomm, printing, etc.)

** Note - Activity two in FY 01 was a Global Bureau add-in for clean production activity not related to FTAA*

*** Note - Activity two in FY 03 is a Separate but related add-in to support the ATSDF*