

**Periodic Report to National Endowment for Democracy
Financial and Program Activities for Grant #2002-362
Video and Media Training Workshop in Iran**

Effective Date of Grant: June 7, 2002
Reporting Period: April 1- July 31, 2003
Total Grant: \$25,000

National Iranian American Council
www.niacouncil.org

July 31, 2003

The following report will describe and analyze developments pertaining to Grant #2002-362 from the National Endowment for Democracy (NED) to the National Iranian-American Council (NIAC) in the amount of \$25,000. The purpose of the grant is to facilitate a training workshop in Iran for Iranian environmental non-governmental organizations (NGOs) on how to produce educational video and media related material. The Grant became effective as of June 7, 2002. The first portion of the grant in the amount of \$12,500 was received on December 31, 2003. The current report will cover the period from April 1 through July 31, 2003.

Background

By April, the situation in Iran seemed to have relatively calmed down. Iran was eager to cooperate with the United States in the aftermath of the war on Iraq. Tensions between the two states had given way to indirect and secret talks over the future of Iraq. By the end of May, the two countries had confronted several obstacles in their attempts at appeasement. The United States mounted pressure on Iran to hand over suspected Al-Qaida members in Iranian custody, and to refrain from influencing Shia groups in Iraq to oppose the US presence in the country. Iran, in turn, raised the ante by continuing to support Shia leaders, and refusing to cooperate on the hand over of terrorist groups under its custody. The US increased international pressure on Iran over Iran's alleged development of nuclear weapons. By July 2003, the US publicly voiced support for pro-democracy leaders and student activists in Iran. By siding with Iranian freedom activists, the US encouraged the Iranian government to crack down on reform. Several activists were arrested and accused of being agents of the United States, the gravest sentence that could lead to execution.

Anticipating the anniversary of the student demonstrations in mid-July, and concerned by US public rhetoric to support student groups, the Iranian government arrested key student leaders, some of whom have in fact disappeared since and their whereabouts are unknown. It is believed that the number of disappeared people has increased since the beginning of July. Unfortunately it is impossible to know the exact numbers, because only the cases of those activists who are well known internationally or have access to lawyers are followed up.

In mid-July, the name of one individual made the headlines, Zahra Kazemi, an Iranian-Canadian photo-journalist, who had obtained official authorization by the Iranian Ministry of Culture and Islamic Guidance to travel to Iran on assignment to take pictures during the anniversary of the student revolts. Kazemi was arrested on the street one day, disappeared for two weeks, hospitalized on the third week, and died in a coma as a result of the fracture of the skull. After almost three weeks of cover-up, under international pressure, the Iranian government opened up her case for review. At first, the government offered conflicting statements, only to be followed by admission that Ms. Kazemi had "been murdered" while under arrest. Ms. Kazemi's body was buried quickly despite her son's requests to return her to Canada for autopsy and burial. The victim's mother announced that she was pressured to agree to her burial in Iran.

A senior Ministry official stated that he was forced by the head of the judiciary to sign a paper disclaiming Ms. Kazemi's authorization to work in Iran. Ms. Kazemi was branded a US agent while under arrest. Ms. Kazemi's case reveals the strength of the Iranian shadow government. Although for years it was a public fact that the central reformist government of President Khatami did not have ultimate power, it was hoped that his government had made enough change to curtail the power of anti-reform groups. The shadow government is stronger than ever, and made a deliberate case of Ms. Kazemi to send a strong message to all Iranians abroad not to interfere in the political events of Iran.

In the meantime, under pressure and dissatisfied with the turn of events, many Iranian reform leaders have called on President Khatami to resign. Khatami announced on the third week of July, that he has every intention to resign. His speech was censored in Iranian media, and was reported abroad by the BBC. Khatami's resignation could lead to the worst crackdown of reform groups, reminding many Iranians of the early days of the revolution in 1979 when hundreds and thousands of people were arrested and executed. Khatami's reform agenda has failed, and there is no space left for the development of civil society under these unpredictable circumstances.

These recent developments have created an atmosphere of fear and concern among the NGO community. Traditionally, NGOs are lesser targets for the government compared to students and journalists. However, they are considered the third group in row, meaning that as the situation in Iran becomes tenser, NGOs will be the third group on the top list of government scrutiny. Most NGOs are hesitant to work with outside groups – particularly US groups – under these circumstances.

Summary and Project Activities

A summary of project activities in chronological order follows:

1. By April, some members of the Iranian NGO community had expressed strong interest in working with NIAC on the workshop. Iranian NGOs were very eager to receive the training that the workshop would offer, and arrangements were made over the months of April, May and June to hold the workshop in two different locations in Iran with the participation of over 32 NGO representatives. Throughout April, May and June, NIAC staff organized the details of the workshop through regular correspondence with their NGO partner in Iran, including details on location, venue, workshop structure, and qualifications of participants. NIAC staff also arranged to buy the equipment that they would take to Iran with them in keeping with the sanctions policy.
2. By the end of June, NIAC staff decided to travel to Iran in mid-July, which also marked the end of the project cycle. Both NIAC and its Iranian partner felt it was better to see how events would unfold on the anniversary of the student demonstrations before traveling to Iran. The anniversary went by almost quietly, and reassured NIAC staff to make the trip happen.

3. A few days after the anniversary, when NIAC staff had already bought their tickets, Kazemi's news broke out. Kazemi was in a coma a couple of days, and throughout that period, NIAC was still convinced that it could go to Iran quietly and come back safely. However, as each day passed, it became evident that there had been a massive cover up, and that the central authorities were very powerless.
4. This news raised grave concerns about traveling to Iran. For one thing, Kazemi was a photo-journalist. NIAC staff had to carry cameras and other equipment to Iran, and there was an increased chance that airport security would be stricter after Kazemi's death. NIAC staff discussed options about what to say in the airport if they were questioned regarding the equipment. They took the extra precaution of dividing the equipment between the two staff members, and traveling on different dates.
5. A second challenge was a misquote by Agence Franc Presse, which accredited NIAC for organizing anti-Tehran demonstrations on the Mall in Washington DC on July 9. On learning about this mistake, NIAC immediately contacted AFP and convinced them to make a correction. AFP retracted the story, but it took them three days to do so, by which the story had been picked up by other news media. Although NIAC's has channels to inform certain parts of the Iranian government on the inaccuracy of the AFP report, the misquote can be used by other elements of the government to create obstacles. Furthermore, the parts of the government that NIAC has access to are steadily losing their influence in Iran.
6. A third challenge came up. NIAC staff received communication from an Iranian NGO representative who told them that in the past, whenever local NGOs met with international groups, they were required to report about the group to the local security authorities. The concern about traveling to Iran was now graver. It was obvious that news of NIAC's workshop would spread quickly among local security authorities. All it took was one informant in the NGO community to spread the news. If NIAC staff were to be arrested and questioned, all details of the workshop would come out, including who NIAC is, and where the source of funding for the workshop came from. NIAC staff reviewed to possible outcomes. In the best case scenario, it could take days or weeks to convince local authorities that NIAC is not a dangerous group, and that NED's funding is not designed to de-stabilize the Iranian government. In the worst-case scenario, which became far more likely in the aftermath of Kazemi's case, NIAC staff and some NGO partners could be labeled agents of the west, and possibly even disappear.
7. Since there were too many challenges on the way, beginning from how to pass airport security with cameras, to how not to attract attention to the workshop from local security authorities, NIAC decided to postpone the trip. It is NIAC's assessment that under the current circumstances, or if the situation in Iran gets worse, it is not possible to carry out the workshop safely.

The next steps

NIAC is currently reassessing the situation in order to determine how to proceed with the project. We are trying to develop ideas that will enable the workshop to take place in Iran, while making it as low-profile and benign as possible. While much depends on the situation in Iran (which is unlikely to improve over the next six months), we are still trying to find solutions that are relatively independent of the situation in Iran.

Finances

The Financial Report is found in Attachment 1. Two plain tickets were bought, of which one cannot be reimbursed and one has been partially reimbursed.

ATTACHMENT 1

FINANCIAL REPORT

NED Grant No. 2003-014.0

GRANTEE: National Iranian American Council

PERIOD REPORT COVERS: April 1, 2002 - July 31, 2003
(insert beginning and ending dates of reporting period)

| <u>LINE ITEM</u> | <u>BUDGET</u> | <u>PRIOR EXPENDITURES*</u> | <u>EXPENDITURES THIS PERIOD</u> | <u>TOTAL EXPENDITURES</u> |
|---------------------------------|-----------------|----------------------------|---------------------------------|---------------------------|
| Salaries | - | | | |
| Benefits, Taxes, and Allowances | - | | | |
| Space and Utilities | \$500 | | \$500 | \$500 |
| Supplies and Equipment | \$3,060 | 195.29 | \$2065.58 | \$2260.87 |
| Communications and Postage | \$780 | 214.49 | \$80.95 | \$295.44 |
| Travel and Per Diem | \$5,160 | | \$1948.80 | \$1948.80 |
| Contractual Services | \$1,500 | 82.25 | \$73.50 | \$155.75 |
| Consultants' Fees and Expenses | \$12,400 | 4800.00 | \$6,000.00 | \$10800.00 |
| Other Direct Costs | \$1,600 | 138.40 | | \$138.40 |
| | | | | |
| TOTAL PROGRAM COSTS | \$25,000 | 5430.43 | \$10668.83 | \$16099.26 |
| TOTAL ADMINISTRATIVE COSTS | | | | |
| | | | | |
| GRAND TOTAL | <u>\$25,000</u> | <u>\$5,430</u> | <u>\$10668.83</u> | <u>\$16099.26</u> |

check sum 16,099

* "Prior Expenditures on all reports after the initial Financial Report should be the same as the "Total Expenditures" on the previous report. Any variations must be annotated and explained.