



The President's Interagency Council on Women

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UNCLASSIFIED MEMORANDUM

TO: Under Secretary Frank Loy
Ambassador Wendy Sherman
Assistant Secretary James Dobbins
Ambassador Stephen Sestanovich
Ambassador Bill Taylor
Ambassador Dan Fried
Mark Medish, NSC
Don Pressley, USAID

CC: Assistant Secretary Julia V. Taft

FROM: Melanne Verveer, Asst. to the President, COS to the First Lady
Theresa Loar and Anita Botti, President's Interagency Council on Women (PICW)

RE: Trip Report on visit to Ukraine, Russia and the Czech Republic

The purpose of the June 12- 22 trip was to support the development of programs and policies to advance women's leadership in the emerging democracies and to encourage further steps to combat trafficking in women and girls.

Ukraine

The key purpose of the visit to Ukraine by Verveer and Botti was to participate in the U.S. – Ukraine sponsored "Law Enforcement Conference to Combat Trafficking vs. Women and Children." Botti leads USG anti-trafficking efforts.

The conference was organized by an interagency team that included the State Department Ukraine Desk, Bureau of International Narcotics and Law Enforcement Affairs, S/NIS, the President's Interagency Council on Women (PICW), U.S. Embassy Ukraine and the First Lady's Office. It was another outcome of the Executive Directive that the President announced in March 1998 establishing Ukraine as a model to implement a comprehensive strategy to combat

trafficking. The trafficking workshop was announced by Presidents Clinton and Kuchma at their June 5 meeting in Kyiv. The U.S. Embassy in Ukraine and the Ukraine's Ministry of Internal Affairs had the lead.

This conference, funded by INL, brought together – for the first time – U.S. government representatives from the Departments of State, Labor, Justice and the White House, Ukrainian government officials, including the Vice Prime Minister Mykola Zhulinsky and the Minister of Internal Affairs, Yuriy Kravchenko, international organizations, NGOs and representatives of countries who are either source, transition, or destination countries.

The conference resulted in the creation of a concrete plan of action for Ukraine with specific responsibilities outlined for the various government ministries. The meeting was the first time that Ukrainian NGOs, which have significant information and know-how, worked side by side with their government. A by-product of this gathering was that law enforcement representatives from the government of Israel who were in attendance held separate discussions with the Ukraine government over the pending case of a woman trafficked from Ukraine. Issues of witness protection and testimony were being worked out. It was immediate, tangible evidence of the importance of the convening.

The Ministers from Ukraine gave remarks, as did U.S. Ambassador Pifer. Verveer gave the keynote address. Botti outlined the key elements needed for an action plan, which would build on the OSCE action plan announced by the First Lady, on behalf of the U.S., in Istanbul in November 1999 at the OSCE Summit. The representative from LaStrada, one of the most important NGOs involved in anti-trafficking in Ukraine, noted in her conference remarks that this issue would never have gotten serious consideration had the First Lady not been responsive when they told her at the Vital Voices Conference in Vienna in 1997 about the growing problem. This led to the announcement of a U.S. – E.U. public education campaign, funded by PRM, to warn Ukrainian women about the tactics of traffickers who prey on their economic desperation and lure them with false promises.

USG representatives complimented the government of Ukraine for having the courage to tackle this tough issue and pointed out that it is a global problem that can only be addressed through country specific, regional and international actions. We also discussed the fact that, at its root, trafficking was driven by severe economic conditions affecting women. To effect this, President Clinton announced a multi-million dollar microcredit program during his visit to Ukraine in June. At the conference, we also announced a \$1/2 million Department of Labor grant to Ukraine for technical analysis of regulatory and legal barriers to women's employment. Verveer had a series of meetings with Ukrainian officials and groups working on these issues.

In a meeting with the Ministry of Education, Verveer stressed the importance of their efforts to educate students about the traffickers' tactics. LaStrada and Winrock (a USAID grantee) have been working with the government in the schools. They have a working group to develop materials for teachers. Thus far they have a financial commitment to print about 2000 copies and distribute them, but the need is much greater.

Verveer did several media interviews scheduled by the Embassy press office to highlight the problem, U.S. – Ukraine cooperation in addressing it, and the importance of the conference. Verveer did the equivalent of the “Today Show”, which devoted its entire morning programming to trafficking, took an on-air poll, and responded to viewer call-in questions. It was the first-time the issue received serious exposure in the media. She, Botti, and Ambassador Pifer also participated in a press availability with Ukrainian officials. Most of the questions were hard-hitting queries directed at the Ukrainian government officials for not being more responsive to the problem. They also criticized government corruption, which facilitates the traffickers’ work.

In a meeting with LaStrada, Verveer learned of several hurdles confronting NGOs working on these and related issues. The Ukrainian Ministry for Family and Youth Affairs had responsibility for trafficking and related issues, but has been eliminated in response to a mandate to reduce government. The NGOs believe it is vital to have an office that represents these issues to the President. They also explained why the Ukrainian anti-trafficking law needs to be strengthened. While it is significant that a law has been adopted, it was forged with no input from the NGOs who have experience in the field, and, thus far, it has not been effective in prosecuting traffickers. Another obstacle that was raised is the government policy overseeing NGOs, particularly the imposition of taxes, which inhibit their work.

Verveer also had discussions with Winrock leaders from Kiev, Lviv, Dnieperpetrovsk and Donesk. USAID funds their projects to help women develop personal and job skills. They are expanding to two more regions. These programs have assisted hundreds of women who are most vulnerable to trafficking.

In a very innovative move in the NIS region, the NGOs from all over Ukraine who are working on women’s issues, particularly trafficking, have formed a consortium and meet regularly to collaborate and address pressing issues. Verveer spoke to their regularly scheduled meeting and heard about their work and concerns. Botti and Ted Kontek (Ukraine desk) also joined. The group raised the problem of the dissolution of the Ministry on Women and Families that had the lead on trafficking. They hoped the trafficking conference would address specifically responsibilities for government coordination on trafficking.

Verveer also had a series of meetings relating to microcredit and economic development. She met with the USAID director and his economic assistant to get a status report on the new microcredit program the President announced in June. In order to initiate this program successfully, a change in Ukrainian law is necessary so that interest on loans is not taxed, but plowed back into the lending fund pool. (Before the President made his announcement, there were discussions to make certain the legislative changes would be supported by the Ukrainian government.) The USAID staff is making all the right arguments and hopes Rada changes will be forthcoming.

Kontek and Verveer also met with a group from Lviv who traveled to Kyiv to talk about the future of their USAID-supported and Counterpart-directed microcredit and business incubator program. It will become self sufficient later this year and they invited the First Lady to participate in their announcement event. This is a success story that could be even more

effective if the microlending program can get additional resources for its loan fund. They have a backlog of qualified borrowers.

We also met with Grace Kennan Warnecke, project director of USAID's Winrock small business development program. She told us microcredit is desperately needed and should be made a top priority. She receives some funds from USAID that are available to qualified businesses through local credit unions, but the small amount doesn't come close to meeting the need. In addition to credit unions, she said there is a critical need for training credit union workers. We offered to explore the possibility of whether Ukrainian credit union workers could receive training from the Poles through the existing Polish-American-Ukrainian Cooperation Initiative (PAUCI).

Finally we met with the Peace Corps leadership and some of the volunteers. Because the Peace Corps has several hundred volunteers working directly with the people across Ukraine in the areas of education, health, and business, they are in a unique position to provide significant support to existing Ukrainian programs focused on trafficking. They agreed to meet with LaStrada to see how they can be of assistance. They are currently working with Winrock and are looking to expand focus in the area of small business. We also agreed to explore a possible increase in the Peace Corps small government funds that are available to fund local projects. This could be expanded to meet additional critical needs.

Recommendations:

- S/NIS and Embassy Kiev should identify personnel needed to fully achieve outcomes of the U.S.-Ukraine Conference. This would be in keeping with the President's directive of March 1998 to establish Ukraine as a model in implementing a comprehensive strategy to combat the trafficking of women and children from and to Ukraine, and to ensure appropriate oversight and follow up of this historic meeting, particularly the implementation of the recently agreed upon action plan.
- Given the numbers and scope of trafficking in both S/NIS and Europe (estimated that 70% of all trafficked cases from the S/NIS region are destined for Western Europe), S/NIS may wish to receive a full briefing and update on this issue from the intelligence community. Such a briefing would supplement the excellent "unclassified" presentation made at the conference.
- The public diplomacy officers in the regional bureau and Embassy Kiev can capitalize on the recent media attention given to the issue of trafficking because of this meeting, particularly in light of the participation of other source and destination countries present. Particular focus and follow-up should be given to the Ukraine-Israel cooperation concerning an on-going investigation and prosecution of traffickers from Ukraine resulting from this meeting. This could be an important first if Ukraine does move forward with the assistance of the government of Israel (We understand Israel has offered protection to the trafficked victim to facilitate the prosecution.) Public information about cooperation in law enforcement efforts on trafficking would show that USG efforts – and in this case, interventions to both countries by Secretary Albright – are having an effect.
- To provide the necessary coordination and strong leadership needed to combat this criminal activity, Embassy Kiev should work closely with GOU to assist them in the establishment of a high level interagency task force with direct accountability to the President's office. Given

the cross cutting nature of trafficking and the need for all ministries to work together, such a group is critical to implementing a comprehensive GOU strategy which includes prevention, protection and assistance to the victim, and prosecution of the traffickers.

- To build on the recent announcement by the President for new microcredit programs, Embassy Kiev/AID can actively work with GOU to ensure that the necessary statutory changes needed for the program to go forward are taken (Rada approval of legislation that would allow direct lending by non-banking institutions and would not tax income that is put back into the lending program.). Also, the embassy can raise with the GOU the restrictions placed on NGOs, particularly the tax amounts and hurdles required for these critical groups to operate.
- To ensure that the DOL grant to Ukraine is fully developed, Embassy Kiev can follow-up with ILO to ensure that the proposed labor market survey data are useful for anti-trafficking efforts and that labor standards are designed to help promote economic opportunities for women.

Russia

1. Moscow

The key purpose of the trip by Verveer and Loar to Russia was to consolidate efforts on combating domestic violence and trafficking, to assist women's small business development and to support the growing Vital Voices network.

Ambassador Collins opened Spaso House to a meeting of the leading NGOs working on domestic violence, legal reform and trafficking. Marina Pisklakova, who heads up the recently created Russian Association of Crisis Centers for Women, said the "spirit of Vital Voices that permeated the conference in Reykjavik is what gives them inspiration to us to keep going against tough odds." The group noted that centers in St. Petersburg, Irtusk, Ekaterinberg and Moscow were strong, but efforts needed to be made to help newer centers. There are now over 40 NGOs working on domestic violence and many are being linked together in a new association for crisis centers. There are about ten government sponsored centers.

The value of USAID-funded Russian language materials on domestic violence was emphasized with a request that Russian language materials on trafficking also be made available. More broadly, the development of Internet programs in Russian on women's issues was also viewed as critical. The NGOs stressed the need for a continued interdisciplinary approach involving lawyers, doctors, social workers and others. The U.S.-Russia co-sponsored domestic violence conference held in Moscow in November 1998 was very effective in stimulating progress on this issue.

The group talked about the need to get legislation passed by the Duma on domestic violence and trafficking. Verveer and Loar discussed strategies for introduction and passage, including raising the issue with the Minister of Labor and Social Development, Galina Karelova, and with the new Deputy Chairman of the Duma, Liubov Sliska. With regards to trafficking, the group discussed the importance of foreign governments making labor contracts available for foreign workers in work sectors that traditionally attract female workers, such as for waitresses,

chambermaids, etc. The availability of foreign government-issued labor contracts in these areas has the potential to prevent some trafficking abuses.

Currently, the majority of the available labor permits for foreign workers are for traditional male jobs, such as construction. We had heard this point made at the OSCE trafficking event in November 1999 related to the dangers and disadvantages of Polish women workers face when they go overseas for work, compared to the contractual protection male workers enjoy when they procure work out of the country. Prior to the large group meeting on domestic violence and trafficking, Ambassador Collins joined us for a meeting with the leaders of the New Association of Crisis Centers.

We also had a wide-ranging meeting with leading women business owners and representatives of NGOs and small business associations. This group was assembled by the Foreign Commercial Service Officer in Embassy Moscow who made a point in her travels throughout Russia to encourage Russian women in business to work together for government action. This officer has also included women in Department of Commerce training programs, such as SABIT. Graduates of these training programs were among the participants in the discussion hosted by DCM Ordway.

Minister Karilova joined us for the discussion at the DCM's Residence. The women discussed the difficult hurdles for small business development imposed by government regulations and we explored ways that they could join together as a coalition with their supporters inside the government to get their key priorities addressed by the government. Some of the business hurdles they mentioned included the \$300 registration fee, tax policies, the need for simplified accounting methods and corruption. They agreed to develop a white paper to show how business growth is affected by these problems. They hoped to provide the white paper to Duma committees, along the lines of what the American Chamber of Commerce in Russia does to make its case. Participants agreed about the need to maintain a network of women business owners, building on these meetings held at the US embassy, in order to affect government policy.

The melding of civil society advocacy with their small business needs was a concept they found compelling. They said the SBA web site was not useful to them in its current form because it was not applicable enough to the Russian business environment. They want to create a web site that better addresses their specific requirements, as well as to create an important link for transmitting information regionally. They said it was costly, both in terms of the equipment and personnel to keep it going. They also discussed an idea they learned at Vital Voices Reykjavik, about exploring ways Russian businesswomen and foreign partners could come together. There are existing linkages for businessmen, both for this purpose and more generally to meet with their foreign counterparts. There is no such forum for businesswomen in Russia.

The St. Petersburg business representatives at the meeting stressed a need for an information infrastructure, technical assistance and access to microcredit. They hope that Vital Voices can help with the organization building for an effective small business coalition.

In a separate meeting with Minister Karilova, we expressed a need for legislation on violence against women. She said that law enforcement in Russia needs training and she reaffirmed the importance of expressing this need to the new leadership of the Interior Ministry. She also recommended more public education on the issue through the mass media.

She suggested a Russian-U.S. workshop on trafficking. She noted that the leadership we brought to organizing the domestic violence conference in 1998 (that the First Lady had announced during her trip to Ekaterinburg in 1997) has resulted in significantly more attention to the problem. She also recommended that the establishment of a Russian-American women in business association. She said she had had some exploratory conversations with the U.S.-Russian Business Council when she was in New York, but hoped we could advance this idea of a partnership between businesswomen in Russia and their U.S. counterparts. She gave us a copy of the proposal.

In a meeting with the head of the Soros Open Society Institute in Russia, Yekaterina Geniyeva reiterated the \$3 million commitment she made at the Vital Voices Global Exchange held in October 1999 in Washington to have the Open Society lead the Vital Voices network in Russia. Geniyeva proposed a Russian Vital Voices democracy conference in the fall of 2001, a new women-targeted business development program that, if successful, could serve as a model, and a Vital Voices web site and internet connection in Russian, among other initiatives.

We also met with the new Deputy Chairman of the Duma, Liubov Sliska – who had requested the meeting at the UN Beijing + 5 conference in New York where we had met briefly. Ambassador Collins also joined us for the discussions in her office at the Duma. Sliska is expected to be influential in her new role as coordinator of the Duma's legislative work. We had a spirited, wide-ranging conversation on women's policies with her and four other officials, including Duma member, Yekaterina Lakhova, who had attended the Vital Voices Conference in Reykjavik. Sliska was delighted that we were able to get together so quickly after the New York events. She talked about the hearings on women's rights she had just conducted at the Duma. This was the first time such hearings were ever held and a number of our Vital Voices NGO leaders testified. Sliska said she finally got the hearings approved on her third attempt. We told her that the NGOs had responded favorably to her efforts.

Sliska wanted most to underscore the need for women's political participation in Russia. Sliska wants to use the Saratov Oblast as a model for women's political participation and progress on a range of women's concerns. She told us she and Lakhova recently met with Governor Ayatskov of Saratov and that they had discussed regional initiatives to improve the status of women. (Sliska, whose district is in Saratov, formerly worked for Ayatskov) Ayatskov had agreed to create a committee under the Governor to support female candidates in upcoming municipal elections in Saratov and to use Saratov's existing interparliamentary ties throughout the CIS to promote consultation among female elected officials. According to Sliska, the Governor agreed to give the health clinic for reproductive rights a new center, acknowledging the progress that's been made and the need that exists. The regional parliament is considering a draft law on equal opportunities for women. Sliska said they especially want to work on business development and asked about the \$1 million microcredit fund announced at the Vital

Voices conference. She also asked us to convey her personal invitation to the First Lady to visit Saratov, and said that Mrs. Clinton continues to provide inspirational leadership.

The DCM hosted a briefing with the Embassy Country Team who work on these issues: POL, USAID, PD, CONS and EXEC. On trafficking, we discussed the Ambassador's point that visa issuance can be a first line of defense against trafficking, the value to Washington policymakers of embassy reporting on Russian government actions against trafficking, the need for Russian language materials on trafficking, and high degree of congressional interest in the issue. It was a useful exploration on how we can work more effectively in Washington and Russia on a range of issues.

St. Petersburg

The U.S. consulate organized a roundtable with some of the women who had attended the Vital Voices conference and other NGO leaders at the Consul General's Residence. The women leaders represented NGOs promoting political participation, such as the League of Women Voters, Human Rights in Pskov and, Mothers for Soldiers' Rights (vs. Chechnya involvement) Soros' point person on women's issues, and a Vital Voices Global Exchange participant.

The group appeared more dispirited than their Moscow counterparts. Paul Smith, as Consul General, noted that many were working under extremely adverse circumstances and that the regional political environment was particularly difficult. One of the participants said, "no one here cares about civil society." Another was organizing former female Duma members and candidates to work together to form a political coalition. She had met Maryland Lt. Governor Kathleen Kennedy Townsend and Representative Connie Morella on a recent visit to the U.S. as part of the Billington Russian leadership program and wanted to know more about how to connect to American women in politics to share their organizing and lobbying strategies. One of the most upbeat participants was from Mothers for Soldiers' Rights, who said that the word "I" was struck from the totalitarian framework and it has, therefore, been hard for people to learn the power and responsibility of the ordinary citizen. However, her organization has found that the parents who are working to save their children from Chechnya are learning the meaning of their rights and beginning to take responsibility and it's leading others to set up similar organizational efforts.

We also visited the St. Petersburg Women's Crisis Center, which recently received Public Diplomacy funds from St. Petersburg ConGen and is part of the national Angel coalition. It was useful to see and hear firsthand the circumstances under which they operate and their productive relationship with the ConGen consular staff.

Recommendations:

- With the imminent departure of Beryl Bleher as chief commercial officer and Lycia Sybilla, who oversaw the women's programs and reported to the Ambassador and DCM, it is crucial to assign new staff on these issues at the Embassy. Both Ambassador Collins and the DCM agreed that this needed to be a priority.

- Explore next steps for actions to address the trafficking problem: a U.S.-Russia trafficking conference to give impetus to efforts to combat a growing problem, a public awareness campaign and other initiatives. A good first step would be a video conference with Washington, Embassy Moscow and interested Russian government representatives and NGOs to pursue these goals.
- Include women activists in the Billington "Russian Leadership Program" exchange groups. Develop a Vital Voices program for the elected officials who will be taking part in the summer and fall exchanges in Washington.
- The newly created Domestic Violence Association of Crisis Centers will be important in providing technical support to crisis centers established all over the country. USG should do what we can to be of assistance.
- Explore ways to expand Vital Voices to more of Russia. The Reykjavik conference in 1999 was restricted to the northern region and Vienna in 1997 was Moscow-focused. There is a real desire to expand it and the Soros involvement should help with this. Also, there is a need for a point person in the U.S. to coordinate the Russia and Eastern European Vital Voices programs. This will require outside support, perhaps through the Vital Voices Global Partnership, a new nonprofit in formation.
- Explore with the E.U. or Western European governments the feasibility of work permits in traditional female work sectors for workers from Russia, Ukraine and other Eastern European countries.

Czech Republic

Verveer and Loar participated in a follow-up conference to the 1997 Vital Voices conference in Vienna organized by Forum Women – "Forum Zhen." The Vital Voices conference and the First Lady's participation had stimulated the expansion of a Czech women's network comprised of elected officials, NGO leaders and professionals who are playing important roles in their country's developing market economy and civil society. The Czech Republic has been slow to incorporate women in these two key sectors and its overall progress in adopting market reforms and developing a vibrant civil society has been disappointing. "Forum Zhen" constitutes an important network of Vital Voices activists to help women take a more active role in the Czech Republic's democratic and free market development.

At the Vienna Vital Voices Conference in 1997, several Czech women were among the speakers and they – and the others who participated in Vienna – had prominent roles in organizing the conference. They were supported by Ambassador Shattuck and Ellen Hume. In addition to Ellen's very significant assistance in organizing the conference, she and the Ambassador hosted a reception at the U.S. Residence. The conference had received financial support mostly from Czech businesses. The theme of the meeting was "Empowering Women to Take Their Place in the New World." Verveer gave the keynote address on building civil society and the importance of political participation, and Esther Dyson gave a talk on the new information market. Loar provided an overview of USG foreign policy and programs, such as Vital Voices, to advance the status of women and Ambassador Swanee Hunt gave closing remarks. Verveer did Czech morning TV with a Czech conference organizer, and she also participated in a press conference at the forum.

Verveer and Loar also had a series of meetings with U.S. and Czech government officials and representatives of the International Organization for Migration to review efforts to combat trafficking in the Czech Republic. The Czech Republic is a source, destination and transit country. The Czech government has established a special police unit in the Organized Crime Division to combat trafficking, which works closely with IOM and the NGOs, like LaStrada. It has a strong Federal law against trafficking. The Czech Republic is instituting a visa requirement from former Soviet Union countries. Its border with Germany is the most porous for trafficking. Recently, traffickers were apprehended through several raids. Both IOM and the Czech Government representatives mentioned the helpful role U.S. Embassy Prague played in bringing them together and supporting their work. IOM mentioned State PRM's financial support as key to their ongoing effectiveness and unprecedented partnership with the Czech police. Efforts were made to include Czech representatives in the upcoming anti-trafficking meeting in Ukraine to share their best practices.

Recommendations:

- Include the Czech conference participants in future Vital Voices exchange programs.
- Explore ways to use Public Diplomacy programs such as exchanges, media events, and video conferences, to promote successful Czech anti-trafficking models in other countries.
- Through Vital Voices, encourage "Forum Zhen" businesswomen and Russian and Ukrainian businesswomen groups to exchange strategies on lobbying their governments to support business development.