

DEPARTMENT OF AGRICULTURE

Foreign Agricultural Service

Section 108 Foreign Currency Program

A. Program Description

Issued By: Foreign Agricultural Service, Office of Trade Programs

Catalog of Federal Domestic Assistance (CFDA) Number: 10.617

CFDA Title: PL-480 Market Development and Technical Assistance

Notice of Funding Opportunity Title: Section 108 Foreign Currency Program

NOFO Number: 2018-08

Authorizing Authority for Program: The Section 108 program is authorized by Title I of the Agricultural Trade Development and Assistance Act of 1954 (Pub. L. 480) (7 U.S.C. 1708), which authorized the U.S. government to finance the sale and exportation of agricultural commodities to foreign governments on concessional terms. Between 1986 and 1991, the U.S. entered into various Title I, Pub. L. 480 agreements with foreign governments, on terms that allowed repayment to the United States in local currencies.

Appropriation Authority for Program: 7 U.S.C. 1736g-3 authorizes the U.S. government to use those foreign currencies to implement market development and agricultural technical assistance activities.

Program Type: New.

Program Overview, Objectives, and Priorities: FAS will make foreign currencies available to eligible applicants to provide assistance in market development and agricultural technical assistance activities. This announcement supersedes all previous announcements regarding this program. On January 17, 2003, FAS published a notice in the Federal Register

(68 FR 2491–2493) inviting proposals to use Tunisian currency for market development projects and technical assistance activities. This notice maintains the availability of the Tunisian currency while also making the currency of Morocco available under the program.

FAS must disburse local currencies to program participants through the disbursing officers at U.S. embassies. It is the responsibility of the recipient to arrange for the receipt and use of the foreign currencies made available through the program. Activities funded with Section 108 currencies are not limited to the country in which the currency originated. Applicants should note that the Moroccan currency cannot be converted to another currency prior to disbursement. The Tunisian currency, however, may be converted to another foreign currency prior to disbursement. Applicants wishing to make use of the convertibility of the Tunisian currency should make that request clear in their proposal.

Financial assistance under the Section 108 program will be made available on a competitive basis and applications will be reviewed against the evaluation criteria contained in this notice. All U.S. agricultural commodities, except tobacco, are eligible for consideration.

B. Federal Award Information

Award Amounts, Important Dates, and Extensions

Available Funding for the NOFO: Funding under this program is maintained and disbursed as foreign currency, so the expression of available funding as U.S. dollar equivalents (USD) will depend on the currency exchange rate at the time of conversion. As of the date of this notice, there is approximately \$1 million USD of funding available in Morocco and \$7.5 million USD available in Tunisia. Once all of the available funding in a market has been obligated through program agreements, FAS will stop accepting proposals under this notice.

Projected number of Awards: It is anticipated that FAS will award approximately 15 awards under the Section 108 program, subject to programmatic approval and available funding. In general, all qualified proposals will be reviewed against the evaluation criteria contained herein and funds will be awarded on a competitive basis. Funding for successful proposals will be provided through specific agreements between the applicant and FAS. These agreements will incorporate the proposal as approved by FAS. FAS must approve in advance any subsequent changes to the project.

Period of Performance: Multi-year awards are possible under this program, although the maximum number of years that any award may be open is five. FAS will entertain requests to extend the agreement expiration date of an award, up to the maximum award length of five years. Extension requests must be made at least 45 days in advance of the agreement expiration date and must include a justification as to why the extension of the award is necessary.

Projected Period of Performance Start Date(s): FAS anticipates that the initial funding selections will be made by the end of October 2018, with the initial award dates estimated to be by the end of November 2018. Example: November 30, 2018.

Projected Period of Performance End Date(s): Up to five years from initial award dates. Example: November 30, 2023.

Funding Instrument: Grant.

C. Eligibility Information

Eligible Applicants: Any United States private or government entity with a demonstrated role and interest in exporting U.S. agricultural commodities may apply to the program. Government organizations consist of Federal, State, and local agencies. Private

organizations include non–profit trade associations, universities, agricultural cooperatives, state regional trade groups, and profit–making entities.

Eligible Activities: Under the Section 108 program, FAS enters into agreements with eligible organizations to support certain overseas marketing and promotion activities. Applicants may receive assistance only for generic activities that benefit a U.S. agricultural commodity.

Other Submission Requirements and Information: Proposals should include a justification for funding assistance from the program – an explanation as to what specifically could not be accomplished without Federal funding assistance and why the participating organization(s) would be unlikely to carry out the project without such assistance. Applicants may submit more than one proposal, and the number of projects per participant will not be limited. FAS will not reimburse unreasonable expenditures or expenditures made prior to the approval of a proposal.

Cost Share or Match: Although highly encouraged, there is no cost share requirement for Section 108 proposals. FAS will, however, consider the applicant’s willingness to contribute resources towards the project, including cash, goods, and services of the U.S. industry and foreign third parties, when determining which proposals are approved for funding.

D. Application and Submission Information

Key Dates and Times

Application Start Date: August 14, 2018

Application Submission Deadline: All applications under this announcement must be received by 5 p.m. Eastern Daylight Time, September 30, 2019. Applications received after this date will not be considered. Applications will be reviewed as they are received as long as funding remains available.

Anticipated Funding Selection Date: FAS anticipates that the initial funding selections will be made by the end of October 2018.

Anticipated Award Date: FAS anticipates that the initial award dates will be by the end of November 2018.

Address to Submit Application Package: Organizations wishing to apply to the Section 108 program should submit their proposals to FAS via email to podadmin@fas.usda.gov. Applicants experiencing difficulty or otherwise needing assistance applying to the program should contact the Program Operations Division, Office of Trade Programs, Foreign Agricultural Service by courier: Room 6512, 1400 Independence Ave., SW., Washington, DC 20250, or by phone: (202) 720-4327, or by fax: (202) 720-9361, or by e-mail: podadmin@fas.usda.gov.

Content and Form of Application Submission: To be considered for the program, an applicant must complete and submit an application package consisting of Standard Forms 424, “Application for Federal Assistance” (SF-424), and 424A, “Budget Information – Non-Construction Programs” (SF-424A), which are standard forms required for use as cover sheets for submission of applications and related information under discretionary programs, and the project proposal itself. The project proposal included along with the SF-424 and SF-424A must contain, at a minimum, the following information:

- a. Organizational information, including:
 - i. Organization’s name, address, Chief Executive Officer (or designee), Federal Tax Identification Number (TIN), and Dun & Bradstreet Data Universal Numbering System (DUNS) number;
 - ii. Type of organization, e.g., corporation, non-profit organization;

- iii. Name, telephone number, fax number, and e-mail address of the primary contact person;
 - iv. If a trade organization, a description of the organization and its membership;
 - v. A description of the organization's prior export promotion experience; and
 - vi. A description of the organization's experience in implementing a trade or technical assistance activity.
- b. Market information, including:
- i. An assessment of the targeted market;
 - ii. A long-term strategy in the market; and
 - iii. U.S. export value/volume and market share data and goals.
- c. Project information, including:
- i. A brief project title;
 - ii. Request for funding in one of the available foreign currencies;
 - iii. A brief description of the specific market development trade constraint to be addressed by the project, the viability of long term sales to this market, the goals of the project, and the expected benefits to the represented industry;
 - iv. A description of the activities planned to address the constraint;
 - v. A method for evaluating and reporting results and the performance measures that will be used to measure the effectiveness of the project (including benchmarks); and
 - vi. A detailed budget for all estimated costs associated with each project activity for which reimbursement will be sought. All budget line items should be

described in sufficient detail to enable FAS to determine that the costs are reasonable and allowable for the project per federal regulations.; and

- d. Information indicating all funding sources and cost-share amounts to be contributed by each entity that will supplement the implementation of the proposed project. This may include the organization that submitted the proposal, private industry entities, host governments, foreign third parties, Commodity Credit Corporation, FAS, or other Federal agencies. The contributed resources may include cash or goods and services.

Incomplete proposals or proposals that do not otherwise conform to this announcement will not be accepted for review.

In addition, the following required certifications must be completed and provided to FAS before the application can be approved for funding:

1. SF-424B, “Assurances – Non-Construction Programs”
2. AD-3030 and AD-3031, “Representations Regarding Felony Conviction and Tax Delinquent Status For Corporate Applicants”
3. AD-1047, “Certification Regarding Debarment, Suspension, and Other Responsibility Matters”
4. AD-1049 and AD-1052, “Certification Regarding Drug-Free Workplace Requirements”
5. Certification Regarding Lobbying. If paragraph 2 of the certification applies, then also complete and submit the SF-LLL, “Disclosure of Lobbying Activities.”

Unique Entity Identifier and System for Award Management (SAM): In accordance with the Office of Management and Budget’s policy directive (68 FR 38402 (June 27, 2003))

regarding the need to identify entities that are receiving government awards, all applicants must submit a Dun and Bradstreet Data Universal Numbering System (DUNS) number. An applicant may request a DUNS number at no cost by calling the dedicated toll-free DUNS number request line at (866) 705-5711.

In addition, in accordance with 2 CFR Part 25, each entity that applies to the program and does not qualify for an exemption under 2 CFR §25.110 must:

- (i) Be registered in the System for Award Management (SAM) prior to submitting an application or plan; and
- (ii) Maintain an active SAM registration with current information at all times during which it has an active Federal award or an application or plan under consideration by FAS; and
- (iii) Provide its DUNS number in each application or plan it submits to FAS.

FAS may not make an award to an applicant until the applicant has complied with all applicable unique entity identifier and SAM requirements, and, if an applicant has not fully complied with the requirements by the time FAS is ready to make the award, FAS may determine that the applicant is not qualified to receive an award and use that determination as a basis for making an award to another applicant.

Similarly, in accordance with 2 CFR Part 170, each entity that applies to the program and does not qualify for an exception under 2 CFR §170.110(b) must ensure it has the necessary processes and systems in place to comply with the applicable reporting requirements of 2 CFR Part 170 should it receive Section 108 funding.

Intergovernmental Review: An intergovernmental review may be required. Applicants must contact their state's Single Point of Contact (SPOC) to comply with their state's process

under Executive Order 12372 (see <http://www.fws.gov/policy/library/rgeo12372.pdf>). To ensure currency, the names and addresses of the SPOCs are maintained at the Office of Management and Budget's home page at http://www.whitehouse.gov/omb/grants_spoc.

Funding Restrictions: Certain types of expenses are not eligible for reimbursement by the program, and there are limits on other categories of expenses. FAS also will not reimburse unreasonable expenditures or expenditures made prior to approval. For details on eligible expenses under the Section 108 program, FAS follows the eligibility requirements outlined in the Foreign Market Development Cooperator program regulations, which can be found at 7 CFR parts 1484.54 and 1484.55.

Generally, funds may not be used in any manner that is prohibited by 2 CFR Part 200 and 2 CFR Part 400. In addition, FAS grant agreement funds may only be used for the purpose set forth in the award, and must be consistent with the statutory authority for the award. Grant agreement funds and non-monetary support may not be used for matching contributions for other federal grants or cooperative agreements, lobbying, or intervention in federal regulatory or adjudicatory proceedings. Federal employees are prohibited from serving in any capacity (paid or unpaid) on any proposal submitted under this program. Federal employees may not receive funds under this award. Also, federal funds may not be used to sue the Federal Government or any other government entity.

E. Application Review Information

Application Evaluation Criteria: FAS allocates funds in a manner that supports the strategic decision-making initiatives of the Government Performance and Results Act (GPRA) of 1993. In deciding whether a proposed project will contribute to the effective creation, expansion, or maintenance of foreign markets, FAS seeks to identify a clear, long-term

agricultural trade strategy and a program effectiveness timeline against which results can be measured at specific intervals using quantifiable product or country goals. FAS also considers the extent to which a proposed project targets markets with the greatest growth potential. These factors are part of the FAS resource allocation strategy to fund applicants who can demonstrate performance and address the objectives of the GPRA.

Prior to making a Federal award, the Federal awarding agency is required by 31 U.S.C. 3321 and 41 U.S.C. 2313 to review information available through any OMB–designated repositories of government–wide eligibility qualification or financial integrity information. Therefore, application evaluation criteria may include the following risk based considerations of the applicant: (1) financial stability; (2) quality of management systems and ability to meet management standards; (3) history of performance in managing federal awards; (4) reports and findings from audits; and (5) ability to effectively implement statutory, regulatory, or other requirements.

FAS will provide financial assistance under this program on a competitive basis and applications will be reviewed against the evaluation criteria contained herein. Each proposal will be evaluated based on a review of the applications against the following equally–weighted factors:

- The ability of the organization to provide an experienced staff with the requisite technical and trade expertise to execute the proposal;
- The funding request and the organization's willingness to contribute resources, including cash, goods, and services of the U.S. industry and foreign third parties;
- The conditions or constraints affecting the level of U.S. exports and market share for the agricultural commodities and products;

- The degree to which the proposed project is likely to contribute to the creation, expansion, or maintenance of the targeted foreign market; and
- The degree to which the organization's proposal is coordinated with other private or U.S. government–funded market development projects.

Proposals will be evaluated by the appropriate Commodity Branch in FAS' Cooperator Programs Division. The Commodity Branches will review each proposal against the factors described above. The purpose of this review is to identify meritorious proposals, recommend an appropriate funding level for each proposal based upon these factors, and submit the proposals and funding recommendations to the Deputy Administrator, Office of Trade Programs. Preference is given to nonprofit U.S. agricultural trade organizations that represent an entire industry or are nationwide in membership and scope.

In addition, prior to making a Federal award with a total amount of Federal share greater than the simplified acquisition threshold, FAS is required to review and consider any information about the applicant that is in the designated integrity and performance system accessible through SAM (currently FAPIIS) (see 41 U.S.C. 2313). An applicant, at its option, may review information in the designated integrity and performance systems accessible through SAM and comment on any information about itself that a Federal awarding agency previously entered and is currently in the designated integrity and performance system accessible through SAM. FAS will consider any comments by the applicant, in addition to the other information in the designated integrity and performance system, in making a judgment about the applicant's integrity, business ethics, and record of performance under Federal awards when completing the review of risk posed by applicants as described in 2 C.F.R. §200.205 "Federal awarding agency review of risk posed by applicants."

F. Federal Award Administration Information

Notice of Award: FAS will notify each applicant in writing of the final disposition of the submitted application. FAS will send an approval letter and agreement to each approved applicant. The approval letter and agreement will incorporate the details of each project as approved by FAS. Each agreement will identify the terms and conditions pursuant to which FAS will reimburse certain costs of each project. Agreements will also outline the responsibilities of the participant.

Section 108 projects are subject to review and verification by FAS' Compliance, Security, and Emergency Planning Division. Upon request, a Section 108 participant shall provide to FAS the original documents that support the participant's reimbursement claims. FAS may deny a claim for reimbursement if the claim is not supported by adequate documentation.

Administrative and National Policy Requirements: All successful applicants for all grant and cooperative agreements are required to comply with the Standard Administrative Terms and Conditions, which are available online at: https://www.fas.usda.gov/grants/general_terms_and_conditions/default.asp. The applicable Standard Administrative Terms and Conditions will be for the last year specified at that URL, unless the application is to continue an award first awarded in an earlier year. In that event, the terms and conditions that apply will be those in effect for the year in which the award was originally made unless explicitly stated otherwise in subsequent mutually-agreed amendments to the award.

Before accepting the award the potential awardee should carefully read the approval letter and program agreement for instructions on administering the grant award and the terms and conditions associated with responsibilities under Federal Awards. Recipients must accept all

conditions in this NOFA as well as any special terms and conditions in the approval letter and program agreement to receive an award under this program.

Reporting: Annual performance and financial reports will be required. Evaluation reports should address all performance measures that were presented in the proposal. As part of the financial reporting for this award, an annual Federal Financial Report SF-425 will be required.

Close Out Reporting Requirements: Within 90 days after the end of the period of performance, or after an amendment has been issued to close out a grant, whichever comes first, recipients must submit final financial and progress reports detailing all accomplishments and providing a qualitative summary of the impact of those accomplishments throughout the period of performance. After these reports have been reviewed and approved by FAS, a close-out notice will be completed to close out the grant. The notice will indicate that the period of performance has closed, that any remaining funds on the award will be deobligated, and address the requirement of maintaining the grant records for three years from the date of the final financial report. The recipient is responsible for returning any funds that have been drawn down but remain as unliquidated on recipient financial records.

Monitoring: FAS, through its authorized representatives, has the right, at all reasonable times, to make site visits to review project accomplishments and management control systems and to provide such technical assistance as may be required. During site visits, FAS will review grant recipients' files related to the grant-funded program. As part of any monitoring and program evaluation activities, grant recipients must permit FAS, upon reasonable notice, to review grant-related records and to interview the organization's staff and clients regarding the

program, and to respond in a timely and accurate manner to FAS requests for information relating to their grant program.

G. Awarding Agency Contact Information

Contact and Resource Information

1. Application Submission Contact(s) and Program Support: For additional information and assistance, contact the Program Operations Division, Office of Trade Programs, Foreign Agricultural Service, U.S. Department of Agriculture *by courier:* Room 6512, 1400 Independence Ave., SW., Washington, DC 20250, or *by phone:* (202) 720–4327, or *by fax:* (202) 720–9361, or *by e-mail:* podadmin@fas.usda.gov.

2. Grants Management Contact(s): Eric Bozoian, Grants Management Specialist, Foreign Agricultural Service, United States, Department of Agriculture, Email: Eric.Bozoian@fas.usda.gov, Office: (202) 378–1054.

H. Additional Information

Extensions: Extensions to this program are allowed. Applicants may request a no–cost extension in order to complete all project activities. The request must be submitted 45 days prior to the expiration of the performance period. Requests for extensions are subject to approval by FAS.

Prior Approval: The Recipient shall not, without the prior written approval of the FAS Program Manager, request reimbursement, incur costs, or obligate funds for any purpose pertaining to the operation of the project, program, or activities prior to the approved Budget Period/Performance Period.

Budget Revisions: Transfers of funds between direct cost categories in the approved budget when such cumulative transfers among those direct cost categories exceed twenty percent

of the total budget approved in this Award require prior written approval by the FAS Program Manager.

The Recipient shall obtain prior written approval from the FAS Program Manager for any budget revision that would result in the need for additional resources/funds.

The Recipient is not authorized at any time to transfer amounts budgeted for direct costs to the indirect costs line item or vice versa, without prior written approval of the FAS Program Manager.