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ARMENIA

Issuance Date:	May 07, 2014
RFA Clarification Questions Due:	May 14, 2014
Application Submission Closing Date:	June 12, 2014
Application Submission Closing Time:	11:00 AM Yerevan Time

Subject: Request for Applications (RFA) Number: RFA-111-14-000005

RFA Title: Expanding Economic Ties with Turkey Project

Ladies and Gentlemen:

The United States Agency for International Development (USAID) is seeking applications from eligible **local Armenian** organizations for Cooperative Agreement in support of a two-year program entitled “Expanding Economic Ties with Turkey Project”. The authority for the RFA is found in the Foreign Assistance Act of 1961, as amended. Please refer to the Program Description for a complete statement of goals and expected results.

Applicants under consideration for an award that have never received funding from USAID will be subject to a pre-award audit to determine fiscal responsibility, ensure adequacy of financial controls and establish an indirect cost rate.

Subject to the availability of funds, USAID/Armenia intends to provide approximately \$500,000.00 in total USAID funding to be allocated over the two-year period. USAID/Armenia reserves the right to fund any or none of the applications submitted.

Award will be made to that responsible applicant(s) whose application(s) best meets the requirements of this RFA and the selection criteria contained herein. Issuance of this RFA does not constitute an award commitment on the part of the Government, nor does it commit the Government to pay for costs incurred in the preparation and submission of an application.

This RFA and any future amendments can be downloaded from <http://www.grants.gov>. Select “Find Grant Opportunities,” then click on “Browse by Agency,” and select the “U.S. Agency for International Development” and search for the RFA. In the event of an inconsistency between the documents comprising this RFA, it shall be resolved at the discretion of the Agreement Officer.

All guidance included in this RFA takes precedence over any documents referred to in the RFA. Any clarification questions concerning this RFA should be submitted in writing to Armen Karapetyan, Acquisition Specialist, via email at akarapetyan@usaid.gov by the date listed above. If there are problems in downloading the RFA from the Internet, please contact the Grants.gov

help desk at 1.800.518.4726 or support@grants.gov for technical assistance.

For the purposes of this RFA, the term "Grant" is synonymous with "Cooperative Agreement"; "Grantee" is synonymous with "Recipient"; and "Grant Officer" is synonymous with "Agreement Officer".

Technical and cost applications must be separately identified, with the name and address of the applicant, and the title and number of the RFA inscribed thereon.

The applicant shall submit applications in electronic format as described in Section IV.

Applications must be received by the closing date and time indicated at the top of this cover letter. Late or incomplete applications will not be considered in the review process.

Applications must be directly responsive to the terms and conditions of this RFA. Telegraphic or fax applications (entire proposal) are not authorized for this RFA and will not be accepted.

Sincerely,

/S/

Jonathan Chappell
Regional Agreement Officer
USAID/Armenia

SECTION I. FUNDING OPPORTUNITY DESCRIPTION

PROGRAM DESCRIPTION FOR EXPANDING ECONOMIC TIES WITH TURKEY PROJECT

Background:

U.S. policy supports Armenia's transition into a stable partner at peace with its neighbors, fully integrated into the regional economy, where principles of democracy are respected, the benefits of economic growth are shared by all segments of society, and the potential for Armenia's human capital development is fully realized.

Unresolved historic issues remain a significant barrier to normalized relations among neighboring countries in the South Caucasus region, hindering the development of positive economic and diplomatic relations. One of the key USG priority goals in the region is to facilitate and encourage the development of productive and peaceful relations between Armenia and its neighbors including Turkey, and to facilitate Armenia's full economic and political integration within the wider region. Closed borders place a continued strain on social, cultural and personal ties, and negatively affect the security and economic development of Armenia. They reinforce monopolized economies, high transportation costs, an unstable investment climate, unregulated migration flows, an inability to build on each country's competitive advantages and a lack of opportunities to engage in regional civil society initiatives.

Given that it has closed borders with Turkey and Azerbaijan, Armenia relies heavily on a single neighbor, Georgia, to reach European trading partners. The August 2008 Russia-Georgia conflict, however, exposed the vulnerability of Armenia's critical supply routes through Georgia and the economic repercussions that geopolitical changes in Georgia can have on Armenia. The conflict also highlighted the potential benefits of a border opening with Turkey in terms of alternative and more efficient trade routes and market access. Historically, Armenia and Turkey have been strong trading partners, and even with the closed borders, goods and people find their way into each other's territories through intermediary destinations such as Georgia.

Turkey's declared foreign policy of "zero problems with neighbors" provided a unique opening for improving relations with Armenia. The 2008 "soccer diplomacy" that Presidents Sargsian and Gul engaged in was a promising start. The subsequent diplomatic efforts, mediated by Switzerland and supported by the United States, France and Russia, aimed at opening the border, and resulted in the signing of two historic protocols on October 9, 2009. The protocols detailed the path towards the establishment of official diplomatic relations and normalization of relations on other economic and political fronts. This diplomatic breakthrough, however, soon came to a halt and eventually to an indefinite freeze after the parliaments did not ratify the protocols. With the geopolitical developments sparked by the Arab Spring, the issue of Armenia-Turkey reconciliation has gradually faded away, if not entirely disappeared, from the Turkish foreign policy agenda. Armenia's position that the protocols should be signed without preconditions has not changed.

In the context of the current stalemate, created by the aforementioned political impasse, the challenge is to maintain and intensify support for reconciliation among key non-state actors. Expanded and strengthened partnerships among Armenian and Turkish professionals and businesses that are supportive of the reconciliation process are essential. Such efforts will

provide the necessary groundwork to influence key decision-makers to make Armenia-Turkey reconciliation a policy priority. Based on lessons learned from USAID's experience with the *Support to Armenia-Turkey Rapprochement* project, promoting linkages among key actors in the economic sphere in Turkey and Armenia is a promising way to achieve USG's goals in this area.

Overarching USAID Results:

The overall goal of USAID/Armenia's FY 2013-2017 Country Development Cooperation Strategy (CDCS) is: *A more engaged, prosperous and well-governed Armenian society*. This activity working in concert with others in USAID's economic portfolio is expected to contribute to achieving the Development Objective 1: *More inclusive and sustainable economic growth*. The Mission's development hypothesis is that more inclusive and sustainable growth will be achieved if the enabling environment is more attractive for trade and investment and the competitiveness of targeted sectors is strengthened. The Mission will work to enhance more inclusive growth by supporting competitive industries that generate more productive employment, increasing access to markets and resources for small to medium enterprises, focusing on rural development and leveling the playing field for investments, businesses and entrepreneurs.

The Mission has identified tourism and agribusiness among the sectors holding the greatest potential for generating more inclusive and sustainable growth. Targeting these sectors, this activity is expected to lead to expanded economic ties and cooperation with Turkey. Within the CDCS Results Framework, this activity will contribute to the Sub-Intermediate Result (Sub IR) 1.2.1 *Access to domestic and export markets increased*. This activity is intended to complement overarching strategies for developing the agribusiness and tourism sectors while improving prospects for reconciliation and rapprochement with Turkey.

Activity Description:

This Request for Assistance (RFA) is being issued as the previous Annual Program Statement (APS-111-13-000001) dated February 01, 2013, did not elicit any suitable applications that addressed the criteria. This RFA is more focused in the areas of engagement and expected results with the expectation that applicants will be better able meet the requirements. Under this RFA, USAID is inviting applications from Armenian registered organizations to expand economic ties with Turkish organizations within the targeted sectors of agribusiness and tourism. The economic ties built through these interventions should foster mutually beneficial partnerships between Armenia and Turkey.

The RFA invites innovative and focused ideas and approaches within targeted sectors that expand economic partnerships and opportunities between Armenia and Turkey. Applications must address specific issues within the sectors of agribusiness or tourism. All proposed activities under this project will identify partnerships with Turkish organizations/entities and will demonstrate the buy-in of both sides for a jointly-designed activity and approach. Applicants are encouraged to demonstrate focus within their applications and address only one of these two sectors. Priority will be given to applications that address a specific issue within targeted sectors, promote economic cooperation and trade relations with Turkey and demonstrate how the activity

will contribute to reconciliation and rapprochement in relations with Turkey. Applications should fully address feasibility issues of the proposed activity for the Armenian and Turkish settings. The project should encourage the: (1) involvement of women and/or women-led groups in partnerships; and (2) engagement of non-traditional partners, such as Diaspora groups, actors outside Yerevan and Istanbul/Ankara.

Expected Project Results:

The goal of this activity is to promote mutually beneficial economic partnerships and market linkages between Armenian and Turkish non-governmental counterparts/stakeholders in the targeted sectors of agribusiness or tourism. Potential results include but are not limited to:

- Lasting partnerships with Turkish non-governmental counterparts established;
- Turkish-Armenian joint business activities and private sector partnerships formed;
- Increased trade between Armenia and Turkey;
- Improved transportation linkages between the two countries;
- Increased agribusiness linkages between the two countries; and
- Increased tourism linkages between Armenia and Turkey, i.e. number of tourists visiting each country, amount of money spent by tourist, and number of days spent in the country.

SECTION II. AWARD INFORMATION

1. Number of Award and Estimated Funding

The estimated level of funding provided by USAID available for awards under this RFA is about \$0.5 million over a two year period. USAID will make a single award under this RFA to a single recipient or a group of recipients. The funding amount is the total amount estimated to be made available for the award related to this program description.

2. Period of Performance

The period of performance is 2 years with an anticipated start date of September 22, 2014.

Project proposals should include a detailed list of probable projects and activities for the first year of the program.

3. Environmental Compliance

1a) The Foreign Assistance Act of 1961, as amended, Section 117 requires that the impact of USAID's activities on the environment be considered and that USAID include environmental sustainability as a central consideration in designing and carrying out its development programs. This mandate is codified in Federal Regulations (22 CFR 216) and in USAID's Automated Directives System (ADS) Parts 201.5.10g and 204 (<http://www.usaid.gov/policy/ads/200/>), which, in part, require that the potential environmental impacts of USAID-financed activities are identified prior to a final decision to proceed and that appropriate environmental safeguards are adopted for all activities. Recipient environmental compliance obligations under these regulations and procedures are specified in the following paragraphs of this cooperative agreement.

1b) In addition, the recipient must comply with host country environmental regulations unless otherwise directed in writing by USAID. In case of conflict between host country and USAID regulations, the latter shall govern.

1c) No activity funded under this cooperative agreement will be implemented unless an environmental threshold determination, as defined by 22 CFR 216, has been reached for that activity, as documented in a Request for Categorical Exclusion (RCE), Initial Environmental Examination (IEE), or Environmental Assessment (EA) duly signed by the Bureau Environmental Officer (BEO). (Hereinafter, such documents are described as "approved Regulation 216 environmental documentation.")

4a) As part of its initial Work Plan, and all Annual Work Plans, thereafter, the Recipient in collaboration with the USAID Agreement Officer Representative (AOR) and Mission Environmental Officer, as appropriate, shall review all ongoing and planned activities under this cooperative agreement to determine if they are within the scope of the approved Regulation 216 environmental documentation.

4b) If the recipient plans any new activities outside the scope of the approved Regulation 216 environmental documentation, it shall prepare an amendment to the documentation for USAID review and approval. No such new activities shall be undertaken prior to receiving written USAID approval of environmental documentation amendments.

4c) Any ongoing activities found to be outside the scope of the approved Regulation 216 environmental documentation shall be halted until an amendment to the documentation is submitted and written approval is received from USAID.

4. Substantial Involvement

USAID/Armenia anticipates the following substantial involvement in the recipient's activities:

a. Approval of the Recipient's Implementation Plans

If at the time of award, the program description does not establish a timeline in sufficient detail for the planned achievement of milestones or outputs, USAID may delay approval of the recipient's implementation plan for a later date. USAID will not require approval of implementation plans more often than annually. If the AO has delegated authority to the AOR to approve implementation plans, the AOR should review the agreement's terms and conditions to ensure that he or she does not inadvertently approve a change to them.

b. Approval of Specified Key Personnel

USAID may designate as key personnel only those positions that are essential to the successful implementation of an award. USAID's policy limits this to a reasonable number of positions, generally no more than five positions or five percent of recipient employees working under the award, whichever is greater.

c. Agency and Recipient Collaboration or Joint Participation

When the recipient's successful accomplishment of program objectives would benefit from USAID's technical knowledge, the AO may authorize the collaboration or joint participation of USAID and the recipient on the program. There should be sufficient reason for Agency involvement and the involvement should be specifically tailored to support identified elements in the program description. When these conditions are met, the AO may include appropriate levels of substantial involvement such as the following:

- (1) Collaborative involvement in selection of advisory committee members, if the program will establish an advisory committee that provides advice to the recipient. USAID may participate as a member of this committee as well. Advisory committees must only deal with programmatic or technical issues and not routine administrative matters.
- (2) Concurrence on the substantive provisions of sub-awards. 22 CFR 226.25 already requires the recipient to obtain the AO's prior approval for the sub-award, transfer, or contracting out of any work under an award. This is generally limited to approving work

by a third party under the agreement. If USAID wishes to reserve any further approval rights for sub-awards or contracts, it must clearly spell out such Agency involvement in the substantial involvement provision of the agreement.

(3) Approval of the recipient's monitoring and evaluation plans.

(4) Monitor to authorize specified kinds of direction or redirection because of interrelationships with other projects. All such activities must be included in the program description, negotiated in the budget, and made part of the award.

d. Agency Authority to Immediately Halt a Construction Activity

USAID may include the statement “The AO may immediately halt a construction activity if identified specifications are not met.” In such cases, the AO must also attach the identified specifications to the award when it is being executed. Any material changes to the specifications must be treated as an amendment to the award.

SECTION III. ELIGIBILITY INFORMATION

1. Eligible Applicants

All eligible local organizations may apply. Applicants may be local non-governmental organizations (NGO) and private for-profit companies willing to forego profit. Potential local private for-profit applicants should note that the payment of fee/profit to the prime recipient under grants and cooperative agreements is not allowed. Applications from Armenian organizations which are partnered with non-Armenian organizations (**as sub-recipients**) will be eligible for consideration under this RFA.

To be considered eligible to apply under this RFA, the local organization must satisfy all conditions below:

- Be organized under Armenian laws;
- Have its principal place of business in the Armenia;
- Be majority owned by individuals who are Armenian citizens or lawful permanent residents of the Armenia or be managed by a governing body, the majority of whom are Armenian citizens or lawful permanent residents of the Armenia and;
- Not be controlled by a foreign entity or by an individual or individuals who are not citizens or permanent residents of the Armenia.

The term “controlled by” means a majority ownership or beneficiary interest as defined above , or the power, either directly or indirectly, whether exercised or exercisable, to control the election, appointment, or tenure of the organization’s managers or a majority of the organization’s governing body by any means, e.g., ownership, contract, or operation of law.

“Foreign entity” means an organization that fails to meet any part of the “local organization” definition. Government controlled and government owned organizations in which the recipient government owns a majority interest or in which the majority of a governing body are government employees, are included in the above definition of local organization.

USAID will not accept applications from individuals.

2. Other

In support of the Agency’s interest in fostering a larger assistance base and expanding the number and sustainability of development partners, USAID encourages applications from potential new local partners.

When considering making an award to a potential partner with limited or no previous USAID experience, USAID will undertake necessary pre-award reviews to determine the organization’s “responsibility” as discussed below. The resultant award to this organization may take some

time. The applicant should take this into account and plan their implementation dates and activities accordingly.

“Responsibility” of Applicant

In order for an award to be made, the Agreement Officer must make an affirmative determination that the applicant is “responsible”. A positive responsibility determination means that the applicant possesses or has the ability to obtain the necessary management and technical competence to plan and carry out the program to be funded, and that the applicant will practice mutually agreed upon methods of accountability for funds and other assets provided by USAID.

SECTION IV. APPLICATION AND SUBMISSION INFORMATION

1. Address to Request Application Package

This application is found on the internet at www.grants.gov. Potential applicants that cannot download application materials electronically may request copies of the RFA by contacting:

Armen Karapetyan
USAID/Armenia
1 American avenue
0082 Yerevan, Armenia
Tel: +37410 464700
Email: akarapetyan@usaid.gov

2. Request for Clarifications

Applicants are responsible for requesting any question/clarification on the information contained in the RFA. Requests for question/clarification shall be made in writing and send by email addressed to Armen Karapetyan, Acquisition Specialist, at akarapetyan@usaid.gov with subject line: “Expanding Economic Ties with Turkey Project RFA submitted by *[Name of Organization]*”. The deadline for submission of questions/clarifications is May 14, 2014. If it is determined that the answers to any questions are of sufficient importance to warrant notification to all applicants, a Questions and Answers document, and/or if needed, an amendment to the RFA will be posted at www.grants.gov.

3. Eligibility Documents

Subject to the conditions for eligibility provided in Section III.1 of this RFA, the applicant will submit official documentation of its organization’s formal legal status, as follows:

- a. State registration certificate and;
- b. By-laws.

4. Required Forms

Applicants must submit their applications using the Standard Form 424 series:

<http://www.grants.gov/web/grants/forms/sf-424-family.html>

5. Pre-Award Certifications, Assurances and Other Statements of the Recipient

In addition to the certifications that are included in the Standard Form 424, Applicants must submit the following certifications, assurances, and other statements as part of the application:

1. A signed certification and assurance which includes:

- a. Certification on Lobbying;
 - b. Prohibition on Assistance to Drug Traffickers for Covered Countries and Individuals;
 - c. Certification Regarding Terrorist Financing;
 - d. Certification of Recipient;
 - e. Key Individual Certification Narcotics Offenses and Drug Trafficking, when applicable,
 - f. Participant Certification Narcotics Offenses and Drug Trafficking, when applicable;
- and

2. Other statements of Recipient

Complete copies of these certifications, assurances, and other statements of the recipient can be found at <http://www.usaid.gov/sites/default/files/documents/1868/303mav.pdf> and as Annex B of this RFA.

6. Data Universal Numbering System (DUNS) Number

All U.S. Government recipients and contractors are required to secure a Data Universal Numbering System (DUNS) Number before an award can be made to them. The DUNS is a 9-digit number assigned by Dun and Bradstreet, Inc. (D&B) that uniquely identify the recipient's name and address. It can be obtained from D&B at <http://fedgov.dnb.com/webform>.

Applicants may submit applications under this RFA without DUNS numbers. However, the selected applicant will be required to submit its DUNS number before it can receive an award. Therefore, applicants are encouraged to obtain a DUNS number early so that, if selected, award will not be delayed.

7. Evidence of U.S. Federal Contractor Registration

All U.S. Government recipients are required to be registered with the U.S. Federal Contractor Registration, formerly Central Contractor Registration (CCR), which was the U.S. Government repository into entities must provide information required for the conduct of business with the Government. The CCR is now incorporated into the System for Award Management (SAM).

Information about registration procedures may be found at the U.S. Federal Contractor Registration website:

<https://www.uscontractorregistration.com/> and www.sam.gov .

Applicants may submit applications under this RFA without U.S. Federal Contractor Registration.

However, the apparently successful applicant will be required to register and must submit evidence of registration to USAID. Therefore, applicants are encouraged to register with U.S. Federal Contractor Registration early so that, if selected, award will not be delayed.

8. Content and Form of Application Submission

Applications shall be submitted in two separate parts: (a) technical application, and (b) cost or business application. Applications must be focused on one of the targeted sectors – **agribusiness** or **tourism**.

TECHNICAL APPLICATION FORMAT

Technical applications should be specific, complete and presented concisely. The applications should demonstrate the applicant's capabilities and expertise with respect to achieving the goals of this program. Technical applications should take into account requirements of the program and evaluation criteria found in this RFA.

The Technical Application shall include:

- a. Cover Page - A single page with the names of the organizations/institutions involved in the proposed application and the lead or primary Applicant clearly identified. Any proposed sub grantees (hereafter referred to as the “subs”) should be listed separately; including a brief narrative describing the unique capacities/skills brought to the program by each sub. In addition, the Cover Page should provide a contact person for the prime Applicant, including this individual’s name (both typed and his/her signature), title or position with the organization/institution, address, telephone and fax numbers. State whether the contact person is the person with authority to contract for the Applicant, and if not, that person should also be listed.
- b. Executive Summary (maximum two (2) pages): This section should summarize the key elements of the Applicant’s strategy, approach, and implementation plan.
- c. Program Description (maximum 20 pages): Include a description of the types of activities that will be undertaken to achieve the proposed objectives, a general timeline, and how the proposed activities are expected to achieve the objectives outlined in the purpose section of this RFA. The narrative should be brief, concise and provide a clear description of what the Applicant proposes to do, where, why, when, how and by whom. The applications should take into account the technical evaluation criteria found in Section B.

d. Expected Impact: Applicants will be expected to establish a monitoring and evaluation plan. In four (4) pages or less the Applications should outline expected results and the mechanisms proposed to monitor and measure progress and achievements.

e. Technical/Administrative: Capabilities in Proposed Work Area - Not exceed three (3) pages. Describe your organization's technical and administrative experience and capabilities in conducting programs similar to the project being proposed. Describe any teaming arrangement, partnership, consortium or coalition arrangements between applicant and partner organizations.

f. Past Performance (maximum 3 pages): Applicants are requested to list all contracts, grants, and cooperative agreements involving relevant (similar or related) programs conducted by the applicant (or consortium partners) over the past three years. Reference information shall include the location, current telephone numbers, points of contact, overall dollar value of the program, and award numbers if available. A brief description of work performed by the applicant is also required. Newer organizations, or Applicants with no related prior grant awards, remain eligible for consideration and are encouraged to apply.

g. Program Management and Key Personnel (maximum 4 pages): In this section, the Applicant should briefly provide an overview of how the proposed program will be managed. Applicants should identify the key personnel positions for this program. Include position descriptions (including roles and responsibilities), relevant experience and academic and professional qualifications for all key personnel. Applicants should also include a two to three page curriculum vita as an appendix for each candidate.

The Applicant(s) in their application package must pay particular attention to describing their experience with the similar activities. A list of all contracts, grants or cooperative agreements involving similar or related programs over the past three years have to be submitted. Reference information shall include the location, current telephone numbers/e-mail address (if applicable), points of contact, award numbers if available, and a brief description of work performed.

The capabilities of the key staff proposed for program must commensurate with the proposed activities and level of assigned responsibilities.

It is anticipated that some sub-grants/sub-awards/contracts to other local organizations could be proposed. If so, the Applicant(s) in their applications must provide an explanation of their proposed system for identifying and evaluating sub-grants/sub-awards/contracts recipients.

An Initial Environmental Examination (IEE) (IEE# DCN: 2014-ARM-004) has been prepared for EETT Project funding this RFA. The IEE covers activities expected to be implemented under this CA(s). USAID has determined that a **Negative Determination with conditions** applies to one or more of the proposed activities. This indicates that if these activities are implemented subject to the specified conditions, they are expected to have no significant adverse effect on the environment. The Applicant(s) shall be responsible for implementing all IEE conditions pertaining to activities to be funded under this award(s).

Cost Application Format

The Cost or Business Application is to be submitted under a separate cover from the technical application. The cost/business application is also to be submitted in open Microsoft Excel format. The Applicant is requested to submit a budget broken down by program years with an accompanying detailed budget narrative which provides in detail the total costs for implementation of the program as further detailed below.

Certain documents are required to be submitted by an Applicant in order for the Agreement Officer to make a determination of responsibility. However, it is USAID policy not to burden Applicants with undue reporting requirements if that information is readily available through other sources. There is no page limit on the Cost Application. However, unnecessarily elaborate brochures or other presentations beyond those sufficient to present a complete and effective application in response to this RFA are not desired. Elaborate art work, expensive paper and bindings, and expensive visual and other presentation aids are neither necessary nor wanted.

If the Applicant has established a consortium or another legal relationship among its partners, the Cost/Business application must include a copy of the legal relationship between the parties. The agreement should include a full discussion of the relationship between the Applicant and Sub-Applicant(s) including identification of the Applicant with which USAID will treat for purposes of Agreement administration, identity of the Applicant which will have accounting responsibility, how Agreement effort will be allocated and the express agreement of the principals thereto to be held jointly and severally liable for the acts or omissions of the other.

The following sections describe the documentation that Applicants for an assistance award must submit to USAID/Armenia prior to award. While there is no page limit for this portion, Applicants are encouraged to be as concise as possible, but still provide the necessary details to address the following:

1. The budget must have an accompanying detailed budget narrative and justification that provides in detail the total program amount for implementation of the program your organization is proposing. The budget narrative should provide information regarding the basis of estimate for each line item, including reference to sources used to substantiate the cost estimate (e.g. organization's policy, payroll document, vendor quotes, etc.).
2. A budget for each program year with an accompanying detailed budget narrative which provides in detail the total costs for implementation of the program. The budget must be submitted using Standard Form 424 which can be downloaded from the following web site at: <http://www.grants.gov/web/grants/forms/sf-424-family.html>
3. A breakdown of all costs associated with the program according to the costs of, if applicable, headquarters, regional and/or country offices.
4. Cost Sharing: The Applicants should estimate the amount of cost-sharing resources (if any) to be mobilized over the life of the agreement and specify the sources of such resources, and the basis of calculation in the budget narrative. Applicants should also provide a breakdown of the

cost share (financial and in-kind contributions) of all organizations involved in implementing the resulting Cooperative Agreement.

5. The cost application must outline the roles and responsibilities of project staff vis-à-vis budgeting, monitoring, and reporting on the financial status of the program. How the program will track costs incurred, including costs for labor, equipment, supplies, and facilities must also be described. Applicants who intend to utilize sub-contractors or sub-recipients should indicate the extent intended and a complete cost breakdown. Extensive contracts/agreement financial plans should follow the same cost format as submitted by the primary Applicant. A breakdown of all costs according to each partner organization, sub-contract or sub/awardee involved in the program should be provided as well.

6. Potential contributions of non-USAID or private donors to this Cooperative Agreement.

7. The cost/business application should contain the following budget categories:

a. **Direct Labor:** Direct salaries, wages and annual increases for all personnel proposed under the application shall be in accordance with the Applicant's established personnel policies. The narrative should include a level of effort analysis specifying personnel, rate of compensation, and amount of time proposed. Anticipated salary increases during the period of the agreement should be included.

b. **Fringe Benefits:** Fringe benefits should be based on the Applicant's audited fringe benefit rate, supported by a Negotiated Indirect Cost Rate Agreement (NICRA) or historical cost data. If the latter is used, the budget narrative should include a detailed breakdown comprised of all items of fringe benefits (e.g. unemployment insurance, workers compensation, health and life insurance, retirement, FICA, etc.) and the costs of each, expressed in dollars and as a percentage of salaries.

c. **Supplies and Equipment:** Differentiate between expendable supplies and nonexpendable equipment (NOTE: Equipment is defined as tangible nonexpendable personal property including exempt property charged directly to the award having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit, unless the Applicant's established policy establishes nonexpendable equipment anticipated to be required to implement the program, specifying quantities and unit cost).

d. **Allowances:** Allowances must be broken down by specific type and by person and must be in accordance with the Applicant's established policies.

e. **Travel and Per Diem:** The narrative should indicate number of trips, domestic and international, and the estimated unit cost of each travel in accordance with the technical application. Proposed per diem rates must be in accordance with the Applicant's established policies and practices that are uniformly applied to federally-financed and other activities of the Applicant.

f. **Other Direct Costs:** This could include any miscellaneous costs such as office rent and

utilities, communications, transportations, supplies, public outreach, sub-awards and Partner Contracted Audit (PCA) costs, other audits, report preparation costs, passports, visas, medical exams and inoculations, insurance (other than the Applicant's normal coverage), etc. The narrative, or supporting schedule, should provide a complete breakdown and support for each item of other direct costs.

Applicants should also allocate cost to cover the expenditures related to the implementation of the Annual and Close-Out Audit program in accordance with ADS chapter 591.

g. Proposed Sub-awards (contracts/grants) (if any): Applicants who intend to utilize sub-awardees should indicate the extent intended and a complete cost breakdown, as well as all the information required herein for the Applicant. **Sub-awards cost applications should follow the same cost format as submitted by the Applicant.**

8. Organizational Information: Applicants are also required to provide the following organizational information:

- Type of Organization;
- The name and title of individuals authorized to sign the Cooperative Agreement;
- Taxpayer Identification Number (TIN), if applicable;
- Central Contractor Registration (CCR) Status;
- Data Universal Numbering System (DUNS) Number;
- Letter of Credit (LOC) Number, if applicable; and
- Estimated costs of communications products that are anticipated under the Cooperative Agreement.

10. A current Negotiated Indirect Cost Rate Agreement (NICRA) if your organization has such an agreement with an agency or department of the U.S. Government.

11. Required assurances, certifications and representations.

12. Applicants should submit any additional evidence of responsibility deemed necessary for the Agreement Officer to make a determination of responsibility. The information submitted should substantiate that the Applicant:

- a. Has adequate financial resources or the ability to obtain such resources as required during the performance of the award;
- b. Has the ability to comply with the award conditions, taking into account all existing and currently prospective commitments of the Applicant, nongovernmental and governmental;
- c. Has a satisfactory record of performance. Past relevant unsatisfactory performance is ordinarily sufficient to justify a finding of non-responsibility, unless there is clear evidence of subsequent satisfactory performance;
- d. Has a satisfactory record of integrity and business ethics; and
- e. Is otherwise qualified and eligible to receive a Cooperative Agreement under applicable laws

and regulations (e.g., EEO).

13. Applicants that have never received a grant, cooperative agreement or contract from the U.S. Government are required to submit a copy of their accounting manual.

14. Certificate of Compliance: Please submit a copy of your Certificate of Compliance **if** your organization's systems have been certified by USAID/Washington's Office of Acquisition and Assistance (M/OAA).

SECTION V. APPLICATION REVIEW INFORMATION

All applications received by the deadline will be reviewed for completeness and responsiveness to the RFA. Late or incomplete submissions will not be considered in the review process. All applications which meet the eligibility requirements and conform to the application preparation and submission instructions will be evaluated.

The evaluation criteria below have been tailored to the requirements of this RFA. The applicants should note that these criteria serve to identify the significant matters that must be addressed in the applications, and to set standards against which all applications will be evaluated.

Numerical weighting indicates the relative order of importance of the technical criteria, to guide applicants in determining which areas require emphasis in the preparation of applications.

To facilitate review and evaluation of applications, applicants are requested to organize the narrative sections of their technical applications in the same order as the evaluation criteria set forth below.

A Technical Evaluation Committee, comprised of USAID technical staff, will review and rate the technical applications using the criteria below. Once the technical application review is complete, competitive applications will be shortlisted. USAID reserves the right to invite shortlisted applicants, represented by their Key Personnel, to give a brief oral presentation of their proposed project approaches at the USAID offices.

CRITERIA

Applicants should note that these criteria (a) serve as the standard against which all applications will be evaluated, and (b) serve to identify the significant matters that should be addressed in all applications.

Applications will undergo preliminary review by USAID procurement and technical staffs for completeness and responsiveness. Applications that are submitted late or incomplete run the risk of not being considered in the review process.

USAID will award a cooperative agreement to the applicant(s) whose application proves to be the most highly rated on the basis of the following: A) Strategic focus; B) Sustainability; C) Leverage and; and D) Past Performance/Experience.

Numerical weighting indicates the relative order of importance of the technical criteria, to guide applicants in determining which areas require emphasis in the preparation of applications. The applicant/s will be selected on the basis of their written proposal, their past experience working in this field and a demonstrated capacity to manage human and financial resources.

Applications will be judged on the ability of the applicant to achieve the expected results in a reasonable time frame at a reasonable cost. The application will be reviewed and rated on the following criteria, with a total possible score of 100 points.

A. Technical Evaluation

Sub criteria are weighted equally.

Criteria	Points
Technical Approach - The application has clear, tangible and measurable results that strategically link to a larger objective. - The application is strategically focused on specific results within one sector. - The application establishes how it will improve prospects for reconciliation and rapprochement with Turkey.	30
Sustainability - The application is technically feasible, realistic and designed appropriate to the Turkish and Armenian context, interests of stakeholders and gender equity related issues. - The application has the potential for making exponential impacts. - The application is private-sector driven with clear economic benefits to both sides.	30
Management Plan - Staffing Plan and Monitoring and Evaluation Plan - Key Personnel	20
Leverage The application leverages additional resources.	10
Past experience/performance of the applicant in implementing similar tourism/agribusiness projects/activities.	10

a) Technical Approach – 30 Points

USAID will evaluate the extent to which the proposed technical approach could achieve clear, tangible and measurable results strategically linked to a larger objective. This includes whether the proposed activities are consistent with the objectives sought, how the activities are interrelated, how activities will be tracked, monitored and reported. Special focus should be placed on specific results within the targeted sector. The application should clearly demonstrate how anticipated results will improve prospects for reconciliation and rapprochement with Turkey.

b) Sustainability – 30 points

USAID will evaluate the extent to which the technical approach demonstrates an efficient and sustainable approach to supporting improved outcomes and should be technically feasible, realistic and designed appropriate to the Turkish and Armenian context, interests of stakeholders and gender equity related issues. The potential for making exponential impacts will be evaluated. The application should be private-sector driven and demonstrate clear economic benefits to both sides.

c) Management Plan – 20 points

USAID will evaluate the applicant's staffing plan and monitoring & evaluation plan. Key personnel will be evaluated on their knowledge, skills, and demonstrated abilities in their proposed area of responsibility.

d) Leverage of additional resources – 10 points

USAID will evaluate the Applicant's ability to leverage other resources for project that might significantly expand project's impact and outcome.

e) Past experience/performance of the applicant in implementing similar projects/activities – 10 points

All applicants' past performance will be evaluated. Emphasis will be placed on prior achievements in similar programs. The experience and expertise of the primary awardee and any sub-awardees, if proposed, will be taken into account when consortiums are proposed to achieve the specified results. Specifically, USAID will evaluate the primary awardee's and any sub-awardees' capacity in terms of knowledge, technical capacity, experience, and ability to achieve desired results. The applicant must have a minimum of three years of applicable experience in the respective Program areas. The Activity Manager and the Technical Evaluation Committee may contact references other than those provided in the application.

B. Cost Evaluation

a) Cost Effectiveness and Reasonableness

Demonstrated ability to minimize recurrent costs and maximize cost-effectiveness. Maximizing the percentage of the costs allocated to program delivery as compared to administrative costs will also be a factor in evaluating applications. The cost realism analysis is intended to meet the following three goals:

- Verify the Applicant's understanding of the requirements and regulations;
- Assess the degree to which the cost proposal reflects the approaches in the technical application;
- Assess the degree to which the cost included in the cost proposal accurately represents the work effort included in the technical application.

Cost has not been assigned a weight; however, the cost applications of the most highly ranked technical applications will be evaluated for cost effectiveness. Other considerations are the completeness of the application, adequacy of budget detail and consistency with elements of the technical application. In addition, the organization must demonstrate adequate financial management capability, to be measured for a responsibility determination.

Prospective applicants are forewarned that an application with the lowest estimated cost may not be selected if award to a higher priced application affords the government a greater overall benefit. All evaluation factors other than cost or price, when combined, are significantly more important than cost. However, estimated cost is an important factor and the estimated cost to the

Government increases in importance as competing applications approach equivalence and may become the deciding factor when technical applications are approximately equivalent in merit.

Cost estimates will be analyzed as part of the application evaluation process. Proposed costs may be adjusted, for purposes of evaluation, based on results of the cost analysis and its assessment of reasonableness, completeness, and credibility.

C. Award Considerations

The Agreement Officer has the legal responsibility for the award. He/she makes the final selection and makes the award.

For this RFA, technical application merits are considered significantly more important than cost relative to deciding which applicant might best perform the work. Cost realism and reasonableness will however be important criteria and may be the determining factor in the event that the applications receiving the highest ratings are closely ranked. After the final evaluation of the application(s) and a positive responsibility determination, the Agreement Officer will make the award to the apparently successful applicant(s).

USAID reserves the right to fund any or none of the applications received.

SECTION VI. AWARD ADMINISTRATION INFORMATION

1. Award Notices

Following the completion of the technical and cost evaluation of all applications submitted in response to this RFA and responsibility determination, USAID will make an award to the applicant whose application represents the best overall value to the U.S. Government. Best overall value is defined as the expected outcome that, in the Government's estimation, provides the greatest overall benefit in response to the requirement and available funds.

The successful applicant will receive a written notification in the form of an award document signed by the Agreement Officer. The notice will be provided electronically to the applicant's point of contact listed in the application. Pursuant to ADS 303.3.7.1.b, unsuccessful applicants will also be notified electronically.

USAID does not intend to provide formal debriefings for unsuccessful applicants but retains the right to consider informal briefings for said applicants following award.

2. A description of any deviations from standard provisions

Currently, USAID does not anticipate any deviations from the mandatory or applicable the standard provisions applicable for this award. The standard provisions to be used will be Standard Provisions for Non-U.S. Nongovernmental Organizations (<http://www.usaid.gov/sites/default/files/documents/1864/303mab.pdf>).

3. Reporting Requirements

The title page of all reports to be submitted to USAID must include a descriptive title, the author's name, cooperative agreement number, the project title, the Recipient's name, the name of the USAID office, and the publication or issuance date of the report.

1. Financial Reporting

Financial Reports shall be in keeping with General Provision "Accounting, Audit, and Records". Advances shall be requested monthly in accordance with the requirements per Payment-Advance (October 1998). At the end of each quarter the recipient shall submit liquidation of advances to liquidate the advances of the previous quarter.

(a) Unless otherwise notified in writing, the Recipient shall submit financial reports including SF-425 to:

Office of Financial and Administrative Management
USAID/Armenia
1 American Avenue

Yerevan 0082, Armenia
armeniapayments@usaid.gov

(b) The Recipient's financial reports shall include expenditures of USAID grant funds provided hereunder during the reporting period. The format of the financial reports should follow the line items as established in the Budget.

2. Program Reporting

In addition to any reports that may be requested via technical directions under program activities, the recipient shall submit the approval of the USAID Agreement Officer's Representative (AOR) following reports, and when requested, to the USAID/Armenia Agreement Officer.

(i). Annual Work Plan:

At the beginning of each Year, the recipient will submit an annual work plan, outlining activities under the Cooperative Agreement and results to be achieved over the course of the year.

(ii). Performance Monitoring and Evaluation Plan:

At the beginning of each Year, the recipient will submit an annual performance monitoring and evaluation plan in conjunction with the annual work plan. The monitoring and evaluation plan will include specific indicators for measuring progress for program activities, and specify how data will be collected and analyzed for each of the indicators. Measurement will focus on both output and outcome data, showing the specific impacts and results of program activities. The monitoring and evaluation plan will also highlight how the impact and effectiveness of program approaches and methodologies employed, and contribute toward enhancing understanding of best practices and in the sector.

(iii). Quarterly Progress Reports:

The Recipient shall deliver quarterly progress reports to USAID within 15 days from the end of each three month period. The Recipient shall submit 2 copies of a performance report to the AOR, and to the USAID/Armenia Agreement Officer. Electronic submission is acceptable.

USAID/Armenia
1 American Avenue
Yerevan 0082, Armenia

The performance reports shall contain the following information at a minimum:

- a) A brief description of the political context and/or enabling environment of the country in which program activities are implemented. This section may include significant political developments and/or relevant events reported in the press or by local informants which affect the overall implementation environment. This section is important for establishing the overall environment for implementation and is useful for considering how changes in the environment may affect program implementation.

- b) An analytical description of overall program progress towards results. This should not be a description of activities, but rather a broader analysis that examines the progress in the context of program objectives and expected results.
- c) A summary of activities undertaken under the Cooperative Agreement, progress made/results achieved and trends noticed during the reporting period.
- d) Data on all indicators established in monitoring and evaluation plan for the Cooperative Agreement.
- e) A comparison of actual accomplishments with the goals and objectives established for the period, the findings of the investigators or both. The report must summarize activities undertaken, progress made/results achieved, trends, problems, etc.
- f) Problems encountered, reasons why established goals were not met, if appropriate, and how challenges or problems will be overcome during the next reporting period.
- g) A comparison of actual expenditures with budget estimates, including analysis and explanation of cost overruns or high unit costs, and any other pertinent information.
- h) Priorities for programming during the next reporting period.

3. Final Report

The Recipient shall submit the original and one copy to USAID/Armenia and one copy to USAID Development Experience Clearinghouse at the following address:

- a) Online: <http://dec.usaid.gov/>
- b) Via mail: Development Experience Clearinghouse, M/CIO/KM, RRB M.01-10, U.S. Agency for International Development, Washington, DC 20523
- c) Or e-mail: docsubmit@usaid.gov

The final performance report shall be submitted no later than 90 calendar days after the expiration of the award and shall contain the following information:

- a) An executive summary of the accomplishments and results achieved.
- b) An overall description of the activities, major accomplishments and results achieved, including results for all of the activities under the Cooperative Agreement.
- c) Final data for all indicators included in the Performance Monitoring Plan of the Cooperative Agreement.
- d) A summary of problems/ obstacles encountered during the implementation, and how those obstacles were addressed and overcome if appropriate.
- e) An assessment of performance in accomplishing the program's overall objectives.
- f) Significance of this program for a wider engagement between civil society and business from both countries.

g) Lessons learned, best practices, comments and other findings from the program, along with recommendations for future programming under each of the program objectives.

SECTION VII. AGENCY CONTACTS

The Agreement Officer for the resultant award is:

Jonathan Chappell
Regional Agreement Officer
USAID/Armenia
1 American Avenue
Yerevan, Armenia
Email: jchappell@usaid.gov

The Acquisition and Assistance Specialist is:

Armen Karapetyan
Acquisition Specialist
USAID/Armenia
1 American Avenue
Yerevan, Armenia
Email: akarapetyan@usaid.gov
Tel.: +37410 464700

SECTION VIII. OTHER INFORMATION (Annexes)

Annex A Certifications, Assurances, and other Statements of the Recipient

Annex B Initial Environmental Examination

Annex A
CERTIFICATIONS, ASSURANCES, AND OTHER STATEMENTS OF THE
RECIPIENT

Part I – Certifications and Assurances

1. Assurance of Compliance with Laws and Regulations Governing Non-Discrimination in Federally Assisted Programs

Note: This certification applies to Non-U.S. organizations if any part of the program will be undertaken in the United States.

(a) The recipient hereby assures that no person in the United States will, on the bases set forth below, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under, any program or activity receiving financial assistance from USAID, and that with respect to the Cooperative Agreement for which application is being made, it will comply with the requirements of:

(1) Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352, 42 U.S.C. 2000-d), which prohibits discrimination on the basis of race, color or national origin, in programs and activities receiving Federal financial assistance;

(2) Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination on the basis of handicap in programs and activities receiving Federal financial assistance;

(3) The Age Discrimination Act of 1975, as amended (Pub. L. 95-478), which prohibits discrimination based on age in the delivery of services and benefits supported with Federal funds;

(4) Title IX of the Education Amendments of 1972 (20 U.S.C. 1681, et seq.), which prohibits discrimination on the basis of sex in education programs and activities receiving Federal financial assistance (whether or not the programs or activities are offered or sponsored by an educational institution); and

(5) USAID regulations implementing the above nondiscrimination laws, set forth in Chapter II of Title 22 of the Code of Federal Regulations.

(b) If the recipient is an institution of higher education, the Assurances given herein extend to admission practices and to all other practices relating to the treatment of students or clients of the institution, or relating to the opportunity to participate in the provision of services or other benefits to such individuals, and must be applicable to the entire institution unless the recipient establishes to the satisfaction of the USAID Administrator that the institution's practices in designated parts or programs of the institution will in no way affect its practices in the program of the institution for which financial assistance is sought, or the beneficiaries of, or participants

in, such programs.

2. Certification Regarding Lobbying

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal Cooperative Agreement, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned must complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.
- (3) The undersigned must require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients must certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, United States Code. Any person who fails to file the required certification will be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

"The undersigned states, to the best of his or her knowledge and belief, that: If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned must complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement will be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure."

3. Prohibition on Assistance to Drug Traffickers for Covered Countries and Individuals

(ADS 206)

USAID reserves the right to terminate this Agreement, to demand a refund or take other appropriate measures if the Grantee is found to have been convicted of a narcotics offense or to have been engaged in drug trafficking as defined in 22 CFR Part 140. The undersigned must review USAID ADS 206 to determine if any certifications are required for Key Individuals or Covered Participants.

If there are COVERED PARTICIPANTS: USAID reserves the right to terminate assistance to or take other appropriate measures with respect to, any participant approved by USAID who is found to have been convicted of a narcotics offense or to have been engaged in drug trafficking as defined in 22 CFR Part 140.

4. Certification Regarding Terrorist Financing Implementing Executive Order 13224

By signing and submitting this application, the prospective recipient provides the certification set out below:

1. The Recipient, to the best of its current knowledge, did not provide, within the previous ten years, and will take all reasonable steps to ensure that it does not and will not knowingly provide, material support or resources to any individual or entity that commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has committed, attempted to commit, facilitated, or participated in terrorist acts, as that term is defined in paragraph 3.
2. The following steps may enable the Recipient to comply with its obligations under paragraph 1:
 - a. Before providing any material support or resources to an individual or entity, the Recipient will verify that the individual or entity does not (i) appear on the master list of [Specially Designated Nationals and Blocked Persons](#), which is maintained by the U.S. Treasury's Office of Foreign Assets Control (OFAC), or (ii) is not included in any supplementary information concerning prohibited individuals or entities that may be provided by USAID to the Recipient.
 - b. Before providing any material support or resources to an individual or entity, the Recipient also will verify that the individual or entity has not been designated by the United Nations Security (UNSC) sanctions committee established under UNSC Resolution 1267 (1999) (the "1267 Committee") [individuals and entities linked to the Taliban, Usama bin Laden, or the Al-Qaida Organization]. To determine whether there has been a published designation of an individual or entity by the 1267 Committee, the Recipient should refer to the consolidated list available online at the Committee's Web site: <http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm>.
 - c. Before providing any material support or resources to an individual or entity, the Recipient will consider all information about that individual or entity of which it is aware

and all public information that is reasonably available to it or of which it should be aware.

d. The Recipient also will implement reasonable monitoring and oversight procedures to safeguard against assistance being diverted to support terrorist activity.

3. For purposes of this Certification -

a. “Material support and resources” means currency or monetary instruments or financial securities, financial services, lodging, training, expert advice or assistance, safehouses, false documentation or identification, communications equipment, facilities, weapons, lethal substances, explosives, personnel, transportation, and other physical assets, except medicine or religious materials.”

b. “Terrorist act” means -

(i) an act prohibited pursuant to one of the 12 United Nations Conventions and Protocols related to terrorism (see UN terrorism conventions Internet site:

<http://untreaty.un.org/English/Terrorism.asp>); or

(ii) an act of premeditated, politically motivated violence perpetrated against noncombatant targets by subnational groups or clandestine agents; or

(iii) any other act intended to cause death or serious bodily injury to a civilian, or to any other person not taking an active part in hostilities in a situation of armed conflict, when the purpose of such act, by its nature or context, is to intimidate a population, or to compel a government or an international organization to do or to abstain from doing any act.

c. “Entity” means a partnership, association, corporation, or other organization, group or subgroup.

d. References in this Certification to the provision of material support and resources must not be deemed to include the furnishing of USAID funds or USAID-financed commodities to the ultimate beneficiaries of USAID assistance, such as recipients of food, medical care, micro-enterprise loans, shelter, etc., unless the Recipient has reason to believe that one or more of these beneficiaries commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has committed, attempted to commit, facilitated or participated in terrorist acts.

e. The Recipient’s obligations under paragraph 1 are not applicable to the procurement of goods and/or services by the Recipient that are acquired in the ordinary course of business through contract or purchase, e.g., utilities, rents, office supplies, gasoline, etc., unless the Recipient has reason to believe that a vendor or supplier of such goods and services commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has committed, attempted to commit, facilitated or participated in

terrorist acts.

This Certification is an express term and condition of any agreement issued as a result of this application, and any violation of it will be grounds for unilateral termination of the agreement by USAID prior to the end of its term.

5. Certification of Recipient

By signing below the recipient provides certifications and assurances for (1) the Assurance of Compliance with Laws and Regulations Governing Non-Discrimination in Federally Assisted Programs, (2) the Certification Regarding Lobbying, (3) the Prohibition on Assistance to Drug Traffickers for Covered Countries and Individuals (ADS 206) and (4) the Certification Regarding Terrorist Financing Implementing Executive Order 13224 above.

These certifications and assurances are given in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property, discounts, or other Federal financial assistance extended after the date hereof to the recipient by the Agency, including installment payments after such date on account of applications for Federal financial assistance which was approved before such date. The recipient recognizes and agrees that such Federal financial assistance will be extended in reliance on the representations and agreements made in these assurances, and that the United States will have the right to seek judicial enforcement of these assurances. These assurances are binding on the recipient, its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign these assurances on behalf of the recipient.

Request for Application or
Annual Program Statement No. _____

Application No. _____

Date of Application _____

Name of Recipient _____

Typed Name and Title _____

Signature _____

Date _____

Part II – Key Individual Certification Narcotics Offenses and Drug Trafficking

I hereby certify that within the last ten years:

1. I have not been convicted of a violation of, or a conspiracy to violate, any law or regulation of the United States or any other country concerning narcotic or psychotropic drugs or other controlled substances.
2. I am not and have not been an illicit trafficker in any such drug or controlled substance.
3. I am not and have not been a knowing assistor, abettor, conspirator, or colluder with others in the illicit trafficking in any such drug or substance.

Signature: _____

Date: _____

Name: _____

Title/Position: _____

Organization: _____

Address: _____

Date of Birth: _____

NOTICE:

1. You are required to sign this Certification under the provisions of 22 CFR Part 140, Prohibition on Assistance to Drug Traffickers. These regulations were issued by the Department of State and require that certain key individuals of organizations must sign this Certification.
2. If you make a false Certification you are subject to U.S. criminal prosecution under 18 U.S.C. 1001.

Part III – Participant Certification Narcotics Offenses and Drug Trafficking

1. I hereby certify that within the last ten years:

a. I have not been convicted of a violation of, or a conspiracy to violate, any law or regulation of the United States or any other country concerning narcotic or psychotropic drugs or other controlled substances.

b. I am not and have not been an illicit trafficker in any such drug or controlled substance.

c. I am not or have not been a knowing assistor, abettor, conspirator, or colluder with others in the illicit trafficking in any such drug or substance.

2. I understand that USAID may terminate my training if it is determined that I engaged in the above conduct during the last ten years or during my USAID training.

Signature: _____

Name: _____

Date: _____

Address: _____

Date of Birth: _____

NOTICE:

1. You are required to sign this Certification under the provisions of 22 CFR Part 140, Prohibition on Assistance to Drug Traffickers. These regulations were issued by the Department of State and require that certain participants must sign this Certification.

2. If you make a false Certification you are subject to U.S. criminal prosecution under 18 U.S.C. 1001.

Part IV – Survey on Ensuring Equal Opportunity for Applicants

Applicability: All RFA's must include the attached Survey on Ensuring Equal Opportunity for Applicants as an attachment to the RFA package. Applicants under unsolicited applications are also to be provided the survey. (While inclusion of the survey by Agreement Officers in RFA packages is required, the applicant's completion of the survey is voluntary, and must not be a requirement of the RFA. The absence of a completed survey in an application may not be a basis upon which the application is determined incomplete or non-responsive. Applicants who volunteer to complete and submit the survey under a competitive or non-competitive action are instructed within the text of the survey to submit it as part of the application process.)

See Survey on Ensuring Equal Opportunity for Applicants at the below internet link:
<http://transition.usaid.gov/forms/surveyeo.doc>

Part V – Other Statements of Recipient

1. Authorized Individuals

The recipient represents that the following persons are authorized to negotiate on its behalf with the Government and to bind the recipient in connection with this application or grant:

Name	Title	Telephone No.	Facsimile No.

2. Taxpayer Identification Number (TIN)

If the recipient is a U.S. organization, or a foreign organization which has income effectively connected with the conduct of activities in the U.S. or has an office or a place of business or a fiscal paying agent in the U.S., please indicate the recipient's TIN:

TIN: _____

3. Data Universal Numbering System (DUNS) Number

(a) Unless otherwise specified in the solicitation using an applicable exemption, in the space provided at the end of this provision, the recipient should supply the Data Universal Numbering System (DUNS) number applicable to that name and address. Recipients should take care to report the number that identifies the recipient's name and address exactly as stated in the proposal.

(b) The DUNS is a 9-digit number assigned by Dun and Bradstreet Information Services. If the recipient does not have a DUNS number, the recipient should call Dun and Bradstreet directly at 1-800-333-0505. A DUNS number will be provided immediately by telephone at no charge to the recipient. The recipient should be prepared to provide the following information:

- (1) Recipient's name.
- (2) Recipient's address.
- (3) Recipient's telephone number.
- (4) Line of business.
- (5) Chief executive officer/key manager.
- (6) Date the organization was started.
- (7) Number of people employed by the recipient.
- (8) Company affiliation.

(c) Recipients located outside the United States may e-mail Dun and Bradstreet at globalinfo@dbisma.com to obtain the location and phone number of the local Dun and Bradstreet Information Services office.

The DUNS system is distinct from the Federal Taxpayer Identification Number (TIN) system.

DUNS: _____

4. Letter of Credit (LOC) Number

If the recipient has an existing Letter of Credit (LOC) with USAID, please indicate the LOC number:

LOC: _____

5. Procurement Information

(a) Applicability. This applies to the procurement of goods and services planned by the recipient (i.e., contracts, purchase orders, etc.) from a supplier of goods or services for the direct use or benefit of the recipient in conducting the program supported by the grant, and not to assistance provided by the recipient (i.e., a subgrant or subagreement) to a subgrantee or subrecipient in support of the subgrantee's or subrecipient's program. Provision by the recipient of the requested information does not, in and of itself, constitute USAID approval.

(b) Amount of Procurement. Please indicate the total estimated dollar amount of goods and services which the recipient plans to purchase under the grant:

\$ _____

(c) Nonexpendable Property. If the recipient plans to purchase nonexpendable equipment which would require the approval of the Agreement Officer, indicate below (using a continuation page, as necessary) the types, quantities of each, and estimated unit costs. Nonexpendable equipment for which the Agreement Officer's approval to purchase is required is any article of nonexpendable tangible personal property charged directly to the grant, having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

TYPE/DESCRIPTION (Generic)	_____
QUANTITY	_____
ESTIMATED UNIT COST	_____

(d) Source If the recipient plans to purchase any goods/commodities which are not in accordance with the Standard Provision "USAID Eligibility Rules for Procurement of Commodities and Services," indicate below (using a continuation page, as necessary) the types

and quantities of each, estimated unit costs of each, and probable source. “Source” means the country from which a commodity is shipped to the cooperating country or the cooperating country itself if the commodity is located in the cooperating country at the time of purchase. However, where a commodity is shipped from a free port or bonded warehouse in the form in which received, “source” means the country from which the commodity was shipped to the free port or bonded warehouse. Additionally, “available for purchase” includes “offered for sale at the time of purchase” if the commodity is listed in a vendor’s catalog or other statement of inventory, kept as part of the vendor’s customary business practices and regularly offered for sale, even if the commodities are not physically on the vendors’ shelves or even in the source country at the time of the order. In such cases, the recipient must document that the commodity was listed in the vendor’s catalog or other statement of inventory; that the vendor has a regular and customary business practice of selling the commodity through “just in time” or other similar inventory practices; and the recipient did not engage the vendor to list the commodity in its catalog or other statement of inventory just to fulfill the recipient’s request for the commodity.

TYPE/DESCRIPTION	_____
QUANTITY	_____
ESTIMATED GOODS	_____
PROBABLE GOODS	_____
PROBABLE (Generic)	_____
UNIT COST	_____
SOURCE	_____

(e) Restricted Goods. If the recipient plans to purchase any restricted goods, indicate below (using a continuation page, as necessary) the types and quantities of each, estimated unit costs of each, intended use, and probable source. Restricted goods are Agricultural Commodities, Motor Vehicles, Pharmaceuticals, Pesticides, Used Equipment, U.S. Government-Owned Excess Property, and Fertilizer.

TYPE/DESCRIPTION	_____
QUANTITY	_____
ESTIMATED	_____
PROBABLE	_____
INTENDED USE (Generic)	_____
UNIT COST	_____
SOURCE	_____

(f) Supplier Nationality. If the recipient plans to purchase any goods or services from suppliers of goods and services whose nationality is not in accordance with the Standard Provision “USAID Eligibility Rules for Procurement of Commodities and Services,” indicate below (using a continuation page, as necessary) the types and quantities of each good or service, estimated costs of each, probable nationality of each non-U.S. supplier of each good or service, and the rationale for purchasing from a non-U.S. supplier.

TYPE/DESCRIPTION	_____
------------------	-------

QUANTITY	_____
ESTIMATED	_____
PROBABLE SUPPLIER	_____
NATIONALITY	_____
RATIONALE (Generic)	_____
UNIT COST (Non-US Only)	_____
FOR NON-US	_____

6. Past Performance References

On a continuation page, please provide past performance information requested in the RFA.

7. Type of Organization

The recipient, by checking the applicable box, represents that -

(a) If the recipient is a U.S. entity, it operates as ☐ a corporation incorporated under the laws of the State of, ☐ an individual, ☐ a partnership, ☐ a nongovernmental nonprofit organization, ☐ a state or local governmental organization, ☐ a private college or university, ☐ a public college or university, ☐ an international organization, or ☐ a joint venture; or

(b) If the recipient is a non-U.S. entity, it operates as ☐ a corporation organized under the laws of _____ (country), ☐ an individual, ☐ a partnership, ☐ a nongovernmental nonprofit organization, ☐ a nongovernmental educational institution, ☐ a governmental organization, ☐ an international organization, or ☐ a joint venture.

8. Estimated Costs of Communications Products

The following are the estimate(s) of the cost of each separate communications product (i.e., any printed material [other than non-color photocopy material], photographic services, or video production services) which is anticipated under the grant. Each estimate must include all the costs associated with preparation and execution of the product. Use a continuation page as necessary.

Part VI – Standard Provisions for Solicitations

1. Branding Strategy - Assistance (June 2012)

- a. Applicants recommended for an assistance award must submit and negotiate a "Branding Strategy," describing how the program, project, or activity is named and positioned, and how it is promoted and communicated to beneficiaries and host country citizens.
- b. The request for a Branding Strategy, by the Agreement Officer from the applicant, confers no rights to the applicant and constitutes no USAID commitment to an award.
- c. Failure to submit and negotiate a Branding Strategy within the time frame specified by the Agreement Officer will make the applicant ineligible for an award.
- d. The applicant must include all estimated costs associated with branding and marking USAID programs, such as plaques, stickers, banners, press events, materials, and so forth, in the budget portion of the application. These costs are subject to the revision and negotiation with the Agreement Officer and will be incorporated into the Total Estimated Amount of the grant, cooperative agreement or other assistance instrument.
- e. The Branding Strategy must include, at a minimum, all of the following:
 - (1) All estimated costs associated with branding and marking USAID programs, such as plaques, stickers, banners, press events, materials, and so forth.
 - (2) The intended name of the program, project, or activity.
 - (i) USAID prefers to have the "USAID Identity," comprised of the USAID logo and landmark, with the tagline "from the American people" as found on the USAID Web site at transition.usaid.gov/branding, included as part of the program or project name.
 - (ii) USAID prefers local language translations of the phrase "made possible by (or with) the generous support of the American People" next to the USAID Identity when acknowledging contributions.
 - (iii) It is acceptable to cobrand the title with the USAID Identity and the applicant's identity.
 - (iv) If branding in the above manner is inappropriate or not possible, the applicant must explain how USAID's involvement will be showcased during publicity for the program or project.
 - (v) USAID prefers to fund projects that do not have a separate logo or identity that competes with the USAID Identity. If there is a plan to develop a separate logo to consistently identify this program, the applicant must

attach a copy of the proposed logos.

- (3) The intended primary and secondary audiences for this project or program, including direct beneficiaries and any special target segments.
 - (4) Planned communication or program materials used to explain or market the program to beneficiaries.
 - (i) Describe the main program message.
 - (ii) Provide plans for training materials, posters, pamphlets, public service announcement, billboards, Web sites, and so forth, as appropriate.
 - (iii) Provide any plans to announce and promote publicly this program or project to host country citizens, such as media releases, press conferences, public events, and so forth. Applicant must incorporate the USAID Identity and the message, “USAID is from the American People.”
 - (iv) Provide any additional ideas to increase awareness that the American people support this project or program.
 - (5) Information on any direct involvement from host-country government or ministry, including any planned acknowledgement of the host-country government.
 - (6) Any other groups whose logo or identity the applicant will use on program materials and related materials. Indicate if they are a donor or why they will be visibly acknowledged, and if they will receive the same prominence as USAID.
- e. The Agreement Officer will consider the Branding Strategy's adequacy in the award criteria. The Branding Strategy will be reviewed to ensure the above information is adequately included and consistent with the stated objectives of the award, the applicant's cost data submissions, and the performance plan.
- f. If the applicant receives an assistance award, the Branding Strategy will be included in and made part of the resulting grant or cooperative agreement

2. Marking Plan – Assistance (June 2012)

- a. Applicants recommended for an assistance award must submit and negotiate a “Marking Plan,” detailing the public communications, commodities, and program materials, and other items that will visibly bear the “USAID Identity,” which comprises of the USAID logo and brandmark, with the tagline “from the American people.” The USAID Identity is the official marking for the Agency, and is found on the USAID Web site at <http://transition.usaid.gov/branding>.

- b. The request for a Marking Plan, by the Agreement Officer from the applicant, confers no rights to the applicant and constitutes no USAID commitment to an award.
- c. Failure to submit and negotiate a Marking Plan within the time frame specified by the Agreement Officer will make the applicant ineligible for an award.
- d. The applicant must include all estimated costs associated with branding and marking USAID programs, such as plaques, stickers, banners, press events, materials, and so forth, in the budget portion of the application. These costs are subject to the revision and negotiation with the Agreement Officer and will be incorporated into the Total Estimated Amount of the grant, cooperative agreement or other assistance instrument.
- e. The Marking Plan must include all of the following:
 - (1) A description of the public communications, commodities, and program materials that the applicant plans to produce and which will bear the USAID Identity as part of the award, including:
 - (i) Program, project, or activity sites funded by USAID, including visible infrastructure projects or other sites physical in nature;
 - (ii) Technical assistance, studies, reports, papers, publications, audio-visual productions, public service announcements, Web sites/Internet activities, promotional, informational, media, or communications products funded by USAID;
 - (iii) Commodities, equipment, supplies, and other materials funded by USAID, including commodities or equipment provided under humanitarian assistance or disaster relief programs; and
 - (iv) It is acceptable to cobrand the title with the USAID Identity and the applicant's identity.
 - (v) Events financed by USAID, such as training courses, conferences, seminars, exhibitions, fairs, workshops, press conferences and other public activities. If the USAID Identity cannot be displayed, the recipient is encouraged to otherwise acknowledge USAID and the support of the American people.
 - (2) A table on the program deliverables with the following details:
 - (i) The program deliverables that the applicant plans to mark with the USAID Identity;
 - (ii) The type of marking and what materials the applicant will use to mark the program deliverables;

- (iii) When in the performance period the applicant will mark the program deliverables, and where the applicant will place the marking;
 - (iv) What program deliverables the applicant does not plan to mark with the USAID Identity , and
 - (v) The rationale for not marking program deliverables.
- (3) Any requests for an exemption from USAID marking requirements, and an explanation of why the exemption would apply. The applicant may request an exemption if USAID marking requirements would:
- (i) Compromise the intrinsic independence or neutrality of a program or materials where independence or neutrality is an inherent aspect of the program and materials. The applicant must identify the USAID Strategic Objective, Interim Result, or program goal furthered by an appearance of neutrality, or state why an aspect of the award is presumptively neutral. Identify by category or deliverable item, examples of material for which an exemption is sought.
 - (ii) Diminish the credibility of audits, reports, analyses, studies, or policy recommendations whose data or findings must be seen as independent. The applicant must explain why each particular deliverable must be seen as credible.
 - (iii) Undercut host-country government “ownership” of constitutions, laws, regulations, policies, studies, assessments, reports, publications, surveys or audits, public service announcements, or other communications. The applicant must explain why each particular item or product is better positioned as host-country government item or product.
 - (iv) Impair the functionality of an item. The applicant must explain how marking the item or commodity would impair its functionality.
 - (v) Incur substantial costs or be impractical. The applicant must explain why marking would not be cost beneficial or practical.
 - (vi) Offend local cultural or social norms, or be considered inappropriate. The applicant must identify the relevant norm, and explain why marking would violate that norm or otherwise be inappropriate.
 - (vii) Conflict with international law. The applicant must identify the applicable international law violated by the marking.
- f. The Agreement Officer will consider the Marking Plan's adequacy and reasonableness in

the award criteria, and will approve and disapprove any exemption requests. The Marking Plan will be reviewed to ensure the above information is adequately included and consistent with the stated objectives of the award, the applicant's cost data submissions, and the performance plan.

- g. If the applicant receives an assistance award, the Marking Plan, including any approved exemptions, will be included in and made part of the resulting grant or cooperative agreement, and will apply for the term of the award unless provided otherwise.

Annex B

Initial Environmental Examination

DCN: 2014-ARM-004

**US Agency for International Development (USAID)
USAID/Armenia
Initial Environmental Examination (IEE)**

Program/Project/Activity Data

Activity/Project Name:		“Expanding Economic Ties with Turkey” Project	
Assistance Objective:		Economic Growth	
Program Area:		Private Sector Competitiveness.	
Country(ies) and/or Operating Unit:		Armenia/E&E	
Originating Office:		Economic Growth	Date: March 25,2014
PAD Level IEE: Yes ☐ No ☐	DCN of Original RCE/IEE:		DCN:
Supplemental IEE: Yes ☐ No ☐	DCN of Amendment(s):		
RCE/IEE Amendment: Yes ☐ No ☐			
If Yes, Purpose of Amendment (AMD):			
DCN(s) of All Related EA/IEE/RCE/ER(s):			
Implementation Start/End:		September 01, 2014 – August 31, 2016	
Funding Amount:			LOP Amount: \$500,000
Contract/Award Number (if known):		TBD	
IEE Expiration Date (if any):		Reporting due dates (if any):	
Recommended Environmental Determination:			
Categorical Exclusion: ☒	Positive Determination: ☐		
Negative Determination: ☒	Deferral: ☐		
Additional Elements:			
Conditions: ☒	Local Procurement: ☐		
Government to Government: ☐	Donor Co-Funded: ☐		
Sustainability Analysis (included): ☐	Climate Change Vulnerability Analysis (included): ☐		

1. Background and Project Description**1.1. Purpose and Scope of IEE**

The purpose of this IEE is to analyze potential environmental impacts and to recommend environmental determination for the new activity through the “Expanding Economic Ties with Turkey” Project with a budget about \$500,000.00 and an expected life of two years.

1.2. Project Overview

Country Information (Baseline Information on the Need for the Project)

The Republic of Armenia is a relatively small, mountainous, land-locked country with a total area of 29,740 sq. km., located in the south-central Caucasus region of Eurasia. The population of the country, which is overwhelmingly ethnic Armenian, is around 3.0 million. Most of the population is found in urban centers, the greatest proportion of which live in the three major cities –Yerevan, Gyumri and Vanadzor

Currently, the country faces a trade embargo and closed borders with Azerbaijan and Turkey. It is striving to develop a market based economy and become competitive worldwide. While growth has resumed to a certain degree since the global financial crisis, significant structural challenges remain. Growth typically benefits specific segments of society primarily located in urban areas in and around Yerevan. Poverty remains a serious problem and it is estimated that 25-50% of the rural population lives at or below the national poverty line.

Agriculture currently accounts for about 17.0 percent of GDP. About 36 percent of the nation's population lives in rural areas, and depends heavily on agriculture/agribusiness.

Agriculture can continue to grow in the domestic market and as a supplier to the food and beverage processing industry.

Project Description

Under this project USAID will work with Armenian organizations to expand economic ties with Turkish organizations within the targeted sectors of agribusiness and tourism. The economic ties built through these interventions will foster mutually beneficial partnerships between Armenia and Turkey.

The project will be focused on ideas and approaches within targeted sectors (agribusiness and tourism) that expand economic partnerships and opportunities between Armenia and Turkey. The project will address specific issues within the sectors of agribusiness or tourism, promote economic cooperation and trade relations with Turkey and support reconciliation and rapprochement in relations with Turkey.

Expected Project Results:

The goal of this activity is to promote mutually beneficial economic partnerships and market linkages between Armenian and Turkish non-governmental counterparts/stakeholders in the targeted sectors of agribusiness or tourism. Potential results include but are not limited to:

- Lasting partnerships with Turkish non-governmental counterparts established;
- Turkish-Armenian joint business activities and private sector partnerships formed;
- Increased trade between Armenia and Turkey;
- Improved transportation linkages between the two countries;
- Increased agribusiness linkages between the two countries; and
- Increased tourism linkages between Armenia and Turkey, i.e. number of tourists visiting each country, amount of money spent by tourist, and number of days spent in the country.

2. Baseline Environmental Information

2.1 Locations Affected and Environmental Context

General Baseline Data:

U.S. policy supports Armenia's transition into a stable partner at peace with its neighbors. Unresolved historic issues remain a significant barrier to normalized relations among neighboring countries in the South Caucasus region. One of the key USG priority goals in the region is to facilitate and encourage the development of productive and peaceful relations between Armenia and its neighbors including Turkey, and to facilitate Armenia's full economic and political integration within the wider region. Closed borders place a continued strain on social, cultural and personal ties, and negatively affect the security and economic development of Armenia.

Given that it has closed borders with Turkey and Azerbaijan, Armenia relies heavily on a single neighbor, i.e. Georgia, to reach European trading partners. The August 2008 Russia-Georgia conflict, however, exposed the vulnerability of Armenia's critical supply routes through Georgia and the economic repercussions that geopolitical changes in Georgia can have on Armenia. The conflict also highlighted the potential benefits of a border opening with Turkey in terms of alternative and more

efficient trade routes and market access. Historically, Armenia and Turkey have been strong trading partners, and even with the closed borders goods and people find their way into each other's territories through intermediary destinations such as Georgia.

In the context of the current stalemate, created by the political impasse, the challenge is to maintain and intensify support for reconciliation among key non-state actors. Expanded and strengthened partnerships among Armenian and Turkish professionals and businesses that are supportive of the reconciliation process are essential. Such efforts will provide the necessary groundwork to influence key decision-makers to make Armenia-Turkey reconciliation a policy priority.

Continued investments in tourism and rural development, enhance these sectors contribution to economic growth of Armenia. The economy grew in 2010- 2013 driven by mining, trade, tourism, transport and agriculture, although was held down by a sharp drop in agriculture due to weather conditions in 2010. Starting from 2011 Armenia's GDP was growing and the driven by recovery in agriculture, exports, and the reactivation of private investments from capital inflows.

Sector Specific Baseline Data:

This Project targets agribusiness and tourism only and the ultimate goal is to stimulate Armenia and Turkey crossborder activities to collectively stimulate growth of sales and exports. Envisaged activities might have a direct environmental linkage. In particular, the activities in tourism might result in increased number of tourists which might have an impact on the environment. The project will provide capacity and awareness building on sustainable tourism principles. Possible activities in food processing might result in potential impact on air, soil, and water. Therefore, the project will mitigate the impact by using a mix of best practices outlined in the attached EMMP.

2.2 Description of Applicable Environmental and Natural Resource Legal Requirements Policies, Laws, and Regulations

It is important to note that Armenia has a comprehensive legal framework on environment-related issues through both domestic legislation and international agreements that the country is party to. Armenia is signatory to a number of Environmental Convention, including Convention on Biological Diversity and Cartagena Protocol on Biosafety and supply of genetic materials, Convention concerning the protection of the World Cultural and Natural Heritage, UN Framework Convention on Climate Change etc.

2.3 Country/Ministry/Municipality Environmental Capacity Analysis

Since 2000, with USAID and other donors support the capacities of the Ministries of Nature Protection, Agriculture, as well as municipalities and local government have been strengthened. In particular USAID's water management projects supported capacity development of Water Management Agency's and its six water basin management organizations. USAID's local government projects were focused on strengthening capacities of local governments. However, due to a lack of capacity and staffing constraints (e.g. environmental inspectorate), budget constraints, corruption, weak data, feedback and public participation in decision-making, the enforcement of newly developed or updated legislation is a big issue in Armenia. All these reflect a lack of political will at different levels to protect and conserve natural resources, and implement sustainable practices in different areas, including agriculture. Limited enforcement of legislation and regulations is one of the root causes of the unsustainable use of resources. Several activities anticipated under project umbrella (especially in the area of tourism, i.e. tourism festivals) will involve participation of municipal/local level authorities that might in its turn support the establishing linkages between local municipalities on both sides of the border.

3. Analysis of Potential Environmental Impact

Pursuant to 22 CFR 216.3(a)(2)(iii), the originator of the proposed project has to review the potential environmental impacts of the activities.

The following illustrative activities would be implemented in frame of this project:

1. Organization of workshops in Armenia and Turkey, with participation of agribusiness SMEs, farmers, women lead businesses, government representatives, NGOs and international organizations. Visits of Armenian SME's representatives to agribusiness exhibitions and trade fairs in Turkey. These might include food processing activities as well (packing, canning, dairy/cheese production etc.).
2. Organization of internships for Armenian students in Turkey and Turkish students in Armenia.
3. Development of printing materials and publications, e.g. "Doing business with Turkey for SMEs" guideline.
4. Development of tourism links via establishment of cooperation between tour operators in Armenia and Turkey. Organization of tourism festivals in Armenia, Turkey and Georgia, with participation of local tour operators. Promotion of Armenian touristic sites in Turkey and Georgia, because many tourists are interested in visiting to not only one country, but in making a regional tour and closed borders and absence of communication between operators specialized in local tourism makes it very complicated. Furthermore, interesting agritourism routes also could be considered, which will cover the whole region

Promotion of Armenian touristic sites might affect the environment, because of increased number of tourists. For activities that might involve food processing other than training and workforce development (in frame of agribusiness), there is the potential for impact upon the environment. Therefore, a Negative Determination with Conditions is recommended for these activities.

Defined/Illustrative Activities	Potential Impacts
1. Organization of workshops in Armenia and Turkey, with participation of agribusiness SMEs, farmers, women lead businesses, government representatives, NGOs and international organizations. Visits of Armenian SME's representatives to agribusiness exhibitions and trade fairs in Turkey, activities might include food processing like canned fruits/vegetables, fresh-pack fruits/vegetables/berries, dried fruit production, dairy/cheese production.	For activities that might involve food processing (other than training) there is the potential for impact upon the environment.
2. Organization of internships for Armenian students in Turkey and Turkish students in Armenia.	N/A
3. Development of printing materials and publications, e.g. "Doing business with Turkey for SMEs" guideline.	N/A
4. Development of tourism links via establishment of cooperation between tour operators. Organization of tourism festivals in Armenia, Turkey and Georgia, with participation of local tour operators. Promotion of Armenian touristic sites in Turkey and Georgia.	Might result in increased number of tourists which could have an impact on the environment.

4. Recommended Environmental Actions

4.1 Recommended Mitigation Measures

Defined/ Illustrative Activities	Potential Impacts	Mitigation Measures	Recommended Threshold Determination
1. Organization of workshops in the area of agribusiness. Participation in agribusiness exhibitions and trade fairs. Activities might include food processing like canned fruits/vegetables, fresh-pack fruits/vegetables/berries, dried fruit production, dairy/cheese production.	For activities that might involve food processing (other than training), there is the potential for impact upon the environment.	The implementer will follow the Environmental Mitigation and Monitoring Plans (EMMPs) for food processing and agribusinesses (see Annex 1 for EMMP for food processing). An approved sample EMMP for agribusinesses will be provided (as available).	Negative Determination with Conditions.
2. Internships for Armenian/ Turkish students.	N/A	N/A	Categorical exclusion
3. Development of printing materials and publications.	N/A	N/A	Categorical exclusion
4. Development of tourism links via establishment of cooperation between tour operators. Organization of festivals in Armenia, Turkey and Georgia.	Activities in tourism might result in increased number of tourists which might have an impact on the environment.	The condition is that the project will provide capacity and awareness building on sustainable tourism principles ¹ .	Negative Determination with Conditions.

4.2 Recommended Environmental Determination:

Categorical Exclusion

Under § 216.2(c)(2)(i) Education, technical assistance, or training programs except to the extent such programs include activities directly affecting the environment (such as construction of facilities, etc.); a categorical exclusion is recommended for Activity 2 - Internships for Armenian/ Turkish students, and Activity 3 - Development of printing materials and publications.

¹ Sustainable tourism principles are: (i) make optimal use of environmental resources that constitute a key element in tourism development, maintaining essential ecological processes and helping to conserve natural resources and biodiversity; (ii) Respect the socio-cultural authenticity of host communities, conserve their built and living cultural heritage and traditional values, and contribute to inter-cultural understanding and tolerance; (iii) ensure viable, long-term economic operations, providing socio-economic benefits to all stakeholders that are fairly distributed, including stable employment and income-earning opportunities and social services to host communities, and contributing to poverty alleviation.

Negative Determination with Conditions

Under §216.3(a)(2)(iii), a negative determination with conditions is recommended for Activity 1 - activities might include food processing like canned fruits/vegetables, fresh-pack fruits/vegetables/berries, dried fruit production, dairy/cheese production and activity 4 - development of tourism links via establishment of cooperation between tour operators and organization of festivals in Armenia, Turkey and Georgia. Specific terms and conditions are presented below in Section 4.3.

4.3 Terms and Conditions:

The implementer should follow the following:

- For activity 1: generally appropriate EMMPs have been developed and are attached (see Annex 1). Prior to any new activities at a specific site, the attached EMMPs shall be reviewed by the implementer for suitability, adequacy, and comprehensive inclusion of necessary environmental, health and safety safeguards. When necessary, a revised EMMP shall be sent to the Contract Officer's Representative (COR)/Assistance Officer's Representative (AOR), prior to the start of work. For each site-specific activity, the EMMP attached to this IEE, or (the revised version, if appropriate) shall be attached to the signed Certification of No Adverse or Significant Effects on the Environment (See Annex 2) and sent by the implementer to the COR/AOR for his or her records and copied to the MEO and BEO. After the implementer has finalized its activities at a specific site, a signed Record of Compliance with the EMMP (see Annex 3) shall be submitted to the COR/AOR certifying that the organization met all applicable EMMP conditions and copied to the MEO and BEO.
 - (i) EMMPs shall be captured in annual work plans, and therefore budgeted for and reviewed for adequacy at least annually.
 - (ii) Changes in activities, and their associated EMMPs shall necessitate amending the IEE or issuing a Memo to the File (depending on extent and potential impact of the changes)
- For Activity 4: the project will provide capacity and awareness building (i.e. trainings and/or distribution of promoting materials) on sustainable tourism principles.

4.4 USAID Monitoring and Reporting:

- 4.4.1** The AOR/COR, with the support of the MEO, is responsible for monitoring compliance of activities by means of desktop reviews and site visits.
- 4.4.2** If at any time the project is found to be out of compliance with the IEE, the AOR/COR or MEO shall immediately notify the BEO.
- 4.4.3** A summary report of Mission's compliance relative to this IEE shall be sent to the BEO on an annual basis, normally in connection with preparation of the Mission's annual environmental compliance report required under ADS 203.3.8.5 and 204.3.3.
- 4.4.4** The BEO or his/her designated representative may conduct site visits or request additional information for compliance monitoring purposes to ensure compliance with this IEE, as necessary.

4.5 Implementing Partner (IP) Monitoring and reporting

- 4.5.1** The originator of the proposed project has to review the potential environmental impacts of their activities.
- 4.5.2** IPs shall report on environmental compliance requirements as part of their routine project reporting to USAID.

5. Mandatory Inclusion of Requirements in Solicitations, Awards, Budgets and Workplans

- 5.1** Appropriate environmental compliance language, including limitations defined in Section 6, shall be incorporated into solicitations and awards for this activity and projects budgets shall provide for adequate funding and human resources to comply with requirements of this IEE.
- 5.2** Solicitations shall include Statements of Work with task(s) for meeting environmental compliance requirements and appropriate evaluation criteria.
- 5.3** Environmental mitigation and monitoring requirements, when available, shall also be included in solicitations and awards.
- 5.4** The IP shall incorporate conditions set forth in this IEE into their annual work plans.
- 5.5** The IP shall ensure annual work plans do not prescribe activities that are defined as limitations, as defined in Section 6.
- 5.6** The USAID Mission will include an indicator for environmental compliance as part of the project's performance monitoring plan.

6. Limitations of the IEE:

This IEE does not cover activities (and therefore should changes in scope implicate any of the issues/activities listed below, a BEO-approved amendment shall be required), that:

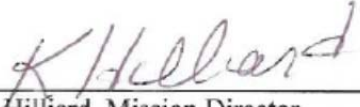
- 6.1** Normally have a significant effect on the environment under §216.2(d)(1) [See http://www.usaid.gov/our_work/environment/compliance/regulations.html]
- 6.2** Support project preparation, project feasibility studies, engineering design for activities listed in §216.2(d)(1);
- 6.3** Affect endangered species;
- 6.4** Result in wetland or biodiversity degradation or loss;
- 6.5** Support extractive industries (e.g. mining and quarrying);
- 6.6** Promote timber harvesting;
- 6.7** Provide support for regulatory permitting;
- 6.8** Result in privatization of industrial or infrastructure facilities;
- 6.9** Lead to new construction of buildings or other structures;
- 6.10** Assist the procurement (including payment in kind, donations, guarantees of credit) or use (including handling, transport, fuel for transport, storage, mixing, loading, application, cleanup of spray equipment, and disposal) of pesticides or activities involving procurement, transport, use, storage, or disposal of toxic materials and /or pesticides (cover all insecticides, fungicides, rodenticides, etc. covered under the Federal Insecticide, Fungicide, and Rodenticide Act); and
- 6.11** Procure or use genetically modified organisms.

7. Revisions

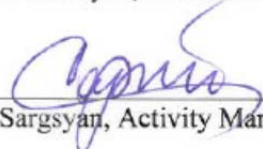
Under §216.3(a)(9), if new information becomes available that indicates that activities covered by the IEE might be considered major and their effect significant, or if additional activities are proposed that might be considered major and their adverse effect significant, this environmental threshold decision

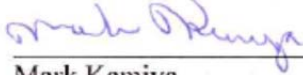
will be reviewed and, if necessary, revised by the Mission with concurrence by the BEO. It is the responsibility of the USAID COR/AOR to keep the MEO and BEO informed of any new information or changes in the activity that might require revision of this IEE.

8. Recommended Environmental Threshold Decision Clearances:

Approval :  4-15-14
 Karen Hilliard, Mission Director Date

Clearance:  04.14.2014
 Marina Vardanyan, Mission Environmental Officer Date

Clearance :  04/14/2014
 Simon Sargsyan, Activity Manager/COR/AOR Date

Concurrence:  04/15/2014
 Mark Kamiya Date
 E&E Bureau Environmental Officer

Distribution:

IEE File

MEO (to also provide a copy to AOR/COR)

ANNEX 1

FOOD PROCESSING EMMP

Environmental Mitigation and Monitoring Plan for Support to existing Food Processing Facilities (with no new construction, pesticide use, or asbestos) involving any or all of the following: Canned and Frozen Fruits and Vegetables (including peppers, cucumbers, potato chips, ketchup/tomato sauce, etc.); Dehydrated Fruits and Vegetables; Fresh-pack Fruits and Vegetables (including greenhouse management); Medicinal and Aromatic Products (MAP), Berries and Mushrooms; Edible Oils (including olive oil); Wineries (including grape pressing and winemaking); Dairies (including milk, cheese, yogurt, etc.); Beverages (including beer); and Meat and Poultry Processing (including slaughterhouse activities)

Activity	Identified Environmental Impacts	Mitigation Measure(s)	Monitoring Indicator(s)	Monitoring & Reporting Frequency	Responsible Party
1) Canned & Frozen Fruits & Vegetables 2) Dehydrated Fruits & Vegetables 3) Freshpack Fruits & Vegetables 4) Medicinal & Aromatic Products (MAP), Berries & Mushrooms 5) Edible Oils 6) Wineries 7) Dairies 8) Beverages 9) Meat & Poultry Processing	Surface & Groundwater Contamination (Soil Impacts)	- Install wastewater treatment where needed, e g ,: A) Septic Tanks: Use for wastewater with low BOD loading & domestic sewage Include maintenance/cleaning & install drain fields B) For higher strength BOD wastewaters (e.g., peppers, potatoes, dairies), install treatment for BOD C) Install equalization for periodic cleanup waste, oil removal for greases & edible oils, & treatment for special wastes (e.g. , cheese whey, slaughtering blood, grape pressing) slaughterhouse blood) - Minimize wastewater & prevent pollution at the source, e g : A) Install clean-in-place equipment, continuous processes & design production configurations to minimize spills/losses B) Recycle wastewater, use countercurrent washing, use high pressure nozzles for washing, minimize	- Quantity of wastewater (m3) Water meter installed if needed - Quality of wastewater (Chemical & biological parameters) - Water use /discharge permit obtained (if applicable) - Complaints from nearby residents	Monthly or Quarterly	Implementer, requirements shall be specified in contract/grant /loan agreements

Activity	Identified Environmental Impacts	Mitigation Measure(s)	Monitoring Indicator(s)	Monitoring & Reporting Frequency	Responsible Party
		detergents C) Use dry cleanup methods/vacuums, use drain screening, use spill prevention plans D) Adopt ISO 9001/14001 & product quality testing to improve production & reduce wastes/losses			
	Solid waste management (Groundwater & Soil Impacts)	• Collect fruit/vegetable & agribusiness solid waste, segregate wastes & provide proper storage • Reuse wastes whenever possible. If not reused, dispose according to local regulations (in suitable landfills, if available) • Use in-plant waste reduction measures to minimize generation of solid wastes • Direct organic wastes suitable for animal feed to farmers. Compostable materials composted • Properly manage oils & lubricants from equipment & vehicle maintenance	• Types of solid waste & waste quantity (kg (m3)) • Inspections • Complaints from nearby residents	Monthly or Quarterly	Implementer
	Air Pollution Impacts	• Install air pollution filters or appropriate treatment where needed • Use environmentally acceptable fuels for dryers & heating equipment. Replace fuels with high greenhouse gas emissions (e.g., coal) with clean fuels like natural gas if possible • Use efficient low emission production equipment with high energy efficient ratings & use low emission burners in boilers	• Concentration of relevant pollutants (mg/m3) • Complaints from nearby residents	Monthly or Quarterly	Implementer

Activity	Identified Environmental Impacts	Mitigation Measure(s)	Monitoring Indicator(s)	Monitoring & Reporting Frequency	Responsible Party
		Limit use of hot water, reduce energy demand of lighting & production equipment			
	Noise, Odor & Visual Quality Impacts	- Use sound enclosures & noise barriers, equipment with low noise ratings - Provide ventilation to reduce smoke, vapor & odor in the workplace - Provide workers with protective equipment - Compost piles should be turned to control anaerobic digestion (odor control) - Schedule trucks bringing raw material & delivering products to minimize local impacts	- Monitor noise & vibration levels - Visual - Complaints from nearby residents	Quarterly	Implementer
	SocioEconomic Impacts	- Avoid discharges to sensitive ecosystems - Training to protect endangered species, native plants & wildlife (during collection of MAPs, berries & mushrooms) - Seek organic certifications for MAPs - Hire local workers - Community public meetings to share mitigation information	- Inspection of collected materials - Number of trained workers - Organic MAP certifications - Number of public meetings	Quarterly	Implementer
	Public Health & Safety Impacts	- Adopt fire precautions (e.g., working fire protection equipment, ban on smoking) - Written safety procedures - Provide workers with protective equipment (e.g., gloves, boots, eyewear) - Manage traffic patterns to protect	- Inspection of fire protection equipment - Number of accidents & injuries	Quarterly	Implementer

Activity	Identified Environmental Impacts	Mitigation Measure(s)	Monitoring Indicator(s)	Monitoring & Reporting Frequency	Responsible Party
		- community (children, pedestrians) - Signs clearly displayed, control plant admittance			
	Resource depletion & indirect impacts from energy & water use	- Use high efficiency heating, cooling, & lighting systems & perform regular maintenance to optimize performance - Implement water conservation & re-use measures whenever appropriate - Use environmentally preferable building materials	Plans & specifications that address resource depletion reduction for retrofits	At project initiation & then quarterly	Implementer

ANNEX 2
CERTIFICATION OF NO ADVERSE OR
SIGNIFICANT EFFECTS ON THE ENVIRONMENT

The undersigned certifies that all foreseeable adverse or significant effects on the environment have been adequately and effectively eliminated or mitigated by the attached EMMP. If new adverse effects or the need for new or improved mitigation measures are identified, I will immediately notify the USAID activity manager/COTR/AOTR.

Implementer Project Director/COP: _____ Date: _____

Received by COTR/AOTR: _____ Date: _____

**ANNEX 3
RECORD OF COMPLIANCE WITH EMMPs
(Template)**

SUBJECT: Site Name/Primary Project Name/IEE DCN Number

TO: COTR/AOTR

COPY: Mission Environmental Office

DATE:

The [name of the implementing organization] has finalized its activities at the [site name] to [describe activities that were undertaken]. This memorandum is to certify that our organization has met all conditions of the EMMP for this site activity. A summary of the how mitigation and monitoring requirements were met is provided below.

1. Mobilization and Site Preparation
2. Site Activity Implementation Phase
3. Site Closure Phase
4. Site Activity Handover

Sincerely,

Chief of Party
Implementing Partner Organization

Approved:

AOTR/COTR

Date

Mission Environmental Officer

Date

Copy Provided to:
Bureau Environmental Officer