USAID | HONDURAS

FROM THE AMERICAN PEOPLE

Issuance Date: July 26, 2010
Closing Date: August 26, 2010
Closing Time: 4:30 P.M. Honduras time

Subject: Request for Application (RFA) USAID Honduras No. 522-10-000002 for the Decentralization Enabling Environment (DEE)

The United States Government, as represented by the United States Agency for International Development (USAID) Mission in Honduras, is seeking applications (proposals for assistance funding) from non-governmental local Honduran organizations for funding to support a program entitled "Decentralization Enabling Environment (DEE)" in Honduras subject to the availability of funds as described in the following Request for Application. This award is authorized in accordance with the Foreign Assistance Act of 1961, as amended.

The Recipient will be responsible for ensuring achievement of the program objectives. Please refer to the Section I, Funding Opportunity Description for a complete statement of goals and expected results.

Pursuant to 22 CFR 226.81, it is USAID policy not to award profit under assistance instruments. However, all reasonable, allocable, and allowable expenses, both direct and indirect, which are related to the grant program and are in accordance with applicable cost standards (22 CFR 226, OMB Circular A-122 for non-profit organizations, OMB Circular A-21 for universities, and the Federal Acquisition Regulation (FAR) Part 31 for-profit organizations), may be paid under the agreement when awarded.

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 "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.

Subject to the availability of funds, USAID intends to provide approximately $2 million in total USAID funding to be allocated over a five-year activity. USAID reserves the right to fund any or none of the application to be submitted.

This RFA is being issued and consists of this cover letter and the following:

1. Section I, Funding Opportunity Description;
2. Section II, Award Information;
3. Section III, Eligibility Information;
4. Section IV, Application and Submission Information;
5. Section V, Application Review Information;
6. Section VI, Award and Administration Information;
7. Section VII, Agency Contacts;

8. Section VIII, Required as Applicable Standard Provisions.
9. Section IX – Attachments

If you decide to submit an application, it should be received by the closing date and time indicated at the top of this cover letter via electronic and hard copy format as described in Section IV. Identify the application with the RFA number (522-10-000002) and the name of your organization.

Any questions concerning this RFA must be submitted in writing to: ahonduras@usaid.gov attention: Ms. Blanca M. Nunez Huezo.

If it is determined that the answer to any question(s) is of sufficient importance to warrant notification to all prospective recipients, a Questions and Answer document, and/or if needed, an amendment to the RFA, will be issued. Therefore, questions should be submitted no later than August 9, 2010 at 4:30 P.M. Honduran time.

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. In addition, final award of any resultant grant(s) cannot be made until funds have been fully appropriated, allocated, and committed through internal USAID procedures. While it is anticipated that these procedures will be successfully completed, potential applicant is hereby notified of these requirements and conditions for award. Application is submitted at the risk of the applicant; should circumstances prevent award of a cooperative agreement, all preparation and submission costs are at the applicant's expense.

SECTION I- Funding Opportunity Description

A. Title

The United States Agency for International Development (USAID) is seeking applications for a Cooperative Agreement to implement a program entitled "Decentralization Enabling Environment (DEE)."

B. Authorizing Legislation

The authority for the Request for Applications (RFA) is found in the Foreign Assistance Act of 1961, as amended.

C. Award Administration

22 CFR 226, OMB Circulars and the Standard Provisions for Non-U.S. Nongovernmental Recipients will be applicable to the resulting Cooperative Agreement. These documents may be accessed through the world-wide website at: http://www.usaid.gov/business/regulations/

D. Applicability of 22 CFR 226

The following provision will be included in any award resulting from this RFA:

APPLICABILITY OF 22 CFR PART 226 (May 2005)

a. All provisions of 22 CFR Part 226 and all Standard Provisions attached to this agreement are applicable to the recipient and to sub recipients which meet the definition of "Recipient" in Part 226, unless a section specifically excludes a sub recipient from coverage. The recipient shall assure that sub recipients have copies of all the attached standard provisions.

b. For any sub awards made with Non-US sub recipients the Recipient shall include the applicable "Standard Provisions for Non-US Nongovernmental Grantees." Recipients are required to ensure compliance with monitoring procedures in accordance with OMB Circular A-133.

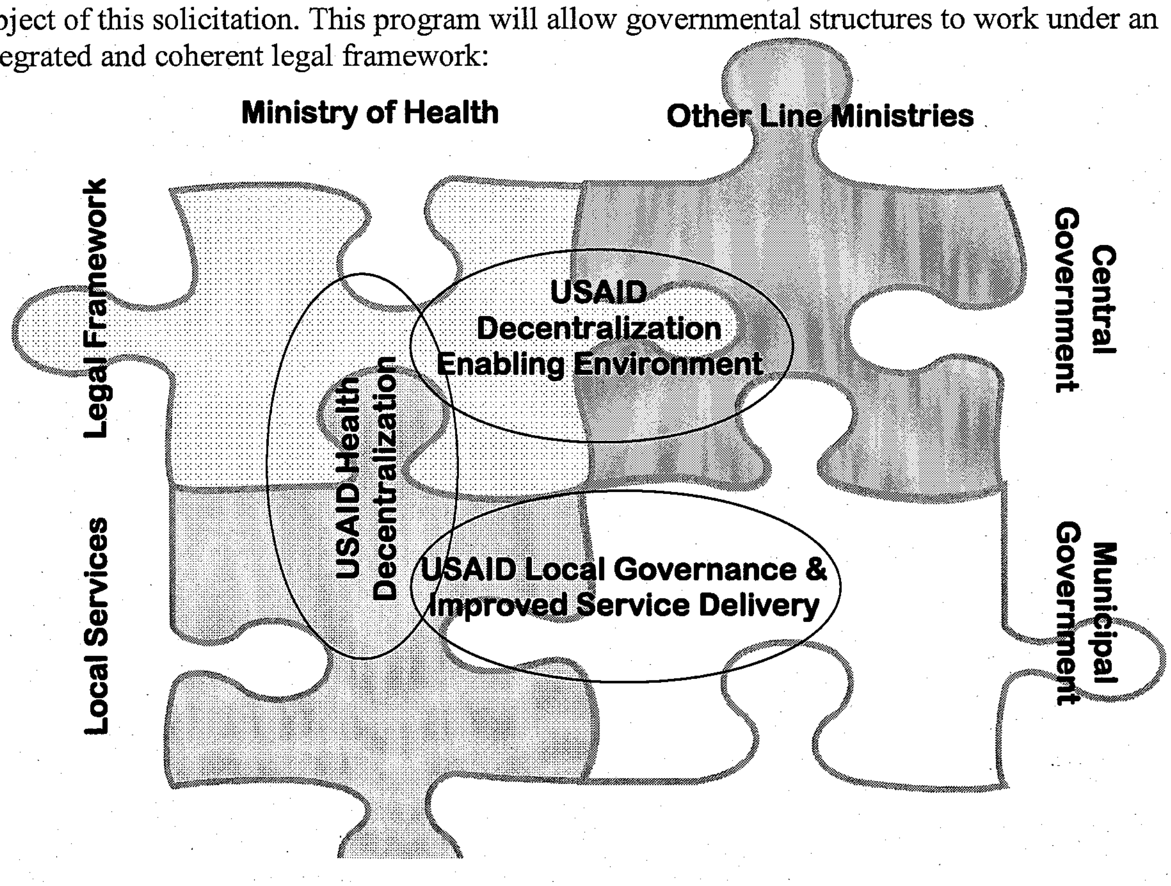
E. Program Description

I. INTRODUCTION

The purpose of this assistance award is to promote the enabling environment necessary for decentralization of government services to the local level in order to better respond to citizen needs. To accomplish this, USAID will partner with a local Honduran organization to encourage broad-based support for decentralization by strengthening the capacities of national institutions, local governments, and civil society organizations to advocate for, enact and implement legislative reforms that enable decentralization. Specifically, USAID aims to advance a national legislative framework for decentralization and its implementation, comprising fiscal, legal, and administrative reforms that encourage local development, municipal autonomy, consensus building, broad participation, and open policy dialogue between central and local authorities and other stakeholders.

II. BACKGROUND

USAID is supporting decentralization through three complementary and coordinated programs as a means to achieving better quality public services for citizens, thereby contributing to improved responsiveness of government. This approach combines policy dialogue with technical assistance and training to expand and reinforce the decentralization of critical government services to the local level. The three complementary programs work at local as well as national levels, and across sectors. This cross-sectoral integrated approach differs from previous USAID activities. At the local level through the Local Governance and Improved Service Delivery Program, USAID will provide technical assistance and training to citizens and local governments to fulfill their roles in the implementation of local government-provided or regulated services. At the sector level USAID will support initiatives that work directly with the line ministries to support the regulatory role of the national government. For example, through the *"Unidad Local de Apoyo Técnico"* Health Reform and Decentralization program, USAID is providing technical assistance and policy reform to the Ministry of Health to decentralize health services and reform the structure and function to regulate and evaluate – rather than directly provide –services for the poor. In order to ensure the success of these initiatives, and replicate the model developed initially with the Health ministry, USAID will support policy advocacy for the development of decentralization enabling environment at the national level through the Decentralization Enabling Environment program, which is the subject of this solicitation. This program will allow governmental structures to work under an integrated and coherent legal framework:



1. Overview

The consolidation of democracy in Honduras suffered a significant setback in 2009 when Honduras experienced a series of political crises culminating in a coup d'état – events that called into question the soundness of its democratic institutions. The crisis was exacerbated by the continued inability of the national government to effectively, efficiently, and accountably deliver services to citizens. This situation has undermined public satisfaction with and confidence in democracy as a means of achieving a more developed society. Sustainable progress in governance and transparency has been stymied by opposition of powerful interests who manipulate the political system to pursue private wealth. Elected officials ignore the needs of their constituents and instead focus on their own political agendas once in office. As a result, enacted legislation is not enforced; the Transparency and Access to Public Information Law was passed in 2006 but implementation of the law has been sporadic and incomplete. An anti-tax evasion law has been drafted but not yet passed. According to MCC annual performance assessments, the Government of Honduras (GOH) has failed to control corruption for two of the last three years.[1] Prior to the political crisis the *AmericasBarometer* report (2008) found strikingly low levels of political tolerance and public support for political institutions, increasing disillusionment among youth, and a combination of factors that indicated that Honduras was a "democracy at risk"[2]– an analysis that was confirmed by the June 2009 coup. The report advocates for renewed efforts to enhance the rule of law; improve service delivery; fight corruption, crime, and poverty; and promote and protect basic rights.

In order to rebuild confidence in democratic institutions and contribute to a stable government that responds to all of its citizens, USAID is investing in the decentralization of service delivery. In theory decentralization can "create more transparent political institutions, inculcate stronger citizen support for government, and improve democratic participation."[3] Decentralization is an opportunity for Honduras in part because the central government has failed to serve citizens effectively. But more importantly, with the right capacity, resources, and experience, local governments are best positioned to deliver and oversee services to citizens that are relevant and visible.

There are unmistakable challenges to decentralization in Honduras. *AmericasBarometer Insights 2009 (No.10)* indicates that Honduras ranks third from the bottom in the hemisphere (after Panama and Haiti) in the frequency in which citizens had requested something from local government. This supports the theory that one should anticipate higher levels of citizen demand-making on municipal governments in those countries with higher levels of fiscal decentralization. Additional statistics show that citizens have low confidence in municipal government, low satisfaction with local services, and the lowest support in the region for both

[1] On the Millennium Challenge Corporation's score sheet for FY 2010, Honduras's performance falls below the median in the areas of Control of Corruption, Rule of Law, and Fiscal Policy. Honduras's performance on control of corruption falls below the median for two of the last three years and reverses what was previously an upward trend.
[2] Pg. 115 of the 2008 LAPOP report, *Political Culture, Governance and Democracy in Honduras, 2008.*

[3] USAID Decentralization Handbook, Office of Democracy and Governance (DG), USAID Contract Number AEP-I-00-00-00016-00, page 23.

fiscal and administrative decentralization.[4] The apparent lack of support for decentralization is principally due to a lack of understanding about what decentralization means, and what kinds of services could be expected from local governments. In addition, some unions and professional associations mistakenly equate decentralization with privatization, and claim that the process would result in a cut in services for the poor. Lastly, there may be gender-related challenges in decentralization advocacy, as men and women may advocate in different ways for issues at the national level.

Despite endemic government problems, over the past several years aspects of Honduras's democratic framework and practices have been showing signs of improved governance capacity at the sub national levels. Significantly, increased importance of local party organization appears to be working in favor of moving the decentralization process forward, even if rather unevenly. Since Hurricane Mitch, the Honduran Municipal Association (AMHON) and international donors have been promoting decentralization efforts at the grassroots level, resulting in larger municipalities taking much greater initiative and assuming autonomy to solve problems that the national government either cannot or will not tackle, engaging in something like a "decentralization by demand" approach. Municipalities like Puerto Cortes and Comayagua have promoted their own development, and municipal associations in different areas are managing services, like health, that were previously provided by the central government. Local governments are becoming less dependent on the national government for services or, in some cases, income. In the health sector, the national government has been experimenting with handing over limited, defined functions in preventive health service delivery primarily in the north and west of Honduras. Although progress so far has been slow, accountability mechanisms for tackling corruption at the local level, such as Transparency Commissions, are increasingly being utilized by local governments, civil society, and local citizens. According to the Honduras Corruption Assessment Report[5], at the municipal level there have been an increasing number of successful experiences demonstrating to citizens that personal involvement in transparency promotion can bring about results. However, mid to long-term complements to this strategic priority must be to continue educating and mobilizing the public to demand accountable government, primarily through the promotion of citizen oversight programs at the local level and public awareness campaigns.

Significant legislative reforms have been enacted in Honduras to provide municipal governments with a solid legal framework that has strengthened decentralization of certain authorities and municipal autonomy. A key aspect in consolidating autonomy at the local level was the electoral reform in 1993 separating the election of local authorities from national party tickets. This has led to improved accountability at the local level and responsiveness of local authorities to community rather than partisan interests.

The Municipal Law (enacted in 1991 and last reformed in January 2010) also provides important legal authority to municipal governments for decentralization and municipal autonomy. Local governments can collect property taxes, operate basic services, and have

4 Pgs. 70-73 of the 2008 LAPOP report, *Political Culture, Governance and Democracy in Honduras, 2008*
5 Diaz-Briquets, Sergio and Michele Guttmann, Honduras Corruption Assessment Report, DFD-1-01-03-00144, Task Order #01, Management Systems International, October 26, 2008, p. 26

decision making authority for allocating resources in the municipal budgets. The last reform to the Municipal Law includes increased regulations for regional municipal associations, new functions for civil society transparency councils, and an increase in transfers to municipal governments from 5% of the national budget to 11% (over a 5-year period).

The Water and Sanitation Law (2003) provided the most important reform of the water sector and reaffirms the importance of local management units for water and sanitation systems. Decentralization is also being promoted in the health and education sectors. Different methodologies involving participation of municipal authorities and relevant stakeholders have been tested. The Ministry of Health (MOH) is proceeding with decentralization of basic health services, gradually moving from a traditional framework in which the MOH is responsible for both regulating and providing health services, to one in which defined responsibilities and funds are transferred to local providers. At the national level the Ministry of Governance and Justice (MGJ) is the institution responsible to advance decentralization reform. The Executive Commission for the Decentralization (CEDE) is chaired by the (MGJ) and has representatives of all the line ministries that have a role in sectoral decentralization.

Moreover, in 2009 several opportunities have converged suggesting that a renewed push for accountable, transparent — and decentralized — democracy may be timely. The building recognition among national government leaders that decentralization may be critical to improving the accountability and quality of public services delivery can be observed in (1) *the Plan Estrategico 2010-2014: Descentralizacion para el Desarrollo Local en el Marco de la Vision de Pais* ***(See Attachment I)*** put out in May 2010 by the Secretariat of Government and Justice and the Technical Decentralization Unit (TDU) of the CEDE. According to the document, the Secretariat and TDU believe that decentralization is the foundation for achieving goals in the reduction of poverty, strengthening of democracy in government, and human capacity development. Newly elected President Porfirio Lobo also identified the decentralization of health and education as a key platform issue; (2) the compliance with reforms to the Municipal Law that increases municipal transfers from 5% of the national budget to 11% (over a 5-year period); (3) the "Plan de Pais" document that presents decentralization as a means to impact Honduran development and (***See Attachment VI***) (4) the January 2010 transition in national and local governments that invited a revisit of issues surrounding local government policy development and retention of core civil servants.

While these are positive steps and conditions, effective and targeted support is greatly needed to strengthen governance capacity and to maintain Honduran democracy. With both popular and political support for national level governmental institutions ebbing, threats to security from unrest and lawlessness rising, and the recent polarization of the country as a result of the 2009 political crisis ongoing, the need for immediate and effective interventions that improve citizens' confidence in democracy as an institution is critical.

2. USAID/Honduras democracy and local governance programming

Since 1990, USAID/Honduras has been providing support to local governments via a bilateral agreement with the GOH. From 1993-2003, this support consisted of three components established to support More Responsive and Effective Municipal Governments. These three components included increased capacity of municipal governments in secondary cities through technical assistance and training; short-term courses to employees of small municipal governments throughout the country; and the promotion of public policy dialogue in favor of greater decentralization and municipal autonomy. The implementation of these three components contributed to more effective local governments by supporting significant policy and legal reforms that favor accountability by local elected officials, while at the same time increasing the capacity of local governments to provide basic services.

The activities that USAID has supported have been pivotal for strengthening decentralization in Honduras, examples of past achievements include: (a) passing the municipal law (1990) which provided important legal authority to municipal governments in the areas of property tax collection, operation of basic services, and participatory mechanisms, as well as regulating parameters for the percentage of municipal budgets that can be allocated to operating expenses versus capital investment; and (b) the electoral reform in 1993 separating the election of local authorities from national party tickets, which was a key aspect in consolidating governance at the local level.

3. Recent USAID/Honduras programming efforts: 2003-2010

USAID/Honduras's strategy 2003-2010[6] for the "Ruling Justly: More Responsive, Transparent Governance" calls for assistance to strengthen the rule of law and increase the transparency and accountability of local governments. The Greater Transparency and Accountability in Governments Program (GTAG) began in 2004 as the core piece of this strategy. GTAG addressed four areas: (1) more transparent systems for management of public resources by selected government entities; (2) increased devolution of responsibilities and resources to the local level resulting in greater responsiveness by local governments to citizen needs; (3) more effective oversight and participation in local government decision-making; and (4) increased capacity to deliver local government services. The program had two components: a contract with Management Systems International (MSI); and a cooperative agreement with the Honduran Municipal Association (AMHON). The MSI contract expired on March 31, 2009, and the AMHON agreement expired on May 31, 2010.

The principal focus of the contract with MSI was to (1) increase the capacity of municipal governments and associations of smaller municipalities (*mancomunidades*) to fulfill their roles effectively and transparently and to engage and be accountable to organized civil society; (2) improve nongovernmental entities' operational transparency and ethical conduct; (3) promote enhanced ownership by stakeholders of local development processes; (4) facilitate transparent transitions between local administrations contributing to uninterrupted municipal service provision and advancement of development goals by the incoming administration; and (5) co-fund local initiatives that contribute to the achievement of above results. (**See *Attachment II*** GTAG final Report)

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[6] The 2003-2008 strategy was extended recently for two years through FY 2010 to facilitate the transition of programming to the new strategy referenced below. The Mission can use FYs 2009 and 2010 funds under either strategy.

The cooperative agreement with AMHON, signed on August 13, 2007, promoted transparent policy debate and reforms that impact municipal autonomy and decentralization. Until September 2009, AMHON's cooperative agreement had five elements: (1) design and implement a political advocacy strategy to promote and elaborate the National Decentralization and Local Development Policy; (2) promote legal framework reform needed to strengthen municipal autonomy as well as to increase authorities and resources of local government; (3) build technical, financial and service management capabilities at the local level through increased resources and authority, and generation of own source revenues; (4) execute the operational decentralization process of the project cycle of the Honduran Social Investment Fund (FHIS); and (5) increase communication, synergies and strategic alliances with civil society, national government entities, Congress, and local governments to support municipal and *mancomunidad* interests and capabilities. The main focus of the agreement with AMHON during its final implementation phase included activities to support political transition in 26 municipalities leading up to and after the November 2009 general elections, facilitating a transparent and effective transition between local government administrations. Activities included development of action plans for the first 100 days of the new administration, promotion of continuity of technical capacity, and development of cooperation between the mayor and the municipal council.

2009-2013

Honduras was a pilot mission for the new U.S. Government (USG) strategy development process, the Country Assistance Strategy (CAS) 2009-2013. For further reference please find in ***Attachment III*** the CAS document and ***Attachment IV*** the Good Governance Results Framework. The 2009-2013 CAS for Honduras cites Governing Justly and Democratically (GJD) as one of two priority goals of the USG in Honduras (the other one is Peace and Security). The goal of USG assistance in the GJD sector is to strengthen democracy by improving governance, increasing transparency and accountability, and ensuring a credible electoral process. USAID decentralization support ties particularly to the first two of these areas. Strengthening the management capacity of local governments, increasing citizen involvement in local decision-making, and strengthening governmental and civil society oversight of public funds are critical means by which governance can be improved and accountability increased. The third GJD area, calling for a credible electoral process in which local and national officials are held accountable to the citizenry for their performance is an integral element of decentralization efforts as well as the larger GJD goal; however, that component will be addressed in separate USAID assistance programs.

In addition to the program outlined in this scope of work, USG strategy for assistance in Honduras also will rely upon complementary USAID programs. Subject to the availability of funds, USAID/Honduras's Democracy and Governance (DG) Office is in the planning stages of three new activities in the Democracy portfolio: (1) through the Mérida and Central American Regional Security Initiatives, USAID will support improved governance and community crime and gang prevention and infrastructure improvements in areas affected by narcotrafficking and/or gang activity; (2) USAID/Honduras will carry a local government and decentralization program which aims to strengthen Honduran democracy in targeted municipalities or service areas by increasing citizen satisfaction with and participation in government-provided or regulated services, through improved service delivery in the health sector to gradually lead to improved priority services in other areas such as education, roads, etc.; and (3) USAID will support civil society programs that more directly target civil society's roles and responsibilities as watchdog organizations overseeing national and local level government functions. Under the CAS 2009-2013 the civil society program is expected to support national-level civil society advocacy for accountability and transparency, including advocacy for effective and responsible oversight of the steering role of national-level ministries.

USAID also may support leadership development in relevant sectors and civic education for school children and communities.

III. SCOPE OF WORK

1. Expected Approach

USAID/Honduras's Democracy and Governance office requests proposals of local organizations for a five-year project to create the enabling environment necessary for decentralization of government functions and resources to the local level in order to better respond to citizen needs. Through this project legal authority and autonomy to develop effective service delivery in a transparent and accountable way will be passed to sub national bodies. This project will strengthen the democratic process by building consensus between citizens and governments, broadening citizen participation in government processes, and opening policy dialogue between central and local authorities.

To accomplish this, the project will strengthen the capacities of national institutions, local governments, and civil society organizations to propose, advocate for and adopt policies, laws, and budgetary structures related to decentralization and fiscal autonomy. Ideally, these policies will enable effective, transparent management of service delivery and use of public funds (both transferred and own source) by municipalities or other decentralized bodies at the local level, while continuing to allow for the regulation of such delivery by the national government and its sub national components. For example, the Ministry of Health (MOH) is proceeding cautiously with decentralization of basic health services, gradually moving from a traditional framework in which the MOH is responsible for both regulating and providing health services, to one in which responsibilities and funds are transferred to local level providers while the MOH retains its regulatory and monitoring functions.

Partners: The recipient will work with national government ministries and other national-level institutions to ensure that an appropriate framework for governmental decentralization is established and executed. The recipient is expected to focus first on legal reforms in the health sector that lay the groundwork for expansion of decentralization to other sectors, such as education, water and sanitation, and roads. The recipient's primary national-level work will be with those institutions having cross-sector influence on the implementation of decentralization reforms, including the Ministry of Governance and Justice, Ministry of Planning, Ministry of

Finance, and the Executive Commission for State Decentralization (Comisión Ejecutiva de Descentralización del Estado or CEDE). The recipient may also work directly with line ministries such as the Ministry of Health and Education (and/or their regional offices) when the timing is favorable for expanding decentralization to other sectors. The recipient should promote consensus building via civil society organizations that have cross-sectoral influence with local governments.

It is anticipated that the recipient will conduct an extensive post-award analysis to identify critical opportunities and challenges to decentralization in health and other sectors, with identification of actors, policies, and institutional constraints to decentralization and fiscal autonomy. This analysis will likely be an ongoing activity, particularly in light of the recent political crisis, government transition, and the traditionally high rates of turnover within the national ministries. To the extent possible, analyses of the sector should be conducted in collaboration with local entities and counterparts.

The implementer will be expected to carry out activities that support the USAID/Honduras strategic plan for democracy and governance programming, as identified in the 2009-2013 Country Assistance Strategy, as well as USAID/Honduras goals articulated in the joint State/USAID Foreign Assistance Framework for Governing Justly and Democratically (GJD) program objective. This procurement will initiate under the Ruling Justly: More Responsive, Transparent Governance framework (2009-2010) and will continue under the More Responsive Governance framework (2009-2013)(*Attachments III, IV, and V*).

Additionally, the recipient will address ownership and sustainability by promoting linkages and synergies among the different program elements of the GJD Strategic Objective and the sector-specific USAID programs.

Activities should complement and not duplicate those undertaken by the USAID Transparent Local Governance and Improved Service Delivery Program and the Health Reform and Decentralization Program. The Transparent Local Governance and Improved Service Delivery Program will increase citizen satisfaction with and participation in decentralized, democratic government-provided or regulated services. Improving service delivery will result in more accountable, transparent government. This will be achieved by increasing local government capacity to oversee services and respond to citizen feedback; providing mechanisms through which civil society can engage with local governments and service providers; and improving the implementation of national regulations and policies for the decentralization of authority and resources at the operational level. The Transparent Local Governance and Improved Service Delivery Program differs from this solicitation in that it will not focus on political advocacy to create, modify or approve policies and laws and their implementation by national GOH. Rather, it will provide technical assistance to local institutions to better manage services within the established framework.

The Health Reform and Decentralization Program focuses exclusively on decentralization policy and advocacy *within* the health sector; i.e., within the MOH and with the Congressional Health Commission. The Health Program currently supports work with the MOH to allocate funds for decentralization; technical assistance to the MOH to refine criteria for the allocation of resources; assessment of the legal framework for the health sector; advocacy and negotiations on decentralization within the health sector; advocacy and negotiations with the Congressional Health Commission, and support to the MOH to incorporate new laws, decrees, and guidelines into the management contracts and other legal instruments related to decentralized services. The activities defined in this SOW should focus on advocacy and policy relevant to health as well as other sectors that fall within the more generalized (non-health) institutions like the Ministry of Governance and Justice.

<u>Other Considerations:</u> For each Program phase and subject to USAID approval, the recipient shall outline any gender issues that need to be considered during activity implementation. These issues should reflect at minimum the consideration of the following questions: (1) Do women and men have the same opportunity to participate in the activity being undertaken?; (2) If not, is it possible to adjust the activity to ensure equal opportunity?; (3) Are women and men treated or affected differently by the activity or the work to be undertaken?; (4) If so, would this difference be an important factor in managing the activity to ensure sustainable program impact?; and (5) Can the activity be adjusted to help empower groups that otherwise might be disadvantaged in terms of decision making and leadership roles? A statement must be included to describe how the above concerns will be addressed, and how gender considerations can be mainstreamed into project implementation. If applicable and to increase the effectiveness of activities, the awardee should consider in its approach gender differences and constraints as identified when considering the questions above.

The recipient must propose procedures to systematically follow up with training participants to assess the impact and effectiveness of all training activities proposed under this program.

In order to promote sustainability and to effectively engage with local governments the recipient should be a local Honduran organization with established partnerships or contacts with local and national government officials that are necessary to advocate for reform. In order to build Honduran ownership, the recipient is strongly urged to involve its local counterparts directly in each phase of the program, including the implementation of activities carried out by consultants, subcontractors, sub grantees and others.

Lessons learned in other USAID/Honduras DG programs indicate that the recipient should be extremely cautious when working directly with the National Congress in order to avoid allegations of USG or U.S.-funded intervention in GOH internal matters such as the drafting or approval of laws.

2. Expected Results:

The recipient must propose new and innovative approaches to achieve results that relate to the mission strategic objective **"More Responsive Governance."** The long-term impact of this program will be measured on a biannual basis through the *AmericasBarometer* public opinion survey through the following indicator:

- Percent of people who express support for more a) resources and b) responsibilities transferred to municipal governments[7]

(The implementer will not be responsible for tracking this measure; however, overall program results should contribute to achieving this result over the long term).

This program will also contribute to IR 2 of the Mission's Results Framework: **"Locally-provided services in response to citizen needs improved"** and overall program results should achieve impact at this level. The successful achievement of results under this program will provide the underlying structure for other mission programs, including the Transparent Local Governance and Improved Service Delivery Program and the Health Reform and Decentralization Program.

This program contributes directly to Sub-IR 2.3 "**Enabling environment for decentralization strengthened."**

Result 1: Comprehensive Legal Framework for increased municipal autonomy strengthened

Description: A critical component of the enabling environment is the legal framework that allocates rights and responsibilities to sub national governments.
Upon completion of this project ambiguities and inconsistencies in the existing decentralization legislation will be clarified, and detailed policies, by-laws, statutes, systems or other measures that strengthen municipal autonomy will be implemented. With comprehensive decentralization legislation, municipalities will take more management control of public resources, both transferred and own-source.

Performance under this result will be assessed by the following outcome measures:

- Increase in total resources managed by local government as % of total public resources.

- % of laws and law reforms passed by the GOH and drafted with USG assistance to promote decentralization compared to introduced initiatives

- Index of implementation of laws and policies related to decentralization enabling environment implemented by the GOH

Baselines and performance standards or targets for these measures, and/or other measures and indicators, will be proposed by the implementer, and approved by USAID via the approved Performance Monitoring Plan (PMP). Where possible and appropriate data collection and analysis will be disaggregated by gender.

7 http://sitemason.vanderbilt.edu/lapop/HOME

To achieve expected results the implementation approach of the grantee should, at a minimum, address the following points:

1. Support for advocacy that leads to the strengthening of laws, decrees and implementing regulations that will facilitate and enforce effective decentralization.
2. Steps taken toward a national budget structure that will allow and facilitate decentralization of central government funds to local organizations.
3. Development and implementation of mechanisms, such as municipal association involvement, departmental association involvement, capacity building for policy dialogue, incentive structures, and pilot activities to engage local government authorities to advocate for the implementation of decentralization reform and local development policy.
4. Development and implementation of mechanisms, such as public hearings, local town hall meetings, publication of budget information, civil society representation on commissions, and citizen report cards to engage sector-related civil society organizations to advocate for decentralization reform and local development policy.
5. Training/Technical Assistance of local leaders in political advocacy and decentralization reform.
6. Public Awareness Campaign to build support for and share experiences of decentralization.

Result 2: Legal framework for municipal fiscal autonomy strengthened:

Description: The legal framework for decentralization should include explicit provisions to promote independence of local governments by increasing municipal own resources revenue. Upon completion of this project the government will have adopted and implemented fiscal, legal, and administrative reforms that a) encourage and mandate financial equilibrium between transferred and own-source resources, and b) increase capacity to finance operational and investment costs from own source income. In other words, municipalities will increase their proportion of own-source revenue and take more management control of all public resources, both transferred and own-source.

Performance under this result will be assessed by the following measures:

- Index of municipal autonomy of Municipalities (own source revenue/total income)
- % of laws and law reforms passed by the GOH and drafted with USG assistance to promote Fiscal autonomy compared to introduced initiatives
- Index of implementation of laws and policies related to fiscal autonomy implemented by the GOH

Baselines and performance standards or targets for these measures, and/or other measures and indicators, will be proposed by the implementer and approved by USAID via the approved PMP. Where possible and appropriate data collection and analysis will be disaggregated by gender.

To achieve expected results the implementation approach of the grantee should, at a minimum, address the following points:

1. Support for advocacy that leads to the revision and modification of laws, decrees and implementing regulations that will facilitate and enforce fiscal autonomy and own source revenue generation.
2. Support for advocacy and implementation of reform to increase legislative authority to levy and collect local taxes and fees for local use.
3. Development and implementation of mechanisms such as public hearings, local town hall meetings, publication of budget information, surveys, capacity building in policy dialogue, etc. to engage sector-related civil society organizations to advocate for fiscal autonomy strategies and reform.
4. Training/Technical Assistance for local leaders in political advocacy and fiscal autonomy reform.

It is expected that the grantee will design activities to show the greatest impact on the two project results and indicators mentioned above.. The implementer should propose milestones and other outcome measures that encompass the achievement of expected results.

The implementer will report on these and other relevant measures that are incorporated in the USAID/Honduras PMP including the following and other Standard output ("F") indicators, which must be measured on an annual basis.

- Number of laws or amendments promoting decentralization drafted with USG assistance.

[END OF SECTION I]

SECTION II – AWARD INFORMATION

A. Estimate of Funds Available

Subject to the availability of funds, USAID intends to provide approximately $2,000,000.00 in total USAID funding for the five-year life of the activity.

B. Number of Awards Contemplated

USAID intends to award one (1) Cooperative Agreement pursuant to this RFA to the responsible applicant whose application conforming to this RFA offers the greatest value to the U.S. Government. The Government may (a) reject any or all applications, (b) accept other than the lowest cost application, (c) accept alternate applications, and (e) waive informalities and minor irregularities in applications received. USAID reserves the right to fund any or none of the applications submitted.

The Government may make an award on the basis of initial applications received, without discussions or negotiations. Therefore, each initial application should contain the applicant's best terms from a cost and technical standpoint. As part of its evaluation process, however, USAID may elect to discuss technical, cost or other pre-award issues with one or more applicants. Alternatively, USAID may proceed with award selection based on its evaluation of initial applications received and/or commence negotiations solely with one applicant.

C. Start Date and Period of Performance

The period of performance anticipated herein is 5 years from date of award. The estimated start date is on or about __________.

D. Type of Award

USAID plans to negotiate and award an assistance instrument known as a Cooperative Agreement with the selected applicant. A Cooperative Agreement implies a level of "substantial involvement" by USAID through the Agreement Officer Technical Representative (AOTR). The intended purpose of the AOTR involvement during the award is to assist the recipient in achieving the supported objectives of the agreement. The minimal substantial involvement elements for this award are listed below:

a. USAID approval of the recipient's annual implementation, monitoring and evaluation, and branding plans.
b. USAID approval of the recipient's key personnel.

[END OF SECTION II]

SECTION III – ELIGIBILITY INFORMATION

A. Eligible Applicants

Qualified applicants are Non-governmental Honduran organizations (NGOs), private, non-profit organizations (or for-profit companies willing to forego profits), including universities, research organizations, professional associations, and relevant special interest associations. Faith-based and community organizations are also eligible for award. 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 partners.

In addition, for organizations to be deemed eligible, authorized officials from applicant organizations must complete the requisite United States Government Representations and Certifications attached at Annex A.

Applicants must have established financial management, monitoring and evaluation, internal control systems, and policies and procedures that comply with established U.S. Government standards, laws, and regulations. All potential awardees will be subject to a responsibility determination (pre-award audit) issued by a warranted Agreements Officer in USAID.

B. Cost Sharing

Cost share is required for participation in this program. In addition to USAID funds, applicants are to contribute resources from own, private or local sources for the implementation of this program. Contributions can be either cash or in kind and can include contributions from the applicant, local counterpart organizations, project clients, or other donors (not other USG funding sources). This may be from program generated funds such as client savings, interest and fees in accordance with USAID standard provisions on cost sharing. Applications must show any cost sharing proposed. Required criteria for cost-sharing contributions are in the Code of Federal Regulations (CFR) Section 226.23.

The cost-sharing portion of the project should include funding that third-parties (non U.S. Government sources) will bring to this activity. The recipient shall present a plan and budget for cost-sharing to spend funds from non-U.S. Government sources. The proposal should provide a break-down of the financial (cash) and in-kind contributions (services, properties, donated goods/services, equipment, etc) involved in the development of this project.

The cost sharing requirement for this RFA is 10% of the total amount of the Agreement.

[END OF SECTION III]

SECTION IV- APPLICATION AND SUBMISSION INFORMATION

A. Point of Contact

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 obtain a hard copy of this RFA at:

Ms. Blanca M. Nunez-Huezo
USAID/Honduras
Office of Acquisition and Assistance
In Front of American Embassy
Avenida La Paz
Tegucigalpa, Honduras

Any questions concerning this RFA must be submitted in writing to Ms. Blanca M. Nunez-Huezo, A&A Specialist via Internet at ahonduras@usaid.gov by 4:30 p.m. (Honduran time) on August 9, 2010. Oral explanations or instructions given before award will not be binding. Any information given to a prospective applicant concerning this RFA will be furnished promptly to all other prospective applicants as an amendment of this RFA, if that information is necessary in submitting applications or if the lack of it would be prejudicial to any other prospective applicants.

B. Required Forms

Applicants must submit the application using the SF-424 series, which includes the:

- SF-424, Application for Federal Assistance,
- SF-424A, Budget Information – Nonconstruction Programs, and
- SF-424B, Assurances – Nonconstruction Programs.

These forms are not included in this RFA but can be found at the following website: http://www.grants.gov/agencies/aapproved_standard_forms.jsp

C. PRE-AWARD CERTIFICATIONS, ASSURANCES AND OTHER STATEMENTS OF THE RECIPIENT

In addition to the certifications that are included in the SF 424, organizations must provide the following certifications, assurances and other statements. Complete copies of these Certifications, Assurances, and Other Statements may be found as an attachment to this RFA.

a. A signed copy of the mandatory reference, Assurance of Compliance with Laws and Regulations Governing Nondiscrimination in Federally Assisted Programs;

b. A signed copy of the certification and disclosure forms for "Restrictions on Lobbying" (see 22 CFR 227);

c. A signed copy of the "Certification Regarding Terrorist Funding" required by the Internal Mandatory Reference AAPD 04-14; and

d. All applicants must provide a Data Universal Numbering System (DUNS) Number.

D. APPLICATION PREPARATION GUIDELINES

USAID will accept applications from eligible applicants per Section III A of this RFA. Application may be submitted by institutions individually or in group. In the case of a group, the application must include only one prime applicant, which shall enter into sub-agreements or contracts with partnering institutions. In this case, the Prime Applicant(s) will be responsible for establishing and maintaining sub-agreement and/or contracting relationships with proposed partners. For the purposes of this RFA, the term "applicant" is used to refer to the prime and any proposed partners.

Application received by the deadline will be reviewed for responsiveness to the specifications outlined in these guidelines and the application format. Section V addresses the technical evaluation procedures for the applications. Applications which are incomplete are not directly responsive to the terms, conditions; specifications and provisions of this RFA may be categorized as non-responsive and eliminated from further consideration.

The technical and cost portions of the application should be submitted as an attachment to an electronic mail. Electronic technical and cost proposals must be submitted on separate e-mails. The technical application must be in Microsoft Word format while the cost application must have text in Microsoft Word and with budgets/spreadsheets in Microsoft Excel format. Electronic delivery shall be made to the following e-mail address:

Ms. Blanca M. Nunez-Huezo (Technical and Cost Application)
Internet Address: ahonduras@usaid.gov

In addition to the electronic application, hard copy applications shall be submitted in two separate volumes: (a) technical and (b) cost or business application. The technical and cost or business application must be separately placed in sealed envelopes clearly marked on the outside with the following words "RFA No. 522-10-000002 Technical or Cost/Business (as appropriate) Application." These individual envelopes must then be bundled to be received as one complete package. The package should be sent to the address stated below within three days after the due date and time of receipt of electronic applications. Application should be sent to the following address:

USAID/Honduras
Office of Acquisition & Assistance (OAA)
In Front of American Embassy
Avenida La Paz
Tegucigalpa, Honduras
Attention:
Ms. Blanca M. Nunez-Huezo,
Telephone (504) 236-9320, Ext. 4150

The application should be prepared according to the structural format set forth below. Applications must be submitted no later than the date and time indicated on the cover page of this RFA. Applications shall be prepared in English. Applications in any other language shall be treated as non-responsive and eliminated from further consideration.

Applicants should retain for their records one copy of the application and all enclosures which accompany their application. Erasures or other changes must be initialed by the person signing the application. To facilitate the competitive review of the applications, USAID will consider only applications conforming to the format prescribed below.

Application that are submitted late, incomplete or are considered to be non-responsive to this RFA may be eliminated from further consideration.

E. TECHNICAL APPLICATION FORMAT

The Technical Application shall contain the following sections: (1) a Cover Page; (1) an Application Executive Summary; (3) a Program Narrative; (4) an Implementation Plan; (5) Institutional Capability and Past Performance; and (6) the Annex (Resumes & Letters of Commitment). Page limitations are specified below for each section; applications must be on letter paper (8-1/2 by 11 inch), single spaced, 12 pitch type or larger, and have at least one inch margins on the top, bottom and both sides.

Applicants who include data that they do not want disclosed to the public for any purpose or used by the U.S. Government except for evaluation purposes, should:

(a) Mark the title page with the following legend:

"This application includes data that shall not be disclosed outside the U.S. Government and shall not be duplicated, used, or disclosed - in whole or in part - for any purpose other than to evaluate this application. If, however, a grant is awarded to this applicant as a result of - or in connection with - the submission of this data, the U.S. Government shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting grant. This restriction does not limit the U.S. Government's right to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets _______; and

(b) Mark each sheet of data it wishes to restrict with the following legend:

"Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this application."

E.1 Cover Page: A single page with the names of the organizations/institutions involved in the proposed application. In the case of a group, please indicate the lead or primary applicant clearly; followed by any proposed subgrantees and/or contractors (hereafter referred to as "subs"), including a brief narrative describing the unique capacities/skills being brought to the program by each institutions. In addition, the Cover Page should include information about 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, e-mail address and telephone and fax numbers. Also state whether the contact person is the person with authority to contract for the applicant, and if not, that person should also be listed.

E.2 Application Executive Summary: A two page brief description of proposed activities, goals, and anticipated results (both quantitative and qualitative). Briefly describe technical and managerial resources of your organization. Describe how the overall program will be managed. State the bottom line funding request from USAID and the bottom line funding secured from other sources (state sources and amounts) for the proposed program.

E.3 Program Narrative: In twenty (20) pages or less, please describe your proposed strategy and approach and the experience and personnel capabilities of the Applicant, excluding bio-data and other attachments. The narrative should provide a clear description of what the Applicant proposes to do and application's structure should reflect the evaluation criteria. The following sections should be included:

E.4 Implementation Plan/Work Plan: Provide a 1-year project implementation plan including main activities of the project. For more information on the Work Plan refer to Section VI.

E.5 Performance Monitoring Plan (PMP): A maximum three (3) page plan that will reliably quantify program progress and impact and demonstrate accountability for monitoring progress.

E.6 Institutional Capability and Past Performance: In five (5) pages or less, include a description of all contracts, grants, and cooperative agreements which the applicant has implemented involving similar or related programs over the past four years with USAID or with other organizations (both commercial, governmental, and NGO). Include the following:

(a) Name and address of organization for which the work was performed;

(b) Current telephone number of responsible representative of the organization for which the work was performed;

(c) Agreement (or grant/contract) name and number (if any), annual amount received for each of the last four years, and beginning and ending dates; and

(d)Brief description of the project/assistance activity and a summary of results achieved.

E.7 Annex:

Resumes and Letters of Commitment

Applicants are to include in this Annex the resumes and letters of commitment for each individual who will work at least 75% of his/her time on the program. The resumes must be no more than two pages each, and the letters of commitment must not exceed a single page each.

F. COST/BUSINESS APPLICATION FORMAT

The Cost or Business Application is to be submitted under separate cover from the technical application. Certain documents are required to be submitted by an applicant in order for a Grant 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.

The following sections describe the documentation that applicants for Assistance award must submit to USAID 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.

1. The Cost/Business application must be completely separate from the applicant's technical application. The application must be submitted using SF-424 and SF-424A "Application for Federal Assistance."

2. The cost application should be for a period of up to 60 months using the budget format shown in the SF-424A. If there are any training costs to be charged to this Agreement, they must be clearly identified.

3. The budget to be presented under Cost/Business Application should relate to results while also showing the inputs (see item 10, below) for each result as well as overall. A matrix format will probably be most suitable.

4. In the case of a group application, the Cost/Business application must include a copy of the legal relationship between the prime applicant and its partners. The application document should include a full discussion of the relationship between the applicant and its partners, 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.

5. The required Certifications should be included with the cost proposal.

6. The proposed budget should provide cost estimates for the management of the program (including program monitoring). Applicants should minimize their administrative and support costs for managing the project to maximize the funds available for project activities. Accordingly, those applications with minimal administrative costs may be deemed to offer a "greater value" than those with higher costs for program administration. Additionally, those applications with a greater proportion of cost share may be deemed to offer a "greater value."

   Include a chart containing the main activities of the program. List on the vertical axis the activities, and on the horizontal axis the following information: (a) name of implementers; and (b) time frame, noting estimated dates of completion; and (c) the respective cost. Note that this is a similar chart to the one requested under the Technical Application, but also including cost.

7. The cost/business portion of the application should describe headquarters and field procedures for financial reporting. Discuss the management information procedure you will employ to ensure accountability for the use of U.S. Government funds. Describe program budgeting, financial and related program reporting procedures.

8. To support the costs proposed, please provide detailed budget notes/narrative for all costs that explain how the costs were derived. The following section provides guidance on line items.

   Budget Notes: an accompanying budget narrative by line item which provides in detail the total costs for implementation of the program and achieving results your organization is proposing per year. The budget narrative must adequately and sufficiently explain the calculation for all proposed costs. Please ensure that the information provided is sufficient to provide a basis for USAID to determine that the costs proposed are reasonable and realistic.

   Please include the breakdown of all input costs according to each partner organization involved in the program and the breakdown of the financial and in-kind contributions of all organizations.

   Salary and Wages - Direct salaries and wages should be proposed in accordance with the applicant's personnel policies.

   Fringe Benefits - If the applicant has a fringe benefit rate that has been approved by an agency of the Government, such rate should be used and evidence of its approval should be provided. If a fringe benefit rate has not been so approved, the application should propose a rate and explain how the rate was determined. If the latter is used, the narrative should include a detailed breakdown comprised of all items of fringe benefits (e.g., unemployment insurance, workers compensation, health and life insurance, retirement, etc.) and the costs of each, expressed in dollars and as a percentage of salaries.

Travel and Transportation - The application should indicate the number of trips, domestic and international, and the estimated costs. Specify the origin and destination for each proposed trip, duration of travel, and number of individuals traveling. Per diem should be based on the applicant's normal travel policies (applicants may choose to refer to the Federal Standardized Travel Regulations for cost estimates).

Other Direct Costs - This includes communications, report preparation costs, passports and visas fees, medical exams and inoculations, insurance (other than insurance included in the applicant's fringe benefits), equipment (procurement plan for commodities), office rent abroad, etc. The narrative should provide a breakdown and support for all and each other direct costs.

Indirect Costs – Local Institutions usually do not have a Negotiated Indirect Cost Rate Agreement (NICRA) letter with the US Government. Therefore no indirect costs should be included in the cost/business application submitted by local NGOs. Local institutions submitting applications should treat all indirect costs as direct costs.

Seminars and Conferences - The applicant should indicate the subject, venue and duration of proposed conferences and seminars, and their relationship to the objectives of the program, along with estimates of costs.

Foreign Government Delegations to International Conferences: Funds in this agreement may not be used to finance the travel, per diem, hotel expenses, meals, conference fees or other conference costs for any member of a foreign government's delegation to an international conference sponsored by a public international organization, except as provided in ADS Mandatory Reference "Guidance on Funding Foreign Government Delegations to International Conferences or as approved by the CTO [http://www.info.usaid.gov/pubs/ads/300/refindx3.htm].

Source and Origin Requirements - Goods and services provided by the Recipients under this USAID-financed award shall have their source and origin in the United States (000).

9. Please include information on the organization's financial status and management, including:

(a) Audited financial statements for the past three years,
(b) Organization chart, by-laws, constitution, and articles of incorporation, if applicable,
(c) If the applicant has made a certification to USAID that its personnel, procurement and travel policies are compliant with applicable OMB circular and other applicable USAID and Federal regulations, a copy of the certification should be included with the application. If the certification has not been made to USAID/Washington, the applicant should submit a copy of its personnel (especially regarding salary and wage scales, merit increases, promotions, leave, differentials, etc.), travel and procurement policies,

and indicate whether personnel and travel policies and procedures have been reviewed and approved by any agency of the Federal Government. If so, provide the name, address, and phone number of the cognizant reviewing official.

(d) If applicable, approval of the organization's accounting system by a U. S. Government agency including the name, addresses, and telephone number of the cognizant auditor.

10. The application should include information that substantiates that the applicant:

(a) Have adequate financial resources or the ability to obtain such resources as required during the performance of the Agreement.
(b) Has the ability to comply with the Agreement conditions, taking into account all existing and currently prospective commitments of the applicant, non-governmental and governmental.
(c) Has a satisfactory record of performance. In the absence of evidence to the contrary or circumstances properly beyond the control of the applicant, applicants who are or have been deficient in current or recent performance (when the number of grants, contracts, and Cooperative agreements, and the extent of any deficiency of each, are considered) shall be presumed to be unable to meet this requirement. Past unsatisfactory performance will ordinarily be sufficient to justify a determination of non-responsibility, unless there is clear evidence of subsequent satisfactory performance. The Agreement Officer will collect and evaluate data on past performance of applicants using information from sources provided in accordance with Paragraph 10 above.
(d) Has a satisfactory record of integrity and business ethics.
(e) Is otherwise qualified and eligible to receive a Cooperative Agreement under applicable laws and regulations (e.g., EEO).

Applicant may submit any additional evidence of responsibility considered necessary in order for the Agreement Officer to make a determination of responsibility. Please note that a positive responsibility determination is a requirement for award, and all organization shall be subject to a pre-award survey to verify the information provided and substantiate the determination.

12. Cost Sharing: Cost sharing is an important element of the USAID' recipient relationship. In addition to USAID funds, the applicant is encouraged to contribute resources from own, private or local sources for the implementation of this program. Contributions can be either cash or in kind and can include contributions from the NGO, local counterpart organizations, project clients, the Government and other donors (not other USG funding sources). This may be from program generated funds such as client savings, interest and fees in line with USAID standard provisions on cost sharing.

13. Unnecessarily elaborate applications: unnecessarily elaborate brochures or other presentations beyond those sufficient to present a complete and effective application in response to this RFA are not desired and may be construed as an indication of the applicant's lack of cost consciousness. Elaborate artwork, expensive paper and

bindings, and expensive visual and other presentation aids are neither necessary nor wanted.

[END OF SECTION IV]

SECTION V – APPLICATION REVIEW INFORMATION

The criteria presented below have been tailored to the requirements of this particular RFA. Applicants should note that these criteria serve to: (a) identify the significant matters which applicants should address in their applications and (b) set the standard against which all applications will be evaluated.

The technical applications will be evaluated in accordance with the Technical Evaluation Criteria set forth below. Cost applications will be evaluated for general reasonableness, allowability, and allocability. Award will be made to the responsible applicant(s) whose application offers the greatest value to the US Government.

The final award decision is made by the Agreement Officer, with consideration of the Technical Evaluation Committee recommendations.

The following technical evaluation criteria are listed in descending order of importance.

I. PROGRAM APPROACH

1) Technical Approach

a. The overall quality, responsiveness, innovativeness, and sustainability of the proposed strategy and methodology;
b. Reliable mechanisms for managing the participation and support of local counterparts;
c. The overall strength of proposed coordination mechanisms with local actor, USAID programs and other donor programs;
d. The appropriateness of proposed criteria for the selection of focus advocacy efforts; and

2) Work Plan and Performance Monitoring Plan

a. The overall quality, responsiveness, and comprehensiveness of the management plan (including mobilization, timetable, and notional work plan);
b. The overall quality, reliability and strength of proposed performance monitoring plan;
c. The realism of proposed approach and timeframe for mobilizing;
d. The appropriateness and realism of proposed baselines, timelines and milestones for results;
e. The comprehensiveness, technical excellence and realism of the monitoring and evaluation strategy;
f. Strong, methodologically-sound strategy for monitoring and evaluating Project activity results and outcomes; and
g. Rigorous and innovative indicators for activity outputs, intermediate results and overall systemic outcomes.

3) Key Personnel

Specific requirements to be taken into consideration for key staff include:

1. Chief of Party
   - Advanced degree in decentralization, international relations, political science, public administration, or other related field.
   - Minimum 12 years of experience managing and implementing local development projects related to democracy and governance and political advocacy areas.
   - Experience working collaboratively with a broad range of government officials, international donors, implementing partners, and other relevant sector stakeholders.
   - Experience working in Central America and Honduras with subnational and national governments and civil society organizations.
   - Demonstrated competence in leadership, client relations, and project and contract management.
   - Excellent written and oral communications skills. Fluency in Spanish and English.

2. Administrator/Financial Manager
   - Advanced degree in financial or administrative management related fields.
   - Minimum of five years of experience in financial reporting, budgeting, procurement and resource management.
   - Excellent analytical, interpersonal and communication skills
   - Fluency in English highly desirable

Other Key Personnel

All other proposed key personnel shall be evaluated based on the quality and appropriateness of their experience and educational qualifications.

Note: On qualification and experience of proposed personnel, the offeror is required to ensure that the personnel whose biographical data is included in the proposal will in fact be available to staff the project should the offeror be selected for award. Failure to provide such assurances and letters of commitment may disqualify the offeror from being considered for award. Failure of the offeror selected for award to provide the proposed personnel may result in termination of the agreement for default. If USAID has not made its selection within 90 days of the closing date for receiving proposals, approved substitutions of personnel by the offeror will be permitted.

USAID reserves the right to request those offerors determined to be within the competitive range for award to make their proposed key personnel candidates and other representatives available for interviews and oral discussions in Tegucigalpa, Honduras.

4) <u>Past Performance</u>

a. Substantial experience managing programs oriented to support service delivery and decentralization reform and policy dialogue, including managing grants to local civil society organizations, improving skills in strategic planning, legal reform, provision of services to citizens, decentralized government management, and use of citizen engagement methodologies; and
b. Demonstrated capacity to coordinate with other sector oriented programs.

Information on past performance must be provided in accordance with the following table. USAID/Honduras may contact the individual(s) indicated as well as others.

Instrument Number

Instrument Number	Name of Organization	Contact (Name, phone, fax, email)	Funding Amount	Period of Performance	Place of Performance	Brief Description of Work

5) <u>Cost</u>

a. Viable and proven cost control and budgeting methodology
b. Clear and functional financial planning

COST/BUSINESS EVALUATION

Cost/Business Applications will be reviewed for cost realism. Cost has not been assigned a weight but will be evaluated for general reasonableness, allocability, allowability, cost effectiveness and realism, adequacy of budget detail and financial feasibility and cost sharing. While cost may be a determining factor in the final award decision, especially between closely ranked applicants, the technical merit of applications is substantially more important under this RFA.

EVALUATION SYSTEM

The following adjectival scoring system will be used by the technical evaluation committee to assess each of the technical criteria and the technical proposal as a whole:

"Outstanding"	O Very significantly exceeds most or all solicitation requirements. Response exceeds a "Better" rating. The Offeror has clearly demonstrated an understanding of all aspects of the requirements to the extent that timely and highest quality performance is anticipated.
"Better"	B Fully meets all solicitation requirements and significantly exceeds many of the solicitation requirements. Response exceeds an "Acceptable" rating. The areas in which the Offeror exceeds the requirements are anticipated to result in a high level of efficiency or productivity or quality.
"Acceptable"	A Meets all solicitation requirements. Complete, comprehensive, and exemplifies an understanding of the scope and depth of the task requirements as well as the Offeror's understanding of the Government's requirements.
"Marginal"	M Less than "Acceptable." There are some deficiencies in the technical proposal. However, given the opportunity for discussions, the technical proposal has a reasonable chance of becoming at least "Acceptable." (Areas of a technical proposal which remain to be "Marginal" after "Final Proposal Revision" offers shall not be subject to further discussion or revision.) If award is made on the initial offers, there will not be an opportunity for discussions nor a chance to become at least "Acceptable."
"Unacceptable"	U Technical proposal has many deficiencies and/or gross omissions: Failure to understand much of the scope of work necessary to perform the required tasks; failure to provide a reasonable, logical approach to fulfilling much of the Government's requirements; failure to meet many personnel requirements of the solicitation. (When applying this adjective to the technical proposal as a whole, the technical proposal must be so unacceptable in one or more areas that it would have to be significantly revised to attempt to make it other than acceptable.)

BRANDING STRATEGY AND MARKING PLAN

It is a federal statutory and regulatory requirement that all USAID programs, projects, activities, public communications, and commodities that USAID partially or fully funds under a USAID grant or cooperative agreement or other assistance award or sub award, must be marked appropriately overseas with the USAID Identity. See Section 641, Foreign Assistance Act of 1961, as amended; 22 CFR 226.91.

Under the regulation, USAID requires the submission of a Branding Strategy and a Marking Plan, but only by the "apparent successful applicant," as defined in the regulation. The apparent successful applicant's proposed Marking Plan may include a request for approval of one or more exceptions to marking requirements established in 22 CFR 226.91. The Agreement Officer is responsible for evaluating and approving the Branding Strategy and a Marking Plan (including any request for exceptions) of the apparently successful applicant, consistent with the provisions "Branding Strategy," "Marking Plan," and "Marking of USAID-funded Assistance Awards" contained in AAPD 05-11 and in 22 CFR 226.91. Please note that in contrast to "exceptions" to marking requirements, waivers based on circumstances in the host country must be approved by Mission Directors or other USAID Principal Officers, see 22 CFR 226.91(j). The acceptability of the Branding Strategy and Marking Plan from the apparently successful applicant will be a determining factor of award eligibility. If the Branding Strategy and Marking Plan are not approved, USAID reserves the right to eliminate the apparently successful applicant from further consideration and proceed with award to the next eligible, highly ranked applicant for award.

See Section VIII.

AWARD

Award will be made to the responsible applicant whose application offers the best value, cost and other factors considered. The final award decision is made, while considering the recommendations of the Technical Evaluation Committee, by the Agreement Officer.

The Agreement Officer's decision about the funding of an award is final and not subject to review. Any information that may impact the Agreement Officer's decision shall be directed to the Agreement Officer.

Authority to obligate the Government: the Agreement Officer is the only individual who may legally commit the U.S. Government to the expenditure of public funds. No costs chargeable to the proposed Agreement may be incurred before receipt of either an Agreement signed by the Agreement Officer or a specific, written authorization from the Agreement Officer.

[END OF SECTION V]

SECTION VI – AWARD AND ADMINISTRATION INFORMATION

Notice of Award signed by the Agreement Officer is the authorizing document, which shall be transmitted to the Recipient for countersignature to the authorized agent of the successful organization electronically, to be followed by original copies for execution.

A. ROLES AND RESPONSIBILITIES

The recipient shall be responsible to USAID/Honduras for all matters related to the execution of the agreement. Specifically, the recipient shall report to the USAID Agreement Officer Technical Representative (AOTR) located within the Democracy and Governance Office (DG). The AOTR will be designated through a separate letter which will be sent to the recipient.

B. ANNUAL WORKPLANS AND REPORTING

1. Performance Monitoring and Evaluation Plan

The PMP should be submitted to USAID for approval within 60 days of the approved award. The PMP will include outcome and impact indicators. For each of those indicators the PMP should include baseline data, targets, means of verification, as well as data sources and collection methodologies. Baseline values should be measured using the same data collection source and method that will be used to collect actual performance data. The PMP will form the basis upon which the implementer's performance will be measured. The project will also be monitored by output indicators established in relation to the activities included in Annual Implementation/Work Plans to be prepared by the implementer and approved by the AOTR. This will include standard "F" indicators as defined by USAID. The implementer, in collaboration with USAID, will also fill out indicator reference sheets for all output, outcome, and impact indicators.

2. Data Quality

The implementer will work with the AOTR to carry out Data Quality Assessments for all outcome and impact indicators in the contract's PMP. The implementer will also document collection procedures and verification methodology for all output level indicators. The implementer will carry out Data quality assessments (DQAs) within the first year of programming and, at minimum, three years subsequently. The implementer will work closely with the central and local government to measure evidence based results, using qualitative and quantitative research methodologies and techniques, so that reported information meets reliability and validity criteria contained in USAID Data Quality Assessment Directives. The implementer is encouraged to use the most cost-effective methods to monitor progress and measure performance and impact of activities at all levels, as well as to be innovative and creative in order to capture, document, and report all major outcomes of USAID assistance under this contract. The implementer may propose and justify additional performance measures and means of verification.

3. Routine Review

The implementer will hold monthly meetings with the AOTR or DG team to review and evaluate work plans/annual progress reports. USAID will review the implementer's scheduled reports, and collect feedback from GOH, subnational bodies, and NGO counterparts.

4. Site Visits

USAID personnel will conduct ad hoc site visits/TDYs for the purpose of monitoring activities and performance

Evaluation: Performance will be assessed via a midterm evaluation and an end of project final impact evaluation. These evaluations will be carried by a third party.

5. Annual Work Plans

Annual work plans (a complete electronic version and two hard copies in English and an executive summary in both Spanish and English) will be required of the grantee 30 calendar days before the end of each fiscal year. They will detail the work to be accomplished during the upcoming year, specifying a time table for the implementation of planned activities and a summary program budget by activity area. If applicable, recipients should include activities that address identified constraints and gaps in political advocacy, gender, and other areas.

Based on consultations with the AOTR, the chosen grantee shall develop the first work plan (2010-2011), which shall cover the period from the signing of the agreement through September 30, 2011 and which must be submitted for approval within 30 calendar days from the signing of the agreement.

6. Semi-annual Performance Report

On January 30 and July 30 of every year the recipient shall submit semi-annual performance reports summarizing progress of the major activities in process during the period in relation to requirements of the agreement, indicating any problems encountered, and proposing remedial actions as appropriate. In addition to the semi-annual report, the contractor shall also submit a semi-annual monitoring and evaluation report in accordance with proposed performance monitoring plan. To ensure activities are progressing in line with USAID expectations, the grantee will be required to attend monthly meetings with the AOTR to report on status of the activities.

The specific scope and format of the semi-annual reports will be determined in consultation with the AOTR. However, semi-annual performance reports will be structured to highlight achievements, obstacles faced and constraints (including, if applicable, political advocacy and gender specific issues), and any other significant information for activity areas, including a detailed description of key activities, that took place during the period reported. The report should be formatted to allow for tracking of achievement of the performance targets through the life of the contract. For example, one section of the report should be dedicated to each component area, including an assessment by the recipient of achievements in that area as "beyond expectations," "as expected," or "below expectations." The meaning of the ranking is as follows:

a. "Beyond Expectations": The planned activities, indicator goals and targets for the relevant components have all been reached before planned, or have been significantly surpassed.
b. "Met Expectations": All activities or all of the most significant planned activities, indicator goals and targets for the relevant component have been reached within the time and conditions estimated in the annual plan.
c. "Below Expectations": All activities or some of the most significant planned activities, indicator goals and targets for the relevant component have not been reached as planned.

The Semi-Annual Performance Report will also include a section on planned activities by each component for the next semester.

As part of each semi-annual report, the recipient shall submit a list of all in-country training events performed during the reporting period. This report shall include at a minimum: name of the training program, field of study, relationship to the objectives of this instrument, start and end dates, estimated cost (USAID's cost and partner's cost disaggregated by instruction, trainee, and travel) and number of male and female participants. For U.S. and third country training, the contractor shall follow the guidelines described in ADS 252 and 253 and will allow at least twelve weeks prior to the start date of the training program to comply with the requirements described therein. U.S. and third country training information shall also be included in each semi-annual report. Semi-annual reports shall also include a list of all reports sent during the reporting period to Development Experience Clearinghouse.

The recipient shall submit to the AOTR two hard copies of the semi-annual reports in English, and an electronic version (Microsoft Word preferred). This report will also contain progress on performance indicators as planned in the PMP.

Details about the scope and format of the semi-annual reports will be determined in consultation with the AOTR.

7. Quarterly Financial Reports

The recipient shall provide USAID with quarterly financial reports through Standard Form 269, 270 or 1034 based on the approved payment method in the award and in accordance with 22 CFR 226.52 *Financial Reporting*.

The recipient will submit quarterly accruals electronically no later than the 15th day of the month and shall be presented using a format to be provided by USAID.

8. Final Report

The recipient shall present a final report outlining major accomplishments vis-à-vis the results and activities outlined in this Scope of Work. The final report shall be presented in English, with an executive summary in both English and Spanish. Two hard copies and an electronic version (Microsoft Word preferred) shall be submitted to the AOTR.

The final performance report must contain the following information:

- A full summary of all activities undertaken
- Accomplishments and lessons learned and success stories
- A comparison of the actual results (at all levels) with the expected result established at the beginning of the project, as measured by project outcome and impact indicators
- Reasons why expected results were not met, if appropriate
- Recommendations for future interventions to build on project success
- Other pertinent information, including the gender related findings of the project

Additionally, the recipient must provide a toolbox that contains manuals, training materials, and any other products developed throughout the life of the activity. The recipient must propose as part of the PMP a calendar to provide to USAID such deliverables throughout the project.

9. Final Report for Public Distribution

This report will not include politically sensitive or proprietary information and is intended for wide distribution. The report shall be presented in English, with an executive summary in both English and Spanish. Two hard copies and an electronic version (Microsoft Word preferred) shall be submitted to the AOTR. It should at a minimum include accomplishments, lessons learned and success stories.

One copy of all technical reports, in English, shall be sent to USAID's Development Experience Clearinghouse (DEC) either electronic (pdf format preferred) or paper form to one of the following: (A) Via E-mail: docsubmit@usaid.gov ; (B) Via U.S. Postal Service: Development Experience Clearinghouse, U.S. Agency for International Development, M/CIO/KM, RRB M.01, Washington DC 20523, USA; (C) Via Fax: (202) 216-3515; or (D) Online: http://dec.usaid.gov/

10. Environmental Compliance

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. Offeror environmental compliance obligations under these regulations and procedures are specified in the following paragraphs of this RFA.

In addition, the recipient must comply with host country environmental regulations. In case of conflict between host country and USAID regulations, the latter shall govern.

No activity funded under this CA 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.")

As part of its initial Work Plan, and thereafter, all Annual Work Plans, the recipient, in collaboration with the USAID Cognizant Technical Officer, shall review all ongoing and planned activities under this CA to determine if they are within the scope of the approved Regulation 216 environmental documentation.

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.

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.

USAID anticipates that environmental compliance and achieving optimal development outcomes for the proposed activities will require environmental management expertise. Respondents to the RFA should therefore include as part of their application their approach to achieving environmental compliance and management, to include:

The respondent's approach to implementing an IEE for a grant fund.

The respondent's approach to providing necessary environmental management expertise, including examples of past experience of environmental management of similar activities.

The respondent's illustrative budget for implementing the environmental compliance activities.

[END OF SECTION VI]

SECTION VII – AGENCY CONTACTS

The Agreement Officer for this Award is:

Ms. Wanda M. Henry
Regional Agreement Officer
USAID/Honduras
whenry@usaid.gov

The A&A Specialist for this Award is:

Ms. Blanca M. Nunez-Huezo
Acquisition &Assistance Specialist
USAID/Honduras
Frente a Embajada Americana
Tegucigalpa, Honduras
bnunez@usaid.gov

Tel: +504 236-9320, Ext. 4150
Fax: +504 238-2804

Questions under this RFA must be submitted in writing to Ms. Blanca M. Nunez Huezo, A&A Specialist via Internet at ahonduras@usaid.gov

[END OF SECTION VII]

SECTION VIII

REQUIRED AS APPLICABLE STANDARD PROVISIONS FOR NON-US NONGOVERNMENTAL RECIPIENTS

1. PAYMENT – ADVANCE (OCTOBER 1998)

APPLICABILITY: *This provision is applicable when the recipient's accounting and financial management systems conform to the standards for funds control and accountability required under: the standard provision of this agreement entitled "Accounting, Audit, and Records", ADS Chapter 303.5.9 and 22 CFR 226.20 through 226.22.*

PAYMENT – ADVANCE (OCTOBER 1998)

a. In accordance with the Standard Provision entitled "Payment Advances and Refund": USAID funds shall not be commingled with other recipient owned or controlled funds; the recipient shall deposit all USAID cash advances in a separate bank account and shall make all disbursements for goods and services from this account.

b. Advances shall be limited to the minimum amounts needed to meet current disbursement needs (generally 30 days) and shall be scheduled so that the funds are available to the grantee as close as is administratively feasible to the actual disbursements by the grantee for program costs. Advances made by the recipient to subrecipients or the recipient's field organizations shall conform substantially to the same standards of timing and amount as apply to cash advances by USAID to the recipient.

Procedures

c. After receipt of the initial advance, the recipient shall submit a Standard Form 1034 for each upcoming month (30 day period), with the statement "Request for Advance" printed at the top of the form. The recipient may submit a set of these forms on a quarterly basis (i.e. submission of three SF 1034s one for each month in the upcoming quarter). At the end of each quarter the recipient shall submit a SF 1034 (marked "Liquidation of Advances") to liquidate the advances of the previous quarter. The recipient may submit a new set of SF 1034s ("Request for Advance") once the "Liquidation of Advances" has been submitted. Each SF 1034 shall be identified by the appropriate award number.

[END OF PROVISION]

2. INTERNATIONAL AIR TRAVEL AND TRANSPORTATION (JUNE 1999)

APPLICABILITY: *This provision is applicable when costs for international travel or transportation will be funded by USAID. This provision is not applicable if the recipient is providing for travel with private funds as part of a cost-sharing requirement, or with Program Income generated under the award.*

INTERNATIONAL AIR TRAVEL AND TRANSPORTATION (JUNE 1999)

a. PRIOR BUDGET APPROVAL

In accordance with OMB Cost Principles, direct charges for foreign travel costs are allowable only when each foreign trip has received prior budget approval. Such approval will be deemed to have been met when:

(1) The trip is identified. Identification is accomplished by providing the following information: the number of trips, the number of individuals per trip, and the destination country(s).

(2) The information noted at (a)(1) above is incorporated in: the proposal, the program description or schedule of the award, the annual implementation plan (initial or revisions), or amendments to the award; and

(3) The costs related to the travel are incorporated in the approved budget of the award.

The Agreement Officer may approve travel which has not been incorporated in writing as required by paragraph (a)(2). In such case, a copy of the Agreement Officer's approval must be included in the agreement file.

b. NOTIFICATION

(1) As long as prior budget approval has been met in accordance with paragraph (a) above, a separate Notification will not be necessary unless:

(i) The primary purpose of the trip is to work with USAID Mission personnel, or

(ii) The recipient expects significant administrative or substantive programmatic support from the Mission.

Neither the USAID Mission nor the Embassy will require Country Clearance of employees or contractors of USAID Recipients.

(2) Where notification is required in accordance with paragraph (1)(i) or (ii) above, the recipient will observe the following standards:

(i) Send a written notice to the USAID Cognizant Technical Officer in the Mission. If the recipient's primary point of contact is a Technical Officer in USAID/W, the recipient may send the notice to that person. It will be the responsibility of the USAID/W Cognizant Technical Officer to forward the notice to the field.

(ii) The notice should be sent as far in advance as possible, but at least 14 calendar days in advance of the proposed travel. This notice may be sent by fax or e-mail. The recipient should retain proof that notification was made.

(iii) The notification shall contain the following information: the award number, the cognizant Technical Officer, the traveler's name (if known), date of arrival, and the purpose of the trip.

(iv) The USAID Mission will respond only if travel has been denied. It will be the responsibility of the Cognizant Technical Officer in the Mission to contact the recipient within 5 working days of having received the notice if the travel is denied. If the recipient has not received a response within the time frame, the recipient will be considered to have met these standards for notification, and may travel.

(v) If a subrecipient is required to issue a Notification, as per this section, the subrecipient may contact the USAID Cognizant Technical Officer directly, or the prime may contact USAID on the subrecipient's behalf.

c. SECURITY ISSUES

Recipients are encouraged to obtain the latest Department of State Travel Advisory Notices before traveling. These Notices are available to the general public and may be obtained directly from the State Department, or via Internet.

Where security is a concern in a specific region, recipients may choose to notify the US Embassy of their presence when they have entered the country. This may be especially important for long-term posting.

d. USE OF U.S.-OWNED LOCAL CURRENCY

Travel to certain countries shall, at USAID's option, be funded from U.S.-owned local currency. When USAID intends to exercise this option, USAID will either issue a U.S. Government S.F. 1169, Transportation Request (GTR) which the grantee may exchange for tickets, or issue the tickets directly. Use of such U.S.-owned currencies will constitute a dollar charge to this grant.

e. THE FLY AMERICA ACT

The Fly America Act (49 U.S.C. 40118) requires that all air travel and shipments under this award must be made on U.S. flag air carriers to the extent service by such carriers is available. The Administrator of General Services Administration (GSA) is authorized to issue regulations for purposes of implementation. Those regulations may be found at 41 CFR part 301, and are hereby incorporated by reference into this award.

f. COST PRINCIPLES

The recipient will be reimbursed for travel and the reasonable cost of subsistence, post differentials, and other allowances paid to employees in international travel status in accordance with the recipient's applicable cost principles and established policies and practices which are uniformly applied to federally financed and other activities of the recipient.

If the recipient does not have written established policies regarding travel costs, the standard for determining the reasonableness of reimbursement for overseas allowance will be the Standardized Regulations (Government Civilians, Foreign Areas), published by the U.S. Department of State, as from time to time amended. The most current subsistence, post differentials, and other allowances may be obtained from the Agreement Officer.

g. SUBAWARDS

This provision will be included in all subawards and contracts which require international air travel and transportation under this award.

[END OF PROVISION]

3. PROCUREMENT OF GOODS AND SERVICES (OCTOBER 1998)

APPLICABILITY: *This provision is applicable when the procurement element of an award is over $10,000.*

PROCUREMENT OF GOODS AND SERVICES (OCTOBER 1998)

The recipient may use its own procurement policies and practices for the procurement of goods and services under this award, provided they conform to all of USAID's requirements listed below and the standard provision entitled "USAID Eligibility Rules For Goods and Services".

a. General Requirements:

(1) The recipient shall maintain a written code or standards of conduct that shall govern the performance of its employees engaged in the awarding and administration of contracts. No employee, officer, or agent shall participate in the selection, award,

or administration of a contract supported by Federal funds if a real or apparent conflict of interest would be involved. Such conflict would arise when the employee, officer or agent, or any member of the employee's immediate family, the employee's partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. The officers, employees, and agents of the recipient shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subagreements. However, recipients may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct shall provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the recipient.

(2) All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition. The recipient shall be alert to organizational conflicts of interest as well as noncompetititve practices among contractors that may restrict or eliminate competition or otherwise restrain trade. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, invitations for bids, and/or requests for proposals shall be exluded from competing for such procurements. Contracts shall be made to the offeror whose offer is responsive to the solicitation and is most advantageous to the recipient, price, quality, and other factors considered. Solicitations shall clearly establish all requirements that the bidder or offeror shall fulfill in order to be evaluated by the recipient. Any and all offers may be rejected when it is in the recipient's interest to do so.

(3) All recipients shall establish written procurement procedures. These procedures shall provide, at a minimum, that:

i. Recipients avoid purchasing unnecessary items,
ii. Where appropriate, an analysis is made of lease and purchase alternatives to determine which would be the most economical and practical procurement, and
iii. Solicitations for goods and services provide for all of the following:
   A. A clear and accurate description of the technical requirements for the material, product or service to be procuered. In competitive procurements, such a description shall not contain features which unduly restrict competition.
   B. Requirements which the bidder/offeror must fulfill and all other factors to be used in evaluating bids or proposals.
   C. A description, whenever practicable, of technical requirements in terms of functions to be performed or performance required, including range of acceptable characteristics or minimum acceptable standards.
   D. The specific features of "brand name or equal" descriptions that bidders are

required to meet when such items are included in the solicitation.

E. The acceptance, to the extent practicable and economically feasible, of products and services dimensioned in the metric system of measurement.

F. Preference, to the extent practicable and economically feasible, for products and services that conserve natural resources and protect the environment and are energy efficient.

(iv) Positive efforts shall be made by the recipients to utilize U.S. small business, minority owned firms, and women's business enterprises, whenever possible. Recipients of USAID awards shall take all of the following steps to further this goal:

(A) Make information on forthcoming opportunities available and arrange time frames for purchases and contracts to encourage and facilitate participation by small businesses, minority-owned firms, and women's business enterprises. To permit USAID, in accordance with the small business provisions of the Foreign Assistance Act of 1961, as amended, to give United States small business firms an opportunity to participate in supplying commodities and services procured under the award, the recipient shall to the maximum extent possible provide the following information to the Office of Small and Disadvantaged Business Utilization (OSDBU/MRC), USAID, Washington, D.C. 20523, at least 45 days prior to placing any order or contract in excess of $100,000:

(a) Brief general description and quantity of goods or services;

(b) Closing date for receiving quotations, proposals, or bids; and

(c) Address where solicitations or specifications can be obtained.

(B) Consider in the contract process whether firms competing for larger contracts intend to subcontract with small businesses, minority-owned firms, and women's business enterprises.

(C) Encourage contracting with consortiums of small businesses, minority-owned firms, and women's business enterprises when a contract is too large for one of these firms to handle individually.

(D) Use the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Department of Commerce's Minority Business Development Agency in the solicitation and utilization of small businesses, minority-owned firms, and women's business enterprises.

(v) The type of procurement instruments used, (e.g. fixed price contracts, cost reimbursable contracts, purchase orders, incentive contracts), shall be determined by the recipient but shall be appropriate for the particular procurement and for promoting the best interest of the program or project involved. The "cost-plus-a-percentage-of-cost" or "percentage of construction cost" methods of contracting shall not be used.

(vi) Contracts shall be made only with responsible contractors who possess the potential ability to perform successfully under the terms and conditions of the proposed procurement. Consideration shall be given to such matters as contractor integrity, record of past performance, financial and technical resources, or accessibility to other necessary resources. Contracts shall not be made with firms or individuals whose name appears on the "Lists of Parties Excluded from Federal Procurement and Nonprocurement Programs." USAID will provide the grantee with copy of this list upon request.

(vii) Recipients shall, on request, make available for USAID, pre-award review and procurement documents, such as request for proposals or invitations for bids, independent cost estimates, etc., when any of the following conditions apply:

(A) A recipient's procurement procedures or operation fails to comply with the procurement standards in this part, and

(B) The procurement is expected to exceed $10,000.

(viii) The recipient shall document some form of price or cost analysis in its procurement files in connection with every procurement action. Price analysis may be accomplished in various ways, including the comparison of price quotations submitted, and market prices, together with discounts. Cost analysis is the review and evaluation of each element of cost to determine reasonableness, allocability, and allowability.

(ix) Procurement records and files for purchases in excess of the recipient's own small purchase threshold shall include the following at a minimum:

(A) Basis for contractor selection;
(B) Justification for lack of competition when competitive bids or offers are not obtained, and;
(C) Basis for award cost or price.

(x) A system for contract administration shall be maintained to ensure contractor conformance with terms, conditions, and specifications of the contract and to ensure adequate and timely follow up of all purchases. Recipients shall evaluate contractor performance and document, as appropriate, wether contractors have met the terms, conditions, and specifications of the contract.

b. The recipient shall include, in addition to provisions to define a sound and complete contract, the following provisions in all contracts. The following provisions shall also be applied to subcontracts.

(1) Contracts in excess of $10,000 shall contain contractual provisions or conditions that allow for administrative, contractual, or legal remedies in instances in which a contractor violates or breaches the contract terms, and provide for such remedial actions as may be appropriate.

(2) All contracts in excess of $10,000 shall contain suitable provisions for termination by the recipient, including the manner by which termination will be effected and the basis for settlement. In addition, such contracts shall describe conditions under which the contract may be terminated for default as well as conditions where the contract may be terminated because of circumstances beyond the control of the contractor.

(3) All negotiated contracts (except those for less than the recipient's small purchase threshold) awarded by the recipient shall include a provision to the effect that the recipient, USAID, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the contractor which are directly pertinent to the specific program for the purpose of making audits, examinations, excerpts and transcriptions.

(4) In all contracts for construction or facility improvement awarded for more than $100,000, the recipient shall observe generally accepted bonding requirements.

(5) Contracts, the principal purpose of which is to create, develop, or improve products, proceses, or methods; or for exploration into fields that directly concern public health, safety, or welfare; or contracts in which the fields of science or technology in which there has been little significant experience outside of work funded by the U.S. Government, shall contain a notice to the effect that matters regarding rights to inventions, intellectual property, and materials generated under the contract are subject to the regulations included in these grant provisions. The contractor shall be advised as to the source of additional information regarding these matters.

[END OF PROVISION]

4. USAID ELIGIBILITY RULES FOR GOODS AND SERVICES (SEPTEMBER 1998)

APPLICABILITY: This provision is applicable when the costs for goods or services will be paid for with USAID funds. This provision is not applicable if the recipient is providing for the goods or services with private funds as part of a cost-sharing requirement, or with Program Income generated under the award.

USAID ELIGIBILITY RULES FOR GOODS AND SERVICES (SEPTEMBER 1998)

a. Ineligible and Restricted Goods and Services: USAID's policies on ineligible and restricted goods and services are contained in ADS Chapter 312. (See ADS 312)

(1) Ineligible Goods and Services. Under no circumstances shall the recipient procure any of the following under this award:

(i) Military equipment,
(ii) Surveillance equipment,
(iii) Commodities and services for support of police or other law enforcement activities,
(iv) Abortion equipment and services,
(v) Luxury goods and gambling equipment, or
(vi) Weather modification equipment.

(2) Ineligible Suppliers. Funds provided under this award shall not be used to procure any goods or services furnished by any firm or individual whose name appears on the "Lists of Parties Excluded from Federal Procurement and Nonprocurement Programs." USAID will provide the recipient with this list upon request.

(3) Restricted Goods. The recipient shall not procure any of the following goods and services without the prior approval of the Agreement Officer:

(i) Agricultural commodities,
(ii) Motor vehicles,
(iii) Pharmaceuticals,
(iv) Pesticides,
(v) Used equipment,
(vi) U.S. Government-owned excess property, or
(vii) Fertilizer.

Prior approval will be deemed to have been met when:

(i) The item is of U.S. source/origin;

(ii) The item has been identified and incorporated in the program description or schedule of the award (initial or revisions), or amendments to the award; and

(iii) The costs related to the item are incorporated in the approved budget of the award. Where the item has not been incorporated into the award as described above, a separate written authorization from the Agreement Officer must be provided before the item is procured.

b. Source, Origin, and Nationality: The eligibility rules for goods and services based on source, origin, and nationality are divided into two categories. One applies when the total procurement element during the life of the award is over $250,000 and the other applies when the total procurement element during the life of the award is not over $250,000, or the award is funded under the Development Fund for Africa (DFA) regardless of the amount. The total procurement element includes procurement of all goods (e.g. equipment, materials, supplies) and services. Guidance on the eligibility of specific goods or services may be obtained from the Agreement Officer. USAID policies and definitions on source, origin and nationality are contained in 22 CFR 228, Rules on Source, Origin and Nationality for Commodities and Services Financed by the Agency for International Development, which is incorporated into this Award in its entirety. A copy will be provided upon request.

(1) For DFA funded awards or when the total procurement element during the life of the award is valued at $250,000 or less, the following rules apply:

(i) The authorized source for procurement of all goods and services to be reimbursed under the award is USAID Geographic Code 935, "Special Free World," and such goods and services must meet the source, origin and nationality requirements set forth in 22 CFR 228 in accordance with the following order of preference:

(A) The United States (USAID Geographic Code 000),
(B) The Cooperating Country,
(C) USAID Geographic Code 941, and
(D) USAID Geographic Code 935.

(ii) Application of Order of Preference: When the recipient procures goods and services from other than U.S. sources, under the order of preference in paragraph (b)(1)(i) above, the recipient shall document its files to justify each such instance. The documentation shall set forth the circumstances surrounding the procurement and shall be based on one or more of the following reasons, which will be set forth in the recipient's documentation:

(A) The procurement was of an emergency nature, which would not allow for the delay attendant to soliciting U.S. sources,

(B) The price differential for procurement from U.S. sources exceeded by 50% or more the delivered price from the non-U.S. source,

(C) Compelling local political considerations precluded consideration of U.S. sources,

(D) The goods or services were not available from U.S. sources, or

(E) Procurement of locally available goods and services, as opposed to procurement of U.S. goods and services, would best promote the objectives of the Foreign Assistance program under the award.

(2) When the total procurement element exceeds $250,000, (unless funded by DFA), the following applies: Except as may be specifically approved or directed in advance by the Agreement Officer, all goods and services financed with U.S. dollars, which will be reimbursed under this award must meet the source, (including origin) and nationality requirements set forth in 22 CFR 228 for the authorized geographic code specified in the schedule of this award. If none is specified, the authorized source is Code 000, the United States.

c. Printed or Audio-Visual Teaching Materials: If the effective use of printed or audio-visual teaching materials depends upon their being in the local language and if such materials are intended for technical assistance projects or activities financed by USAID in whole or in part and if other funds including U.S.-owned or U.S.-controlled local currencies are not readily available to finance the procurement of such materials, local language versions may be procured from the following sources in order of preference:

(1) The United States (USAID Geographic Code 000),

(2) The Cooperating Country,

(3) "Selected Free World" countries (USAID Geographic Code 941),

(4) "Special Free World" countries (USAID Geographic Code 899).

d. If USAID determines that the recipient has procured any of these specific restricted goods under this award without the prior written authorization of the Agreement Officer, and has received payment for such purposes, the Agreement Officer may require the recipient to refund the entire amount of the purchase.

e. This provision will be included in all subagreements which include procurement of goods or services which total over $5,000.

[END OF PROVISION]

5. SUBAGREEMENTS (OCTOBER 1998)

APPLICABILITY: *This provision is applicable when subgrants or cooperative agreements are financed under the award.)*

SUBAGREEMENTS (OCTOBER 1998)

a. Subawards shall be made only with responsible recipients who possess the potential ability to perform successfully under the terms and conditions of a proposed agreement. Consideration shall be given to such matters as integrity, record of past performance, financial and technical resources, or accessibility to other necessary resources. Awards shall not be made to firms or individuals whose name appears on the "Lists of Parties Excluded from Federal Procurement and Nonprocurement Programs." USAID will provide the grantee with a copy of this list upon request.

b. All subagreements shall at a minimum contain provisions to define a sound and complete agreement in addition to those that are specifically required by any other provisions in this award. Whenever a provision within this award is required to be inserted in a subagreement, the recipient shall insert a statement in the subagreement that in all instances where USAID is mentioned, the recipient's name will be substituted. If subagreements are being made to U.S. organizations, a suggested subaward format incorporating 22 CFR 226 and Standard Provisions will be provided.

[END OF PROVISION]

6. LOCAL PROCUREMENT (OCTOBER 1998)

APPLICABILITY: *This provision is applicable when goods or services are procured under the award.*

LOCAL PROCUREMENT (OCTOBER 1998)

a. Financing local procurement involves the use of appropriated funds to finance the procurement of goods and services supplied by local businesses, dealers, or producers, with payment normally being in the currency of the cooperating country. Regardless of which source, origin, and nationality rules in paragraph (b) of the Provision entitled "USAID Eligibility Rules for Goods and Services" apply, these rules may be followed for local procurement. Rules on Ineligible and Restricted goods continue to apply.

b. Locally financed procurements must be covered by source and nationality waivers as set forth in 22 CFR 228, Subpart F, except as provided for in the Standard Provision "USAID Eligibility Rules for Goods and Services," or when one of the following exceptions applies:

(1) Locally available commodities of U.S. origin, which are otherwise eligible for financing, if the value of the transaction is estimated not to exceed $100,000 exclusive of transportation costs.

(2) Commodities of geographic code 935 origin if the value of the transaction does not exceed the local currency equivalent of $5,000.

(3) Professional services contracts estimated not to exceed $250,000.

(4) Construction services contracts estimated not to exceed $5,000,000.

(5) Commodities and services available only in the local economy (no specific per transaction value applies to this category). This category includes the following items:

(i) Utilities including fuel for heating and cooking, waste disposal and trash collection;

(ii) Communications - telephone, telex, fax, postal and courier services;

(iii) Rental costs for housing and office space;

(iv) Petroleum, oils and lubricants for operating vehicles and equipment;

(v) Newspapers, periodicals and books published in the cooperating country;

(vi) Other commodities and services and related expenses that, by their nature or as a practical matter, can only be acquired, performed, or incurred in the cooperating country, e.g., vehicle maintenance, hotel accommodations, etc.

c. The coverage on ineligible and restricted goods and services in the standard provision entitled, "USAID Eligibility Rules for Goods and Services," also apply to local procurement.

d. This provision will be included in all subagreements where local procurement of goods or services will be financed with USAID funds.

[END OF PROVISION]

7. PUBLICATIONS AND MEDIA RELEASES (MARCH 2006)

APPLICABILITY: *This provision is applicable when publications are financed under the award.*

PUBLICATIONS AND MEDIA RELEASES (MARCH 2006)

a. The recipient shall provide the USAID Cognizant Technical Officer one copy of all published works developed under the award with lists of other written work produced under the award. In addition, the recipient shall submit final documents in electronic format unless no electronic version exists at the following address:

Online (preferred):
http://www.dec.org/submit.cfm

Mailing address:
Document Acquisitions
USAID Development Experience Clearinghouse (DEC)
8403 Colesville Road Suite 210
Silver Spring, MD 20910-6368

Contract Information
Telephone (301) 562-0641
Fax (301) 588-7787
E-mail: docsubmit@dec.cdie.org

Electronic documents must consist of only one electronic file that comprises the complete and final equivalent of a hard copy. They may be submitted online (preferred); on 3.5" diskettes, a Zip disk, CD-R, or by e-mail. Electronic documents should be in PDF (Portable Document Format). Submission in other formats is acceptable but discouraged.

Each document submitted should contain essential bibliographic elements, such as 1) descriptive title; 2) author(s) name; 3) award number; 4) sponsoring USAID office; 5) strategic objective; and 6) date of publication;:

b. In the event award funds are used to underwrite the cost of publishing, in lieu of the publisher assuming this cost as is the normal practice, any profits or royalties up to the amount of such cost shall be credited to the award unless the schedule of the award has identified the profits or royalties as program income.

c. Except as otherwise provided in the terms and conditions of the award, the author or the recipient is free to copyright any books, publications, or other copyrightable materials developed in the course of or under this award, but USAID reserves a royalty-free nonexclusive and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use the work for Government purposes.

[END OF PROVISION]

8. PARTICIPANT TRAINING (OCTOBER 1998)

***APPLICABILITY**: This provision is applicable when any participant training is financed under the award.*

PARTICIPANT TRAINING (OCTOBER 1998)

a. Definitions: A participant is any non-U.S. individual being trained under this award outside of that individual's home country.

b. Application of ADS Chapter 253: Participant training under this award shall comply with the policies established in ADS Chapter 253, Participant Training (including TrainNet requirements), except to the extent that specific exceptions to ADS 253 have been provided in this award with the concurrence of the Global Bureau's Center for Human Capacity Development. (See ADS 253) (ADS 253 may be obtained by submitting a request to the Agreement Officer.)

c. Orientation: In addition to the mandatory requirements in ADS 253, recipients are strongly encouraged to provide, in collaboration with the Mission training officer, predeparture orientation and orientation in Washington at the Washington International Center. The latter orientation program also provides the opportunity to arrange for home hospitality in Washington and elsewhere in the U.S. through liaison with the National Council for International Visitors (NCIV). If the Washington orientation is determined not to be feasible, home hospitality can be arranged in most U.S. cities if a request for such is directed to the Agreement Officer, who will transmit the request to NCIV through R&O/IT.

[END OF PROVISION]

9. VOLUNTARY POPULATION PLANNING ACTIVITIES – MANDATORY REQUIREMENTS (MAY 2006)

Requirements for Voluntary Sterilization Programs

(1) None of the funds made available under this award shall be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any individual to practice sterilization.

Prohibition on Abortion-Related Activities:

(1) No funds made available under this award will be used to finance, support, or be attributed to the following activities: (i) procurement or distribution of equipment intended to be used for the purpose of inducing abortions as a method of family planning; (ii) special fees or incentives to any person to coerce or motivate them to have abortions; (iii) payments to persons to perform abortions or to solicit persons to undergo abortions; (iv) information, education, training, or communication programs that seek to promote abortion as a method of family planning; and (v) lobbying for or against abortion. The term "motivate", as it relates to family planning assistance, shall not be construed to prohibit the provision, consistent with local law, of information or counseling about all pregnancy options.

(2) No funds made available under this award will be used to pay for any biomedical research which relates, in whole or in part, to methods of, or the performance of, abortions or involuntary sterilizations as a means of family planning. Epidemiologic or descriptive research to assess the incidence, extent or consequences of abortions is not precluded.

[END OF PROVISION]

10. TITLE TO AND USE OF PROPERTY (RECIPIENT TITLE; OVER $50,000) (OCTOBER 1998)

APPLICABILITY: *This provision is applicable only when title to property is vested in the recipient and over $50,000 in equipment is expected to be procured with USAID funds. Equipment is defined as any tangible personal property having a useful life of more than one year and an acquisition cost of $5,000 or more per unit.*

TITLE TO AND USE OF PROPERTY (RECIPIENT TITLE; OVER $50,000) (OCTOBER 1998)

a. Title to all property financed under this award shall vest in the recipient.

b. The recipient agrees to use and maintain the property for the purpose of the award in accordance with the following procedures:

1) The recipient shall not use equipment acquired with U.S. Government funds to provide services to non-U.S. Government outside organizations for a fee that is less than private companies charge for equivalent services.

2) The recipient shall use the equipment in the program for which it was acquired as long as needed, whether or not the program continues to be supported by U.S. Government funds and shall not encumber the property without approval

of USAID. When no longer needed for the original program, the recipient shall use the equipment in connection with its other Federally-sponsored activities, in the following order of priority:

i) Activities sponsored by USAID, then

ii) Activities sponsored by other U.S. Government agencies.

3) During the time that equipment is used on the program for which it was acquired, the recipient shall make it available for use on other programs if such other use will not interfere with the work on the program for which the equipment was originally acquired. User charges shall be treated as program income.

4) When acquiring replacement equipment, the recipient may use the equipment to be replaced as trade-in or sell the equipment and use the proceeds to offset the costs of the replacement equipment subject to the approval of the Agreement Officer.

5) The recipient's property management standards for equipment acquired with U.S. Government funds and federally-owned equipment shall include all of the following:

i) Equipment records shall be maintained accurately and shall include the following information:

A) A description of the equipment,

B) Manufacturer's serial number, model number, U.S. Government stock number, national stock number, or other identification number;

C) Source of the equipment, including the award number;

D) Whether title vests in the recipient, the U.S. Government or other specified entity;

E) Acquisition date (or date received, if the equipment was furnished by the U.S. Government) and cost;

F) Information from which on can calculate the percentage of U.S. Government participation in the cot of the equipment (not applicable to equipment furnished by the U.S. Government);

G) Location and condition of the equipment and the date the information was reported;

H) Unit acquisition cost;

I) Ultimate disposition data, including date of disposal and sales price or the method used to determine current fair market value where a recipient compensated USAID for its share.

ii) A physical inventory of equipment shall be taken and the results reconciled with the equipment records at least once every two years. Any differences between quantities determined by the physical inspection and those shown in the accounting records shall be investigated to determine the causes of the difference. The recipient shall, in connection with the inventory, verify the existence, current utilization, and continued need for the equipment.

iii) A control system shall be in effect to insure adequate safeguards to prevent loss, damage, or theft of the equipment. Any loss, damage, or theft shall be investigated and fully documented and the recipient shall promptly notify the Agreement Officer.

iv) Adequate maintenance procedures shall be implemented to keep the equipment in good condition;

v) Where the recipient is authorized or required to sell the equipment, proper sales procedures shall be established which provide for competition to the extent practicable and result in the highest possible return.

6) When the recipient no longer needs the equipment, the equipment may be used for other activities in accordance with the following standards:

i) For equipment with a current per unit fair market value of $5,000 or more, the recipient may retain the equipment for other uses provided that compensation is made to USAID for its share.

ii) If the recipient has no need for USAID-financed equipment, the recipient shall request disposition instructions from the Agreement Officer.

A) If so instructed or if disposition instructions are not issued within 120 calendar days after the recipient's request, the recipient shall sell the equipment and reimburse USAID its share. The recipient shall be permitted to deduct and retain from the USAID share $500 or ten percent of the proceeds, whichever is less, for the recipient's selling and handling expenses.

B) If the recipient is instructed to ship or otherwise dispose of the equipment, the recipient will be reimbursed by USAID for reasonable expenses incurred in disposition.

c. USAID reserves the right to transfer the title to USAID or a third party. The equipment shall be appropriately identified in the award or otherwise made known to the recipient in writing by the Agreement Officer. When USAID exercises its right to take title, the equipment shall be subject to the Standard Provision entitled "Title to and Care of Property" (U.S. Government Title).

d. Within 90 calendar days after the date of completion of the award the recipient shall submit an inventory of all property with the final performance report. The final inventory shall list all equipment acquired with award funds or received from USAID.

e. Title to supplies and other expendable equipment shall vest in the recipient upon acquisition. If there is a residual inventory of new/unused supplies exceeding $5,000 in total aggregate value upon termination or completion of the project or program and the supplies are not needed for any other U.S. Government-sponsored project or program, the recipient may retain the supplies but must compensate USAID for its share. The recipient shall not use supplies acquired with USAID funds to provide services to outside organizations for a fee that is less than private companies charge for equivalent services, unless specifically authorized by U.S. Government statute as long as the U.S. Government retains an interest in the supplies.

f. Recipients shall, at a minimum, provide the equivalent insurance coverage for real property and equipment acquired with Federal funds as provided to property owned by the recipient.

g. If the purchase of real property (meaning land, land improvements, structures, and appurtenances thereto) is supported under the award, separate instructions will be provided to the recipient by the Agreement Officer.

[END OF PROVISION]

11. COST SHARING (MATCHING) (JULY 2002)

APPLICABILITY: *This provision is applicable when the recipient is required to provide a matching share or to cost share.*

COST SHARING (MATCHING) (JULY 2002)

a. During the period of this award, the recipient agrees to spend funds from non-U.S.

Government sources in an amount at least equal to the amount or percentage of the total expenditures under this award specified in the schedule of the award. The schedule of this award may also contain restrictions on the application of cost sharing (matching) funds. The schedule of the award takes precedence over the terms of this provision.

b. Eligibility of non-U.S. Government funds applied to satisfy cost sharing (matching) requirements under this award are set forth below:

(1) Charges incurred by the recipient as project costs. Not all charges require cash outlays by the recipient during the project period; examples are depreciation and use charges for buildings and equipment.

(2) Project costs financed with cash contributed or donated to the recipient by other non-U.S. Government organizations (may include public international organizations or foreign governments and institutions, private organizations, or individuals), and

(3) Project costs represented by services and real and personal property, or use thereof, donated by other non-U.S. Government agencies and institutions, and private organizations and individuals.

c. All contributions, both cash and in-kind, shall be accepted as part of the recipient's cost sharing (matching) when such contributions meet all of the following criteria:

(1) Are verifiable from the recipient's records;

(2) Are not included as contributions for any other U.S. Government-assisted program;

(3) Are necessary and reasonable for proper and efficient accomplishment of project objectives;

(4) Are types of charges that would be allowable under the applicable Federal cost principles;

(5) Are not paid by the U.S. Government under another grant or agreement (unless the grant or agreement is authorized by U.S. Government law to be used for cost sharing or matching);

(6) Are provided for in the approved budget when required by USAID; and

(7) Conform to other provisions of this paragraph.

The source, origin and nationality requirements and the restricted goods provision established in the Standard Provision entitled "USAID Eligibility Rules for Goods and Services" do not apply to cost sharing (matching) expenditures.

d. Values for recipient in-kind contributions will be established in accordance with the applicable Federal cost principles.

e. Specific procedures for the recipient in establishing the value of in-kind contributions from non-U.S. Government third parties are set forth below:

(1) Valuation of volunteer services: Volunteer services may be furnished by professional and technical personnel, consultants, and other skilled and unskilled labor. Volunteer services may be counted as cost sharing or matching if the service is an integral and necessary part of an approved program.

(i) Rates for volunteer services: Rates for volunteers should be consistent with those paid for similar work in the recipient's organization. In those instances in which the required skills are not found in the recipient's organization, rates should be consistent with those paid for similar work in the labor market in which the recipient competes of the kind of services involved. In either case, paid fringe benefits that are reasonable, allowable, and allocable may be included in the valuation.

(ii) Volunteers furnished by other organizations: When an employer other than the recipient furnishes the services of an employee, these services shall be valued at the employee's regular rate of pay (plus an amount of fringe benefits that are reasonable, allowable, and allocable, but exclusive of overhead costs) provided these services are of the same skill for which the employee is normally paid.

(2) Valuation of donated supplies: Donated supplies may include such items as expendable equipment, office supplies, laboratory supplies or workshop and classroom supplies. Value assessed to expendable personal property included in the cost (matching) share shall be reasonable and shall not exceed the market value of the property at the time of the donation.

(3) Valuation of donated equipment, buildings, and land or use thereof:

(i) The method used for charging cost sharing or matching for donated equipment, buildings, and land for which title passes to the recipient may differ according to the purpose of the award as follows:

(A) If the purpose of the award is to assist the recipient in the acquisition of equipment, buildings, or land, the total value of the donated property may be claimed as cost sharing or matching.

(B) If the purpose of the award is to support activities that require the use of equipment, buildings, or land; normally only depreciation or use charges for equipment and buildings may be made. However, the full value of equipment or other capital assets and fair rental charges for land may be allowed provided that the USAID Agreement Officer has approved the charges.

(ii) The value of donated property will be determined in accordance with the usual accounting policies of the recipient with the following qualifications:

(A) Land and buildings: The value of donated land and buildings shall not exceed its fair market value, at the time of donation to the recipient as established by an independent appraiser (e.g. certified real property appraiser or General Services Administration representative) and certified by a responsible official of the recipient.

(B) Equipment: The value of donated equipment shall not exceed the fair market value of equipment of the same age and condition at the time of donation.

(C) Use of space: The value of donated space shall not exceed the fair rental value of comparable space as established by an independent appraisal of comparable space and facilities in a privately owned building in the same locality

(D) Loaned equipment: The value of loaned equipment shall not exceed its fair rental value.

f. The following requirements pertain to the recipient's supporting records for in kind contributions from third parties. With the authorization of the Agreement Officer, the recipient may attribute cost share contributions from subrecipients to the prime award.

(1) Volunteer services must be documented and, to the extent feasible, supported by the same methods used by the recipient for its employees.

(2) The basis for determining the valuation for personal services, material, equipment, buildings, and land shall be documented.

g. Individual expenditures do not have to be shared or matched provided that the total expenditures incurred during the year (or funding period) are shared or matched in accordance with the agreed upon amount or percentage set forth in the schedule of the award.

h. If at the end of any or funding period hereunder, the recipient has expended an amount of non-U.S. Government funds less than the agreed upon amount or percentage of total expenditures, the Agreement Officer may apply the difference to reduce the amount of USAID funding for the following funding period, or, if this award has expired or been terminated, may require that the recipient refund the difference to USAID.

i. If the recipient fails to act in good faith to meet the cost sharing (matching) requirements set forth in paragraph (a) above, the Agreement Officer may consider it sufficient reason to terminate this award for cause in accordance with the Standard Provision of this award entitled "Termination and Suspension".

j. The restrictions on the use of USAID funds set forth in the standard provisions of this award are applicable to expenditures incurred with USAID funds provided under this award. Except for the requirements of this standard provision, the restrictions set forth in the standard provisions of this grant are not applicable to costs incurred by the recipient from non-U.S. Government funds. The recipient will account for the USAID funds in accordance with the standard provision of this award entitled "Accounting, Audit, and Records"; however, in the event of disallowances of expenditures from USAID award funds, the recipient may substitute expenditures made with funds provided from non-U.S. Government sources, provided they are eligible in accordance with all the standard provisions of this award.

k. Notwithstanding paragraph (b) of the standard provision of this award entitled "Refunds", the parties agree that in the event of any disallowance of expenditures from USAID award funds provided hereunder, the recipient may substitute expenditures made with funds provided from non-Federal sources provided they are otherwise eligible in accordance with paragraph (b) of this provision.

[END OF PROVISION]

12. PROGRAM INCOME (OCTOBER 1998)

APPLICABILITY: *This provision shall be applicable when Program Income is earned under the award.*

PROGRAM INCOME (OCTOBER 1998)

a. The Recipient shall apply the standards set forth in this Provision to account for program income earned under the award.

b. Program Income earned during the project period shall be retained by the recipient and, in accordance with USAID regulations, other implementing guidance, or the terms and conditions of the award, shall be used in one or more of the following ways:

1) Added to funds committed by USAID and the recipient to the project or program, and used to further eligible project or program objectives.

2) Used to finance the non-U.S. Government share of the project or program.

3) Deducted from the total project or program allowable cost in determining the net allowable costs on which the U.S. Government share of costs is based.

c. When the agreement authorizes the disposition of program income as described in paragraph (b)(1) or (b)(2) of this section, program income in excess of any limits stipulated shall be used in accordance with paragraph (b)(3) of this section.

d. If the terms and conditions of the award do not specify how program income is to be used, paragraph (b)(2) of this section shall apply automatically; program income in excess of the cost share amount may be applied in accordance with paragraph (b)(1). Recipients which are commercial organizations may not apply paragraph (b)(1) of this section.

e. Unless the terms and conditions of the award provide otherwise, recipients shall have no obligation to the U.S. Government regarding program income earned after the end of the project period.

f. Costs incident to the generation of program income may be deducted from gross income to determine program income, provided these costs have not been charged to the award and they comply with the applicable Cost Principles.

g. Unless the terms and conditions of the award provide otherwise, recipients shall have no obligation to the U.S. Government with respect to program income earned from license fees and royalties for copyrighted material, patents, patent applications, trademarks, and inventions produced under an award. However, Patent and Trademark Amendments (35 U.S.C. 18) apply to inventions made under an experimental, developmental, or research awards.

[END OF PROVISION]

13. REPORTING OF FOREIGN TAXES (MARCH 2006)

APPLICABILITY: *This provision is applicable to all USAID agreements that obligate or subobligate FY 2003 or later funds except for agreements funded with Operating Expense, Pub. L. 480 funds, or trust funds, or agreements where there will be no commodity transactions in a foreign country over the amount of $500.*

REPORTING OF FOREIGN TAXES (MARCH 2006)

a. The recipient must annually submit a report by April 16 of the next year.

b. Contents of Report. The report must contain:

(i) Contractor/recipient name.

(ii) Contact name with phone, fax and email.

(iii) Agreement number(s).

(iv) Amount of foreign taxes assessed by a foreign government [each foreign government must be listed separately] on commodity purchase transactions valued at $500 or more financed with U.S. foreign assistance funds under this agreement during the prior U.S. fiscal year.

(v) Only foreign taxes assessed by the foreign government in the country receiving U.S. assistance is to be reported. Foreign taxes by a third party foreign government are not to be reported. For example, if an assistance program for Lesotho involves the purchase of commodities in South Africa using foreign assistance funds, any taxes imposed by South Africa would not be reported in the report for Lesotho (or South Africa).

(vi) Any reimbursements received by the Recipient during the period in (iv) regardless of when the foreign tax was assessed and any reimbursements on the taxes reported in (iv) received through March 31.

(vii) Reports are required even if the recipient did not pay any taxes during the report period.

(viii) Cumulative reports may be provided if the recipient is implementing more than one program in a foreign country.

c. Definitions. For purposes of this clause:

(i) "Agreement" includes USAID direct and country contracts, grants, cooperative agreements and interagency agreements.

(ii) "Commodity" means any material, article, supply, goods, or equipment.

(iii) "Foreign government" includes any foreign governmental entity.

(iv) "Foreign taxes" means value-added taxes and custom duties assessed by a foreign government on a commodity. It does not include foreign sales taxes.

d. Where. Submit the reports to: [insert address and point of contact at the Embassy, Mission or FM/CMP as appropriate. see b. below] [optional with a copy to]

e. Subagreements. The recipient must include this reporting requirement in all applicable subcontracts, subgrants and other subagreements.

f. For further information see http://www.state.gov/m/rm/c10443.htm.

[END OF PROVISION]

14. FOREIGN GOVERNMENT DELEGATIONS TO INTERNATIONAL CONFERENCES (JANUARY 2002)

APPLICABILITY: *Include this provision in agreements funded from the following accounts,:*
- *Development Assistance, including assistance for sub-Saharan Africa,*
- *Child Survival and Disease Programs Fund, and*
- *Micro and Small Enterprise Development Program Account.*

FOREIGN GOVERNMENT DELEGATIONS TO INTERNATIONAL CONFERENCES (JANUARY 2002)

Funds in this agreement may not be used to finance the travel, per diem, hotel expenses, meals, conference fees or other conference costs for any member of a foreign government's delegation to an international conference sponsored by a public international organization, except as provided in ADS Mandatory Reference "Guidance on Funding Foreign Government Delegations to International Conferences or as approved by the Agreement Officer.

[END OF PROVISION]

15. USAID DISABILITY POLICY - ASSISTANCE (DECEMBER 2004)

APPLICABILITY: *This provision must be included in Request for Applications (RFAs), and in awards.*

USAID DISABILITY POLICY - ASSISTANCE (DECEMBER 2004)

a. The objectives of the USAID Disability Policy are (1) to enhance the attainment of United States foreign assistance program goals by promoting the participation and equalization of opportunities of individuals with disabilities in USAID policy, country and sector strategies, activity designs and implementation; (2) to increase awareness of issues of people with disabilities both within USAID programs and in host countries; (3) to engage other U.S. government agencies, host country counterparts, governments, implementing organizations and other donors in fostering a climate of nondiscrimination against people with disabilities; and (4) to support international advocacy for people with disabilities. The full text of the policy paper can be found at

the following website:
http://pdf.dec.org/pdf_docs/PDABQ631.pdf.

b. USAID therefore requires that the recipient not discriminate against people with disabilities in the implementation of USAID funded programs and that it make every effort to comply with the objectives of the USAID Disability Policy in performing the program under this grant or cooperative agreement. To that end and to the extent it can accomplish this goal within the scope of the program objectives, the recipient should demonstrate a comprehensive and consistent approach for including men, women and children with disabilities.

[END OF PROVISION]

16. BRANDING STRATEGY - ASSISTANCE (December 2005)

(a) Definitions:

Branding Strategy means a strategy that is submitted at the specific request of a USAID Agreement Officer by an Apparently Successful Applicant after evaluation of an application for USAID funding, describing how the program, project, or activity is named and positioned, and how it is promoted and communicated to beneficiaries and host country citizens. It identifies all donors and explains how they will be acknowledged.

Apparently Successful Applicant(s) means the applicant(s) for USAID funding recommended for an award after evaluation, but who has not yet been awarded a grant, cooperative agreement or other assistance award by the Agreement Officer. The Agreement Officer will request that the Apparently Successful Applicants submit a Branding Strategy and Marking Plan. Apparently Successful Applicant status confers no right and constitutes no USAID commitment to an award.

USAID Identity (Identity) means the official marking for the Agency, comprised of the USAID logo and new brandmark, which clearly communicates that our assistance is from the American people. The USAID Identity is available on the USAID website and is provided without royalty, license, or other fee to recipients of USAID-funded grants or cooperative agreements or other assistance awards or subawards.

(b) Submission. The Apparently Successful Applicant, upon request of the Agreement Officer, will submit and negotiate a Branding Strategy. The Branding Strategy will be included in and made a part of the resulting grant or cooperative agreement. The Branding Strategy will be negotiated within the time that the Agreement Officer specifies. Failure to submit and negotiate a Branding Strategy will make the applicant ineligible for award of a grant or cooperative agreement. The Apparently Successful Applicant must include all estimated costs associated with branding and marking USAID programs, such as plaques, stickers, banners, press events and materials, and the like.

(c) Submission Requirements

At a minimum, the Apparently Successful Applicant's Branding Strategy will address the following:

(1) Positioning

What is the intended name of this program, project, or activity?

Guidelines: USAID prefers to have the USAID Identity included as part of the program or project name, such as a "title sponsor," if possible and appropriate. It is acceptable to "co-brand" the title with USAID's and the Apparently Successful Applicant's identities. For example: "The USAID and [Apparently Successful Applicant] Health Center."

If it would be inappropriate or is not possible to "brand" the project this way, such as when rehabilitating a structure that already exists or if there are multiple donors, please explain and indicate how you intend to showcase USAID's involvement in publicizing the program or project. For example: School #123, rehabilitated by USAID and [Apparently Successful Applicant]/ [other donors]. Note: the Agency prefers "made possible by (or with) the generous support of the American People" next to the USAID Identity in acknowledging our contribution, instead of the phrase "funded by." USAID prefers local language translations.

Will a program logo be developed and used consistently to identify this program? If yes, please attach a copy of the proposed program logo.

Note: USAID prefers to fund projects that do NOT have a separate logo or identity that competes with the USAID Identity.

(2) Program Communications and Publicity

Who are the primary and secondary audiences for this project or program?

Guidelines: Please include direct beneficiaries and any special target segments or influencers. For Example: Primary audience: schoolgirls age 8-12, Secondary audience: teachers and parents–specifically mothers.

What communications or program materials will be used to explain or market the program to beneficiaries?

Guidelines: These include training materials, posters, pamphlets, Public Service Announcements, billboards, websites, and so forth.

What is the main program message(s)?

Guidelines: For example: "Be tested for HIV-AIDS" or "Have your child inoculated." Please indicate if you also plan to incorporate USAID's primary message – this aid is "from the American people" – into the narrative of program materials. This is optional; however, marking with the USAID Identity is required.

Will the recipient announce and promote publicly this program or project to host country citizens? If yes, what press and promotional activities are planned?

Guidelines: These may include media releases, press conferences, public events, and so forth. Note: incorporating the message, "USAID from the American People", and the USAID Identity is required.

Please provide any additional ideas about how to increase awareness that the American people support this project or program.

Guidelines: One of our goals is to ensure that both beneficiaries and host-country citizens know that the aid the Agency is providing is "from the American people." Please provide any initial ideas on how to further this goal.

(3) Acknowledgements

Will there be any direct involvement from a host-country government ministry? If yes, please indicate which one or ones. Will the recipient acknowledge theministry as an additional co-sponsor?
Note: it is perfectly acceptable and often encouraged for USAID to "co-brand" programs with government ministries.

Please indicate if there are any other groups whose logo or identity the recipient will use on program materials and related communications.

Guidelines: Please indicate if they are also a donor or why they will be visibly acknowledged, and if they will receive the same prominence as USAID.

(d) Award Criteria. The Agreement Officer will review the Branding Strategy for adequacy, ensuring that it contains the required information on naming and positioning the USAID-funded program, project, or activity, and promoting and communicating it to cooperating country beneficiaries and citizens. The Agreement Officer also will evaluate this information to ensure that it is consistent with the stated objectives of the award; with the Apparently Successful
Applicant's cost data submissions; with the Apparently Successful Applicant's project, activity, or program performance plan; and with the regulatory requirements set out in 22 CFR 226.91. The Agreement Officer may obtain advice and recommendations from technical experts while performing the evaluation.

17. MARKING PLAN – ASSISTANCE (December 2005)

(a)Definitions

Marking Plan means a plan that the Apparently Successful Applicant submits at the specific request of a USAID Agreement Officer after evaluation of an application for USAID funding, detailing the public communications, commodities, and program materials and other items that will visibly bear the USAID Identity. Recipients may request approval of Presumptive Exceptions to marking requirements in the Marking Plan.

Apparently Successful Applicant(s) means the applicant(s) for USAID funding recommended for an award after evaluation, but who has not yet been awarded a grant, cooperative agreement or other assistance award by the Agreement Officer. The Agreement Officer will request that Apparently Successful Applicants submit a Branding Strategy and Marking Plan. Apparently Successful Applicant status confers no right and constitutes no USAID commitment to an award, which the Agreement Officer must still obligate.

USAID Identity (Identity) means the official marking for the Agency, comprised of the USAID logo and new brandmark, which clearly communicates that our assistance is from the American people. The USAID Identity is available on the USAID website and USAID provides it without royalty, license, or other fee to recipients of USAID funded grants, cooperative agreements, or other assistance awards or subawards.

A Presumptive Exception exempts the applicant from the general marking requirements for a particular USAID-funded public communication, commodity, program material or other deliverable, or a category of USAID-funded public communications, commodities, program materials or other deliverables that would otherwise be required to visibly bear the USAID Identity. The Presumptive Exceptions are:

Presumptive Exception (i). USAID marking requirements may not apply if they would compromise the intrinsic independence or neutrality of a program or materials where independence or neutrality is an inherent aspect of the program and materials, such as election monitoring or ballots, and voter information literature; political party support or public policy advocacy or reform; independent media, such as television and radio broadcasts, newspaper articles and editorials; and public service announcements or public opinion polls and surveys (22 C.F.R. 226.91(h)(1)).

Presumptive Exception (ii). USAID marking requirements may not apply if they would diminish the credibility of audits, reports, analyses, studies, or policy recommendations whose data or findings must be seen as independent (22 C.F.R. 226.91(h)(2)).

Presumptive Exception (iii). USAID marking requirements may not apply if they would undercut host-country government "ownership" of constitutions, laws, regulations, policies, studies, assessments, reports, publications, surveys or audits, public service announcements, or other communications better positioned as "by" or "from" a cooperating country ministry or government official (22 C.F.R. 226.91(h)(3)).

Presumptive Exception (iv). USAID marking requirements may not apply if they would impair the functionality of an item, such as sterilized equipment or spare parts (22 C.F.R. 226.91(h)(4)).

Presumptive Exception (v). USAID marking requirements may not apply if they would incur substantial costs or be impractical, such as items too small or otherwise unsuited for individual marking, such as food in bulk (22 C.F.R. 226.91(h)(5)).

Presumptive Exception (vi). USAID marking requirements may not apply if they would offend local cultural or social norms, or be considered inappropriate on such items as condoms, toilets, bed pans, or similar commodities (22 C.F.R. 226.91(h)(6)).

Presumptive Exception (vii). USAID marking requirements may not apply if they would conflict with international law (22 C.F.R. 226.91(h)(7)).

(b) Submission. The Apparently Successful Applicant, upon the request of the Agreement Officer, will submit and negotiate a Marking Plan that addresses the details of the public communications, commodities, program materials that will visibly bear the USAID Identity. The marking plan will be customized for the particular program, project, or activity under the resultant grant or cooperative agreement. The plan will be included in and made a part of the resulting grant or cooperative agreement. USAID and the Apparently Successful Applicant will negotiate the Marking Plan within the time specified by the Agreement Officer. Failure to submit and negotiate a Marking Plan will make the applicant ineligible for award of a grant or cooperative agreement. The applicant must include an estimate of all costs associated with branding and marking USAID programs, such as plaques, labels, banners, press events, promotional materials, and so forth in the budget portion of its application. These costs are subject to revision and negotiation with the Agreement Officer upon submission of the Marking Plan and will be incorporated into the Total Estimated Amount of the grant, cooperative agreement or other assistance instrument.

(c) Submission Requirements. The Marking Plan will include the following:

(1) A description of the public communications, commodities, and program materials that the recipient will be produced as a part of the grant or cooperative agreement and which will visibly bear the USAID Identity. These include:

(i) program, project, or activity sites funded by USAID, including visible infrastructure projects or other programs, projects, or activities that are physical in nature;

(ii) technical assistance, studies, reports, papers, publications, audio-visual productions, public service announcements, Web sites/Internet activities and other promotional, informational, media, or communications products funded by USAID;

(iii) events financed by USAID, such as training courses, conferences, seminars, exhibitions, fairs, workshops, press conferences, and other public activities; and (iv) all commodities financed by USAID, including commodities or equipment provided under humanitarian assistance or disaster relief programs, and all other equipment, supplies and other materials funded by USAID, and their export packaging.

(2) A table specifying:

(i) the program deliverables that the recipient will mark with the USAID Identity,

(ii) the type of marking and what materials the applicant will be used to mark the program deliverables with the USAID Identity, and

(iii) when in the performance period the applicant will mark the program deliverables, and where the applicant will place the marking.

(3) A table specifying:

(i) what program deliverables will not be marked with the USAID Identity, and

(ii) the rationale for not marking these program deliverables.

(d) Presumptive Exceptions.

(1) The Apparently Successful Applicant may request a Presumptive Exception as part of the overall Marking Plan submission. To request a Presumptive Exception, the Apparently Successful Applicant must identify which Presumptive Exception applies, and state why, in light of the Apparently Successful Applicant's technical proposal and in the context of the program description or program statement in the USAID Request For Application or Annual Program Statement, marking requirements should not be required.

(2) Specific guidelines for addressing each Presumptive Exception are:

(i) For Presumptive Exception (i), identify the USAID Strategic Objective, Interim Result, or program goal furthered by an appearance of neutrality, or state why the program, project, activity, commodity, or communication is 'intrinsically neutral.' Identify, by category or deliverable item, examples of program materials funded under the award for which you are seeking exception 1.

(ii) For Presumptive Exception (ii), state what data, studies, or other deliverables will be produced under the USAID funded award, and explain why the data, studies, or deliverables must be seen as credible.

(iii) For Presumptive Exception (iii), identify the item or media product produced under the USAID funded award, and explain why each item or product, or category of item and product, is better positioned as an item or product produced by the cooperating country government.

(iv) For Presumptive Exception (iv), identify the item or commodity to be marked, or categories of items or commodities, and explain how marking would impair the item's or commodity's functionality.

(v) For Presumptive Exception (v), explain why marking would not be cost-beneficial or practical.
(vi) For Presumptive Exception (vi), identify the relevant cultural or social norm, and explain why marking would violate that norm or otherwise be inappropriate.

(vii) For Presumptive Exception (vii), identify the applicable international law violated by marking.

(3) The Agreement Officer will review the request for adequacy and reasonableness. In consultation with the Cognizant Technical Officer and other agency personnel as necessary, the Agreement Officer will approve or disapprove the requested Presumptive Exception. Approved exceptions will be made part of the approved Marking Plan, and will apply for the term of the award, unless provided otherwise.

(e) Award Criteria: The Agreement Officer will review the Marking Plan for adequacy and reasonableness, ensuring that it contains sufficient detail and information concerning public communications, commodities, and program materials that will visibly bear the USAID Identity. The Agreement Officer will evaluate the plan to ensure that it is consistent with the stated objectives of the award; with the applicant's cost data submissions; with the applicant's actual project, activity, or program performance plan; and with the regulatory requirements of 22 C.F.R. 226.91. The Agreement Officer will approve or disapprove any requested Presumptive Exceptions (see paragraph (d)) on the basis of adequacy and reasonableness. The Agreement Officer may obtain advice and recommendations from technical experts while performing the evaluation.

18. MARKING UNDER USAID-FUNDED ASSISTANCE INSTRUMENTS (December 2005)

(a) Definitions

Commodities mean any material, article, supply, goods or equipment, excluding recipient offices, vehicles, and non-deliverable items for recipient's internal use, in administration of the USAID funded grant, cooperative agreement, or other agreement or sub agreement.

Principal Officer means the most senior officer in a USAID Operating Unit in the field, e.g., USAID Mission Director or USAID Representative. For global programs managed from Washington but executed across many countries, such as disaster relief and assistance to internally displaced persons, humanitarian emergencies or immediate post conflict and political crisis response, the cognizant Principal Officer may be an Office Director, for example, the Directors of USAID/W/Office of Foreign Disaster Assistance and Office of Transition Initiatives. For non-presence countries, the cognizant Principal Officer is the Senior USAID officer in a regional USAID Operating Unit responsible for the non-presence country, or in the absence of such a responsible operating unit, the Principal U.S Diplomatic Officer in the non-presence country exercising delegated authority from USAID.

Programs mean an organized set of activities and allocation of resources directed toward a common purpose, objective, or goal undertaken or proposed by an organization to carry out the responsibilities assigned to it.

Projects include all the marginal costs of inputs (including the proposed investment) technically required to produce a discrete marketable output or a desired result (for example, services from a fully functional water/sewage treatment facility).

Public communications are documents and messages intended for distribution to audiences external to the recipient's organization. They include, but are not limited to, correspondence, publications, studies, reports, audio visual productions, and other informational products; applications, forms, press and promotional materials used in connection with USAID funded programs, projects or activities, including signage and plaques; Web sites/Internet activities; and events such as training courses, conferences, seminars, press conferences and so forth.

Sub recipient means any person or government (including cooperating country government) department, agency, establishment, or for profit or nonprofit organization that receives a USAID sub award, as defined in 22 C.F.R. 226.2.

Technical Assistance means the provision of funds, goods, services, or other foreign assistance, such as loan guarantees or food for work, to developing countries and other USAID recipients, and through such recipients to sub recipients, in direct support of a development objective – as opposed to the internal management of the foreign assistance program.

USAID Identity (Identity) means the official marking for the United States Agency for International Development (USAID), comprised of the USAID logo or seal and new brandmark, with the tagline that clearly communicates that our assistance is "from the American people." The USAID Identity is available on the USAID website at www.usaid.gov/branding and USAID provides it without royalty, license, or other fee to recipients of USAID-funded grants, or cooperative agreements, or other assistance awards.

(b) Marking of Program Deliverables

(1) All recipients must mark appropriately all overseas programs, projects, activities, public communications, and commodities partially or fully funded by a USAID grant or cooperative agreement or other assistance award or sub award with the USAID

Identity, of a size and prominence equivalent to or greater than the recipient's, other donor's, or any other third party's identity or logo.

(2) The Recipient will mark all program, project, or activity sites funded by USAID, including visible infrastructure projects (for example, roads, bridges, buildings) or other programs, projects, or activities that are physical in nature (for example, agriculture, forestry, water management) with the USAID Identity. The Recipient should erect temporary signs or plaques early in the construction or implementation phase. When construction or implementation is complete, the Recipient must install a permanent, durable sign, plaque or other marking.

(3) The Recipient will mark technical assistance, studies, reports, papers, publications, audio-visual productions, public service announcements, Web sites/Internet activities and other promotional, informational, media, or communications products funded by USAID with the USAID Identity.

(4) The Recipient will appropriately mark events financed by USAID, such as training courses, conferences, seminars, exhibitions, fairs, workshops, press conferences and other public activities, with the USAID Identity. Unless directly prohibited and as appropriate to the surroundings, recipients should display additional materials, such as signs and banners, with the USAID Identity. In circumstances in which the USAID Identity cannot be displayed visually, the recipient is encouraged otherwise to acknowledge USAID and the American people's support.

(5) The Recipient will mark all commodities financed by USAID, including commodities or equipment provided under humanitarian assistance or disaster relief programs, and all other equipment, supplies, and other materials funded by USAID, and their export packaging with the USAID Identity.

(6) The Agreement Officer may require the USAID Identity to be larger and more prominent if it is the majority donor, or to require that a cooperating country government's identity be larger and more prominent if circumstances warrant, and as appropriate depending on the audience, program goals, and materials produced.

(7) The Agreement Officer may require marking with the USAID Identity in the event that the recipient does not choose to mark with its own identity or logo.

(8) The Agreement Officer may require a pre-production review of USAID-funded public communications and program materials for compliance with the approved Marking Plan.

(9) Sub recipients. To ensure that the marking requirements "flow down" to sub recipients of sub awards, recipients of USAID funded grants and cooperative agreements or other assistance awards will include the USAID-approved marking provision in any USAID funded sub award, as follows:

"As a condition of receipt of this sub award, marking with the USAID Identity of a size and prominence equivalent to or greater than the recipient's, sub recipient's , other donor's or third party's is required. In the event the recipient chooses not to require marking with its own identity or logo by the sub recipient, USAID may, at its discretion, require marking by the sub recipient with the USAID Identity."

(10) Any 'public communications', as defined in 22 C.F.R. 226.2, funded by USAID, in which the content has not been approved by USAID, must contain the following disclaimer:

"This study/report/audio/visual/other information/media product (specify) is made possible by the generous support of the American people through the United StatesAgency for International Development (USAID). The contents are the responsibility of [insert recipient name] and do not necessarily reflect the views of USAID or the United States Government."

(11) The recipient will provide the Cognizant Technical Officer (CTO) or other USAID personnel designated in the grant or cooperative agreement with two copies of all program and communications materials produced under the award. In addition, the recipient will submit one electronic or one hard copy of all final documents to USAID's Development Experience Clearinghouse.

(c) Implementation of marking requirements.

(1) When the grant or cooperative agreement contains an approved Marking Plan, the recipient will implement the requirements of this provision following the approved Marking Plan.

(2) When the grant or cooperative agreement does not contain an approved Marking Plan, the recipient will propose and submit a plan for implementing the requirements of this provision within [Agreement Officer fill-in] days after the effective date of this provision. The plan will include:

(i) A description of the program deliverables specified in paragraph (b) of this provision that the recipient will produce as a part of the grant or cooperative agreement and which will visibly bear the USAID Identity.

(ii) the type of marking and what materials the applicant uses to mark the program deliverables with the USAID Identity,

(iii) when in the performance period the applicant will mark the program deliverables, and where the applicant will place the marking,

(3) The recipient may request program deliverables not be marked with the USAID Identity by identifying the program deliverables and providing a rationale for not

marking these program deliverables. Program deliverables may be exempted from USAID marking requirements when:

(i) USAID marking requirements would compromise the intrinsic independence or neutrality of a program or materials where independence or neutrality is an inherent aspect of the program and materials;

(ii) USAID marking requirements would diminish the credibility of audits, reports, analyses, studies, or policy recommendations whose data or findings must be seen as independent;

(iii) USAID marking requirements would undercut host-country government "ownership"of constitutions, laws, regulations, policies, studies, assessments, reports, publications, surveys or audits, public service announcements, or other communications better positioned as "by" or "from" a cooperating country ministry or government official;

(iv) USAID marking requirements would impair the functionality of an item;

(v) USAID marking requirements would incur substantial costs or be impractical;

(vi) USAID marking requirements would offend local cultural or social norms, or be considered inappropriate;

(vii) USAID marking requirements would conflict with international law.

(4) The proposed plan for implementing the requirements of this provision, including any proposed exemptions, will be negotiated within the time specified by the Agreement Officer after receipt of the proposed plan. Failure to negotiate an approved plan with the time specified by the Agreement Officer may be considered as noncompliance with the requirements is provision.

(d) Waivers.

(1) The recipient may request a waiver of the Marking Plan or of the marking requirements of this provision, in whole or in part, for each program, project, activity, public communication or commodity, or, in exceptional circumstances, for a region or country, when USAID required marking would pose compelling political, safety, or security concerns, or when marking would have an adverse impact in the cooperating country. The recipient will submit the request through the Cognizant Technical Officer. The Principal Officer is responsible for approvals or disapprovals of waiver requests.

(2) The request will describe the compelling political, safety, security concerns, or adverse impact that require a waiver, detail the circumstances and rationale for the waiver, detail the specific requirements to be waived, the specific portion of the Marking Plan

to be waived, or specific marking to be waived, and include a description of how program materials will be marked (if at all) if the USAID Identity is removed. The request should also provide a rationale for any use of recipient's own identity/logo or that of a third party on materials that will be subject to the waiver.

(3) Approved waivers are not limited in duration but are subject to Principal Officer review at any time, due to changed circumstances.

(4) Approved waivers "flow down" to recipients of subawards unless specified otherwise. The waiver may also include the removal of USAID markings already affixed, if circumstances warrant.

(5) Determinations regarding waiver requests are subject to appeal to the Principal Officer's cognizant Assistant Administrator. The recipient may appeal by submitting a written request to reconsider the Principal Officer's waiver determination to the cognizant Assistant Administrator.

(e) Non-retroactivity. The requirements of this provision do not apply to any materials, events, or commodities produced prior to January 2, 2006. The requirements of this provision do not apply to program, project, or activity sites funded by USAID, including visible infrastructure projects (for example, roads, bridges, buildings) or other programs, projects, or activities that are physical in nature (for example, agriculture, forestry, water management) where the construction and implementation of these are complete prior to January 2, 2006 and the period of the grant does not extend past January 2, 2006.

19. IMPLEMENTATION OF E.O. 13224 – EXECUTIVE ORDER ON TERRORIST FINANCING (MARCH 2002)

The Recipient is reminded that U.S. Executive Orders and U.S. law prohibits transactions with, and the provision of resources and support to, individuals and organizations associated with terrorism. It is the legal responsibility of the recipient to ensure compliance with these Executive Orders and Laws. This provision must be included in all contracts/subawards issued under this Agreement.

[END OF PROVISION]

[END OF SECTION VIII]

SECTION IX – ATTACHMENTS

ATTACHMENT A - BACKGROUND DOCUMENTS

USAID Documents can be found at:

http://www.usaid.gov/hn/business.html

- Attachment I *Plan Estrategico 2010-2014: Descentralizacion para el Desarrollo Local en el Marco de la Vision de Pais*
- Attachment II GTAG final report
- Attachment III Honduras Country Assistance Strategy (Fiscal Years 2009 – 2013)
- Attachment IV Good Governance Results Framework
- Attachment V Ruling Justly Framework
- See Attachment VI *Plan de Pais 2038*
- Automated Directives System (ADS) Chapter 320 Branding and Marking (May 2009)
  http://www.usaid.gov/policy/ads/300/320.pdf
- Automated Directives System (ADS) Chapter 303, Grants and Cooperative agreements to Non-Governmental Organizations,
  http://www.usaid.gov/policy/ads/300/303.pdf
- ADS Chapter 201 and 203 Gender Requirements (November 2009)
  http://www.usaid.gov/policy/ads/200/201sab.pdf

ATTACHMENT B - MANDATORY STANDARD PROVISIONS FOR NON-US NONGOVERNMENTAL RECIPIENTS

Mandatory Standard Provisions can be accessed at:

http://www.usaid.gov/policy/ads/300/303mab.pdf

ATTACHMENT C – - CERTICATIONS, ASSURANCES AND OTHER STATEMENTS OF THE RECIPIENT - SURVEY ON EQUAL OPPORTUNITY FOR APPLICANTS

[END OF SECTION IX]

ATTACHMENT C

CERTIFICATIONS, ASSURANCES AND OTHER STATEMENTS OF THE RECIPIENT (MAY 2006)
U.S. Agency for International Development

NOTE: [1] When these Certifications, Assurances, and Other Statements of Recipient are used for cooperative agreements, the term "Grant" means "Cooperative Agreement". [2] The recipient must obtain from each identified sub-grantee and (sub) contractor, and submit with its application/proposal, the Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion -- Lower Tier Transactions, set forth in Attachment A hereto. The recipient should reproduce additional copies as necessary.

PART I

CERTIFICATIONS AND ASSURANCES

1. ASSURANCE OF COMPLIANCE WITH LAWS AND REGULATIONS GOVERNING NON-DISCRIMINATION IN FEDERALLY ASSISTED PROGRAMS

(a) The recipient hereby assures that no person in the United States shall, 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 grant for which application is being made, it will comply with the requirements of:

(1) Title VI of the Civil Rights Act of1964 (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 shall 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.

(c) This assurance is 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 this Assurance, and that the United States shall have the right to seek judicial enforcement of this Assurance. This Assurance is binding on the recipient, its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign this Assurance on behalf of the recipient.

1. 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 grant, 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 shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all sub awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall 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 shall 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 shall 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 shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

2. 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 list is maintained by the U.S. Treasury's Office of Foreign Assets Control (OFAC) and is available online at OFAC's website: http://www.treas.gov/offices/eotffc/ofac/sdn/t11sdn.pdf, 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 website: 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 sub national 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 shall 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 shall be grounds for unilateral termination of the agreement by USAID prior to the end of its term.

3. PROHIBITION ON THE PROMOTION OR ADVOCACY OF THE LEGALIZATION OR PRACTICE OF PROSTITUTION OR SEX TRAFFICKING (ASSISTANCE) (JUNE 2005)

(a) The U.S. Government is opposed to prostitution and related activities, which are inherently harmful and dehumanizing, and contribute to the phenomenon of trafficking in persons. None of the funds made available under this agreement may be used to promote or advocate the legalization or practice of prostitution or sex trafficking. Nothing in the preceding sentence shall be construed to preclude the provision to individuals of palliative care, treatment, or post-exposure pharmaceutical prophylaxis, and necessary pharmaceuticals and commodities, including test kits, condoms, and, when proven effective, microbicides.

(b) Except as noted in the second sentence of this paragraph, as a condition of entering into this agreement or any subagreement, a non-governmental organization or public international organization recipient/subrecipient must have a policy explicitly opposing prostitution and sex trafficking. The following organizations are exempt from this paragraph: the Global Fund to Fight AIDS, Tuberculosis and Malaria; the World Health Organization; the International AIDS Vaccine Initiative; and any United Nations agency.

(c) The following definition applies for purposes of this provision:
Sex trafficking means the recruitment, harboring, transportation, provision, or obtaining of a person for the purpose of a commercial sex act. 22 U.S.C. 7102(9).

(d) The recipient shall insert this provision, which is a standard provision, in all subagreements.

(e) This provision includes express terms and conditions of the agreement and any violation of it shall be grounds for unilateral termination of the agreement by USAID prior to the end of its term.

(End of Provision)

Certification

"______________________ certifies compliance as applicable with the standard provisions entitled "Condoms" and "Prohibition on the Promotion or Advocacy of the Legalization or Practice of Prostitution or Sex Trafficking" included in the referenced agreement."

4. CERTIFICATION OF RECIPIENT

By signing below the recipient provides certifications and assurances for (1) the Certification Regarding Lobbying, (2) the Certification Regarding Terrorist Financing Implementing Executive Order 13224 and (3) Prohibition on Promotion or Advocacy of the Legislation and Practice of Prostitution and Sex Trafficking – Assistance - above:

As applicable:

RFA/APS No.: ______________________________

Application: ______________________________

Date of Application: ______________________________

Name of Recipient: ______________________________

Typed Name and Title: ______________________________

Signature: ______________________________

Date: ______________________________

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.)

PLEASE REFER TO AAPD 04-08 - "Ensuring Equal Opportunity for Faith-Based and Community Organizations" At The Following Website:

http://www.usaid.gov/business/business_opportunities/cib/pdf/aapd04_08.pdf

PART II

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 Number	Facsimile Number

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 applicant's/grantee's TIN:

TIN: ______________________________

3. CONTRACTOR IDENTIFICATION NUMBER -DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER

(a) 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 obtain the location and phone number of the local Dun and Bradstreet Information Services office from the Internet Home Page at http://www.dbisna.com/dbis/customer/custlist.htm. If an offeror is unable to locate a local service center, it may send an e-mail to Dun and Bradstreet at globalinfo@dbisma.com.

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. 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 non-governmental 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 U.S. entity, it [ ] is, [ ] is not a Gray Amendment entity, as defined below.

(c) If the recipient is a Gray Amendment Entity, it is [ ] a business concerns (as defined in 48 CFR 19.001) owned and controlled by socially and economically disadvantaged individuals (as defined in 48 CFR 726.101), [ ] an institution designated by the Secretary of Education, pursuant to 34 CFR 608.2, as a historically black college or university (HBCU) , [ ] a college or university having a student body in which more than 40% of the students are Hispanic American, or [ ] a private voluntary organization which is controlled by individuals who are socially and economically disadvantaged (as defined in 48 CFR 726.101).

(d) 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.

6. 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 sub-grant or sub-agreement) to a sub-grantee or sub-recipient in support of the sub-grantee's or sub recipient'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, please indicate below (using a continuation page, as necessary) the types, quantities of each, and estimated unit costs. Non-expendable 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, Origin, and Component of Goods. If the recipient plans to purchase any goods/commodities which are not of U.S. source and/or U.S. origin, and/or does not contain at least 50% component entry which are not at least 50% U.S. source and origin, please indicate below (using a continuation page, as necessary) the types and quantities of each, estimated unit costs of each, and probable source and/or origin, to include the probable source and/or origin of the components if less than 50% U.S. components will be contained in the commodity. "Source" means the country from which a commodity is shipped to the cooperating country or the cooperating country itself if the commodity is located therein at the time of purchase. However, where a commodity is shipped from a free port or bonded warehouse in the form in which received therein, "source" means the country from which the commodity was shipped to the free port or bonded warehouse. Any commodity whose source is a non-Free World country is ineligible for USAID financing. The "origin" of a commodity is the country or area in which a commodity is mined, grown, or produced. A commodity is produced when, through manufacturing, processing, or substantial and major assembling of components, a commercially recognized new commodity results, which is substantially different in basic characteristics or in purpose or utility from its components. Merely packaging various items together for a particular procurement or relabeling items does not constitute production of a commodity. Any commodity whose origin is a non-Free World country is ineligible for USAID financing. "Components" are the goods which go directly into the production of a produced commodity. Any component from a non-Free World country makes the commodity ineligible for USAID financing.

Type/Description (Generic) Components	Estimated Quantity	Probable Unit Cost	Goods	Source of	Components	Probable Origin of Goods

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

Type/Description (Generic)	Estimated Quantity	Probable Unit Cost	Probable Intended Use	Source	Origin

(f) Supplier Nationality. If the recipient plans to purchase any goods or services from suppliers of goods and services whose nationality is not in the U.S., please 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. Any supplier whose nationality is a non-Free World country is ineligible for USAID financing.

Type/Description (Generic)	Quantity	Estimated Unit Cost	Probable Supplier Nationality (Non-U.S. Only)	Rationale for Non-U.S.

(g) Proposed Disposition. If the recipient plans to purchase any nonexpendable equipment with a unit acquisition cost of $5,000 or more, please indicate below (using a continuation page, as necessary) the proposed disposition of each such item. Generally, the recipient may either retain the property for other uses and make compensation to USAID (computed by applying the percentage of federal participation in the cost of the original program to the current fair market value of the property), or sell the property and reimburse USAID an amount computed by applying to the sales proceeds the percentage of federal participation in the cost of the original program (except that the recipient may deduct from the federal share $500 or 10% of the proceeds, whichever is greater, for selling and handling expenses), or donate the property to a host country institution, or otherwise dispose of the property as instructed by USAID.

Type/Description (Generic)	Quantity	Estimated Unit Cost	Proposed Disposition

END OF CERTIFICATIONS, ASSURANCES AND OTHER STATEMENTS OF RECIPIENT

Name and Title: ______________________________

Name of Organization: ________________________

Date: ____