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**U.S. Department of State
Bureau of International Security and Nonproliferation, Office of Cooperative
Threat Reduction (ISN/CTR)
Notice of Funding Opportunity**

Funding Opportunity Title: Countering the Proliferation of Advanced
Conventional Weapons to States of Proliferation
Concern

Announcement Type: Cooperative Agreement – Initial

Funding Opportunity Number: SFOP0006254

Deadline for Applications: January 31, 2020

Funding Available: \$2,500,000

ELIGIBILITY

The following organizations are eligible to apply (both domestic and international):

- *Not-for-profit organizations*
- *Public and private educational institutions*
- *For-profit organizations*
- *Public International Organizations*

Cost Sharing or Matching

Providing cost sharing, matching or cost participation is not an eligibility requirement for this Notice of Funding Opportunity (NOFO) though ISN/CTR does encourage such approaches. Applicants are encouraged to include third-party contributions in their proposals but applicants who do not demonstrate cost-sharing or matching approaches will not be penalized.

Other Special Eligibility Criteria

Not Applicable.

CONTACT INFORMATION

For assistance with the requirements of this solicitation, please contact:
CTRSpecialProjectsProposals@state.gov

I. EXECUTIVE SUMMARY

The Department of State's Office of Cooperative Threat Reduction (ISN/CTR) is pleased to announce an open competition for assistance awards through this Notice of Funding Opportunity (NOFO). ISN/CTR invites non-profit/non-governmental organizations and educational institutions to submit proposals for projects that will advance the mission of the Department's Office of Cooperative Threat Reduction (CTR). ISN/CTR prefers projects that cost less than \$300,000 though awards may involve multiple projects that

cumulatively exceed \$500,000. All applications and submission costs are at the Applicants' expense. ISN/CTR will not pay for any costs incurred in preparation of the applications.

II. BACKGROUND AND PROGRAM DESCRIPTION

ISN/CTR sponsors foreign assistance activities funded by the Nonproliferation, Anti-terrorism, Demining and Related Programs (NADR) account, and focuses on mitigating proliferation and security risks from state and non-state actors.

ISN/CTR seeks to prevent proliferator states from selling destabilizing advanced conventional weapons to states of proliferation concern (e.g. Iran, Syria, Venezuela, etc.) that threaten U.S. national security and nonproliferation interests. Proliferator states use revenues generated from advanced conventional weapons sales to fund malign activities, increase their influence, and develop newer, even more deadly weapons for use against the U.S. homeland and allies. Per the U.S. National Security Strategy, military cooperation is one of many proliferator state efforts to "gain veto authority over other nations' economic, diplomatic, and security decisions." Furthermore, the sale of weapons to states of proliferation concern, and use of Private Military Companies (PMCs), can undermine international security and nonproliferation norms and best practices.

To address this threat, ISN/CTR seeks programmatic proposals to build partner capacity and leverage open source data to identify, prevent, and disrupt proliferator state sales of advanced conventional weapons to states of proliferation concern, as well as the associated financial and logistics elements of these transactions through the following lines of effort: Financial Chilling, Logistics Hardening, Countering Private Military Companies, and Open Source Research.

Financial Chilling: Entities of concern utilize complex financial countermeasures to circumvent U.S. and international sanctions regimes. Sanctioned and prohibited defense entities obfuscate ownership and beneficiary data by creating complex subsidiary networks. Sanctioned and prohibited entities have vertically integrated insurance and financing.

- ISN/CTR Seeks to: Develop commercial ownership and beneficiary network maps of prohibited entities; identify subsidiaries and front companies of nefarious actors; develop and implement due-diligence trainings to enhance international capacity to detect financial countermeasures; and disseminate best practices and training to widest possible commercial and professional networks.

Logistics Hardening: Prohibited entities strive to circumvent U.S. and international sanctions regimes by vertically integrating logistics. Most ACW transfers by prohibited entities now occur on government-linked vessels or planes

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due to sanctions. Even vertically integrated systems are dependent on access to logistics support, maritime services, and access to global commons.

- ISN/CTR Seeks to: Engage private sector logistics and insurance providers to reveal connections to malign arms transfers; identify front companies including shipping companies and agents, air transport firms, port terminal operators, maritime insurers, and flag authorities; and force entities of concern to assume all cost and risk of arms transfers.

Countering Private Military Companies: Private military companies (PMCS) are often utilized in conflict zones to exert malign influence while maintaining plausible deniability. Sanctioned PMCs often function in an extra-legal manner in unregulated arenas. Prohibited PMCs do not adhere to international standards.

- ISN/CTR Seeks to: Develop detailed open-source network map of prohibited PMCs, their subsidiaries, fronts, and beneficiaries; provide detailed reports on PMC deployment, financing, and logistics mechanisms; and develop innovative programs that increase the costs of using PMCs to facilitate ACW transfers that enrich sanctioned entities and spread malign influence.

Open Source Research to Inform and be Incorporated into ISN/CTR Lines of Effort: Open source research will be used to supplement and inform deliverables and activities. Open source research is a key component in developing a comprehensive and thorough understanding of relationships and transaction networks that exist with entities of concern. Gathering of open source information and related analysis of conventional arms procurement pathways would assist with United States and international efforts to train partners to proactively monitor and enforce prohibitions on such activities.

- ISN/CTR Seeks to: Couple relevant research with international capacity building efforts to identify and disrupt these transactions will significantly advance U.S. foreign policy objectives. Together, the open source research and related capacity building efforts will strengthen nonproliferation norms, prevent security assistance to proliferator states of concern, and disrupt illicit procurement and facilitation networks striving to undermine international stability.

Deliverables from these lines of effort could include:

- Design and implement international capacity building efforts (e.g. trainings and workshops) that advance U.S. national security objectives. ISN/CTR encourages the utilization and leveraging of existing tools, curriculums, and resources to encourage scalability and cost-effectiveness. Specific areas of focus may include:

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- Enhance foreign partners' (financial institutions, insurance underwriters, shipping and logistics firms, etc.) capacity to recognize and prevent military assistance transactions with proliferator state entities;
- Engage foreign partners to identify obfuscated linkages to proliferator states providing security assistance (including the sale of advanced conventional weapons and/or procurement of private military companies) to states of proliferation concern;
- Leverage open source materials to train foreign partners to understand and disrupt the complex financial, logistics, insurance, maritime, and networks supporting military assistance from entities of concern;
- Engage foreign partners to enhance their capacity to disrupt logistics and insurance networks facilitating military assistance from entities of concern;
- Analyze and inform foreign partners on the procurement, insurance, logistics, spare parts, repair/maintenance, and other costs of advanced conventional weapons systems;
- Utilizing subject matter experts to analyze data and identify proliferation concerns and ongoing or potential technology transfers between states of proliferation concern; and
- Generating analytical products that review foreign language media, survey and map new and emerging arms trade relationships potentially prohibited by U.S. and international norms and sanctions and provide detailed open source information for use in potential outreach to foreign governments and industry to disrupt potential transactions.

Countries of interest for engagement could include the following with a focus on existing or potential military, commercial, technological, and other transactions with entities of concern including but not limited to:

- Europe (Albania, Armenia, Azerbaijan, Belarus, Bosnia-Herzegovina, Bulgaria, Cyprus, Estonia, Finland, Georgia, Kosovo, Latvia, Lithuania, Moldova, Montenegro, North Macedonia, Poland, Romania, Serbia, Turkey, and Ukraine);
- South and Central Asia (Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan);
- Middle East and North Africa (Algeria, Egypt, Iraq, Jordan, Lebanon, Morocco, and Tunisia);
- East Asia and the Pacific (India, Indonesia, Malaysia, Marshall Islands, Mongolia, Thailand, and Vietnam);
- Africa (Angola, Cameroon, Central Africa Republic, Ethiopia, Guinea, Liberia, Niger, and Republic of Congo)

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- Western Hemisphere (Antigua and Barbados, Argentina, Bahamas, Bermuda, Brazil, British Virgin Islands, Costa Rica, Dominica, Dominican Republic, Nicaragua, Panama, Paraguay, Peru, and Saint Vincent and the Grenadines).

Objectives

By the end of the award's period of performance, the recipient will have successfully developed and implemented a project to advance one or more of the following ISN/CTR objectives:

- Engage foreign partners to enhance their capacity to prevent advanced conventional weapons and arms-related technology transactions with proliferator states and/or states of proliferation concern;
- Support international nonproliferation norms with respect to entities engaging in transactions with defense and other relevant sectors of sanctioned or prohibited state actors;
- Enhance foreign partner capacity to identify and take action to disrupt military, commercial, and other relevant activities with sanctioned or prohibited actors including, but not limited to, advanced conventional weapons sales, technology transfers, and procurement of private military companies; and
- Provide original data and analysis that can be used to inform and implement nonproliferation program and policy objectives, as well as support sanctions-related outreach to foreign governments and industry.

III. ELIGIBILITY REQUIREMENTS

Eligibility is limited to not-for-profit organizations subject to 501 (c) (3) of the tax code, for-profit organizations, and educational institutions. Direct funding for both U.S. and non-U.S. organizations is available under this announcement.

IV. APPLICATION AND SUBMISSION INFORMATION

Award Period: 12 months.

Award Amount: ISN/CTR prefers projects that cost less than \$300,000 though awards may involve multiple projects that cumulatively exceed \$500,000. CTR will prioritize proposals that efficiently meet NOFO and programmatic goals at the lowest technically acceptable cost.

Application Submission Process: Applicants should submit project proposals electronically using Grants.gov. Thorough instructions on the Grants.gov application

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process are available at <http://www.grants.gov>. For questions relating to Grants.gov, please call the Grants.gov Contact Center at 1-800-518-4726. For questions about this solicitation, contact:

Application Deadline: The deadline is 11:59PM EST on January 31, 2020. Begin the application process early, as this will allow time to address any technical difficulties that may arise.

All applicants must register with Grants.gov prior to submitting an application.

Registering with Grants.gov is a one-time process; however, it could take as long as two weeks to have the registration validated and confirmed. Please begin the registration process immediately to ensure that the process is completed. Until that process is complete, you will not be issued a user password for Grants.gov, which is required for application submission. There are four steps that you must complete before you are able to register: (1) Obtain a Data Universal Numbering System (DUNS) number from Dun & Bradstreet (if your organization does not have one already) by calling 1-866-705-5711; (2) Register with Central Contractor Registry (CCR); (3) Register yourself as an Authorized Organization Representative (AOR); and (4) Be authorized as an AOR by your organization. For more information, go to www.grants.gov. Please note that your CCR registration must be annually renewed. Failure to renew your CCR registration may prohibit submission of an application through Grants.gov. **Application Content:** Applicants must follow the NOFO instructions and conditions contained herein and supply all information required. **Failure to furnish all information or comply with stated requirements will result in disqualification from the competition.** Applicants must set forth full, accurate, and complete information as required by this NOFO. The penalty for making false statements in proposals to the U.S. government is prescribed on 18 U.S.C.1001.

The completed submission must consist of the following three parts:

Section 1 - Application for Federal Assistance (SF-424):

This form is part of the NOFO proposal package:

Section 2 – Consolidated Project List

This outlines the individual project proposals within your overall proposal submission

Section 3 – Project Proposal(s):

Using the provided template, the applicant must provide a completed project proposal. The proposal form must be completed in its entirety and clearly specify the proposed scope, deliverables, and timeline. Applicants must specify a point of contact for each project that is proposed.

Section 4 - Budget:

Also using the provided project proposal template, applicants must provide a budget for the project. The budget must identify the total amount of funding requested, with a breakdown of amounts to be spent in the following budget categories:

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- Personnel and fringe benefits;
- Travel;
- Equipment and supplies;
- Contractual services;
- Construction;
- Other direct costs; and
- Indirect costs

Applicants must adhere to the requirements of the Federal Travel Regulation (FTR), including Fly America Act requirements, when proposing and conducting travel. For further information and current foreign per diem rates, please visit: https://aoprals.state.gov/web920/per_diem.asp

V. AWARD SELECTION CRITERIA

Applicants should note that the following criteria serve as a standard against which all project proposals will be evaluated and identify significant considerations that should be addressed in all proposals. ISN/CTR will award a cooperative agreement to the applicant whose offer represents the best overall value to the government from both a technical and cost perspective.

ISN/CTR will evaluate proposals against the stated criteria. Criteria are listed in descending order of importance.

- **Proposed Activity or Activities:** Applicants should clearly describe what they propose to do and how they will do it. The proposed project(s) must directly relate to meeting the specified objectives and applicants should include specific information on how they will systematically meet ISN/CTR's global threat reduction mission. ISN/CTR will evaluate the project proposal in terms of how well it addresses the issues at hand, relevance and feasibility of the proposed activities, the timeline for completion, and the extent to which the impact of the project will continue beyond the conclusion of the period of performance.
- **Organizational Capability:** Applicants must demonstrate how their resources, capabilities, and experience will enable them to achieve the stated goals and objectives in an international technical context. The proposal(s) must identify all key partners and organizations that will be involved in implementation of this project.
- **Budget:** Proposed costs will be evaluated for feasibility, fiscal control practices, and efficiency. ISN/CTR must be able to determine that proposed costs are reasonable, allowable, and allocable to the proposed project activities. ISN/CTR will evaluate the budget to determine if the overall costs are realistic for the work to be performed, if the costs reflect the applicant's understanding of the allowable

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cost principles established by OMB Circulars A-122 and/or A-21, and if the costs are consistent with the program narrative.

- **Cyber Security:** Recipients and subcontractors are required to provide adequate security – (e.g. protective measures that are commensurate with the consequences and probability of loss, misuse, or unauthorized access to, or modification of information) on all covered information systems, and to rapidly report cyber incidents directly to the grantor.

VI. AWARD ADMINISTRATION INFORMATION

Award Notices:

ISN/CTR will provide a separate notification to applicants on the result of their applications. Successful applicants may receive a letter electronically via email requesting that the applicant respond to review panel conditions and recommendations (if applicable). This notification is not an authorization to begin activities and does not constitute formal approval or a funding commitment.

At this point, ISN/CTR will provide additional guidance on the specific countries where the proposed activities will occur.

Final approval is contingent upon the applicant successfully responding to the review panel's conditions and recommendations (if applicable), being registered in required systems, including the U.S. government's Payment Management System (PMS), unless an exemption is provided, and completing and providing any additional documents requested by ISN/CTR or AQM. Final approval is also contingent on Congressional notification requirements being met and final review and approval by the Department's warranted grants officer. All awards will also be assessed for risk prior to their issuance.

An award agreement shall be written, signed, awarded, and administered by the Grants Officer. The Grants Officer is the Government official delegated the authority by the U.S. Department of State Procurement Executive to write, award, and administer grants and cooperative agreements. The award agreement is the authorizing document and it will be provided to the Recipient through SAMS Domestic.

Anticipated Time to Award: Applicants should expect to be notified of the *recommended* concepts within 30 days after the submission. Following this initial notification, **selected applicants will be expected to submit a full application within 30 days.** ISN/CTR staff will provide information at the point of notification about the requirements for the full application, which may include revisions to the activities. The full applications will not be subject to further competition, but must incorporate any suggested changes made by ISN/CTR.

Issuance of this NOFO 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

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preparation and submission of proposals. Further, the Government reserves the right to reject any or all proposals received.

Project Implementation Meeting: The recipient should expect to have a pre-project implementation meeting with ISN/CTR within 30 days after the cooperative agreement is awarded and before any work is performed for the award.

Reporting Requirements: As a cooperative agreement, reporting and deliverable requirements for this project exceed those of typical grants administered by ISN/CTR. Applicants should pay special attention to these enhanced reporting and deliverable requirements. Specifically:

- Using a template provided by ISN/CTR, the Recipient shall submit quarterly progress reports to the designated Grants Officer Representative (GOR) detailing:
 - Assistance activities conducted during the reporting period;
 - Milestones and successes achieved to date;
 - Key assistance activities remaining to be implemented with a projected timetable;
 - Details of any problems encountered with proposed solutions; and
 - Any other pertinent information requested by ISN/CTR.
- The Recipient shall provide the GOR with copies of all materials developed under this cooperative agreement.
- In addition to regular quarterly reports, the Recipient shall furnish the GOR with ad hoc reports as requested from time to time.

In addition to the above, the Recipient shall submit quarterly financial reports throughout the project period. Financial reports are due 30 days after the reporting period. Final programmatic and financial reports are due 90 days after the close of the project period

VII. DISCLAIMER

Organizations that submit applications in response to this announcement acknowledge and accept all of the requirements contained herein. All submissions in response to this announcement are voluntary and do not obligate the Department of State to fund any application or application preparation costs. Renewal of an award to increase funding or extend the period of performance is at the discretion of the Department of State and will be based upon the availability of funds.