



U.S. AGENCY FOR  
INTERNATIONAL  
DEVELOPMENT

ENTERED

OCT 15 1993

SEP 17 1993

Section

Mr. Ravi Tadvalkar  
Senior Finance Officer  
Consultative Group on International  
Agricultural Research  
The World Bank  
1818 H Street, N.W.  
Washington, DC 20433

Subject: Grant No. LAG-4111-G-00-3042-00

Dear Mr. Tadvalkar:

Pursuant to the authority contained in the Foreign Assistance Act of 1961 and the Federal Grant and Cooperative Agreement Act of 1982, as amended, the Agency for International Development (hereinafter referred to as "A.I.D.") hereby provides to The World Bank/Consultative Group on International Agricultural Research (hereinafter referred to as "CGIAR" or "Grantee") the sum set forth in Section 1C.2. of Attachment 1 of this Grant to provide financial support for the program described in Attachment 2 of this Grant entitled "Program Description."

This Grant is effective as of the date of this letter and funds obligated hereunder shall be used to reimburse the Grantee for allowable program expenditures for the period set forth in Section 1B. of Attachment 1 of this Grant.

The total estimated amount of this Grant is the amount set forth in Section 1C.1. of Attachment 1, of which the amount set forth in Section 1C.2. is hereby obligated. A.I.D. shall not be liable for reimbursing the Grantee for any costs in excess of the obligated amount. However, subject to Section 1C.4. of Attachment 1, additional funds may be obligated by A.I.D. until such time as the obligated amount may equal the total estimated amount of this Grant.

This Grant is made to the Grantee on the condition that the funds will be administered in accordance with the terms and conditions as set forth in the attachments listed under my signature below, which together constitute the entire Grant document and have been agreed to by your organization.

5429G

Please acknowledge receipt and acceptance of this Grant by signing all copies of this Cover Letter, retaining one copy for your files, and returning the remaining copies to the undersigned.

If you have any questions, please contact Mr. Ron Stanley of my staff at (703) 875-1220.

Sincerely yours,



Jay M. Bergman  
Grant Officer  
Chief, LA Branch  
Division B  
Office of Procurement

Attachments:

1. Schedule
2. Program Description
3. Standard Provisions
4. Special Provision entitled "Restrictions on Lobbying"
5. Special Provisions Applicable to IARCs Participating in the African National Agricultural Programs Linkages

ACKNOWLEDGED:

THE WORLD BANK/CONSULTATIVE GROUP ON  
INTERNATIONAL AGRICULTURAL RESEARCH

BY: RMT

TYPED NAME: Ravi Tadvalkar

TITLE: Senior Finance Officer

DATE: September 23, 1993

FISCAL DATA

A. GENERAL

- A.1. Total Estimated A.I.D. Amount: \$3,379,828
- A.2. Total Obligated A.I.D. Amount: \$3,079,828
- A.3. Cost-Sharing Amount (Non-Federal): \$40,000
- A.4. Other Contributions (Federal): \$ - 0 -
- A.5. Project No.: 936-4111
- A.6. A.I.D. Project Office: R&D/AGR, R. Bertram
- A.7. Funding Source: A.I.D./W
- A.8. Tax I.D. No.: N/A
- A.9. CEC No.: 06-303-421K

B. SPECIFIC

- B.1.(a) PIO/T No.: 936-4111-3692855
- B.1.(b) Appropriation: 72-113/41014
- B.1.(c) Allotment: 381-36-099-00-20-31
- B.1.(d) BPC: DSS3-93-16900-KG11
- B.1.(e) Amount: \$2,579,828
  
- B.2.(a) PIO/T No.: 936-4111-3692856
- B.2.(b) Appropriation: 72-113/41014
- B.2.(c) Allotment: 381-36-099-06-20-31
- B.2.(d) BPC: DSS3-93-16900-EG11
- B.2.(e) Amount: \$500,000

ATTACHMENT 1SCHEDULE**1A. PURPOSE OF GRANT**

The purpose of this Grant is to provide financial support for the program described in Attachment 2 of this Grant entitled "Program Description."

**1B. PERIOD OF GRANT**

**1B.1.** The effective date of this Grant is the date of the Cover Letter and the estimated completion date is September 29, 1994. Funds obligated hereunder (see Section 1C.2. below) shall be used to reimburse the Grantee for allowable program expenditures incurred by the Grantee in pursuit of program objectives at any time during the period beginning on the effective date of this Grant and ending on the estimated completion date.

**1B.2.** However, because this Grant is incrementally funded (see Section 1C.4. below), funds obligated hereunder are only anticipated to be sufficient for program expenditures through approximately August 25, 1994.

**1C. AMOUNT OF GRANT AND PAYMENT**

**1C.1.** The total estimated amount of this Grant for its full period, as set forth in Section 1B.1. above, is \$3,379,828.

**1C.2.** A.I.D. hereby obligates the amount of \$3,079,828 as partial (incremental) funding of the total estimated amount set forth in Section 1C.1. above for program expenditures during the indicated period set forth in Section 1B. above. Notwithstanding said total estimated amount, A.I.D. shall not be liable for reimbursing the Grantee for any costs in excess of the obligated amount, except as specified in paragraph (c) of the Standard Provision of this Grant entitled "Revision of Grant Budget" (see also Section 1C.4. below).

**1C.3.** Payment shall be made to the Grantee in accordance with procedures set forth in the Standard Provision of this Grant entitled "Payment - Periodic Advance," as shown in Attachment 3.

**1C.4.** As indicated in Section 1C.2. above, this Grant is partially funded. Until such time as the obligated amount (see Section 1C.2. above) shall equal the total estimated amount (see Section 1C.1. above) of this Grant, additional increments of funds may be obligated by A.I.D. under this Grant (by a unilateral Grant modification), subject to availability of funds, possible evaluation of the program, program priorities at the time, and the requirements of the Standard Provision of this Grant entitled "Revision of Grant Budget," as set forth in Attachment 3.

1C.5. The total estimated amount of the program described in Attachment 2 of this Grant is \$3,419,828, of which A.I.D. may provide the amount specified in Section 1C.1. above, and the Grantee/Others will provide \$40,000.

1D. GRANT BUDGET

1D.1. The following is the Budget for the total estimated amount of this Grant (see Section 1C.1. above) for its full period (see Section 1B. above). The Grantee may not exceed the total estimated amount or the obligated amount of this Grant, whichever is less (see Sections 1C.1. and 1C.2., respectively, above). Except as specified in the Standard Provision of this Grant entitled "Revision of Grant Budget," as shown in Attachment 3, the Grantee may adjust line item amounts as may be reasonably necessary for the attainment of program objectives. Revisions to the budget shall be in accordance with Section 1C. above and the Standard Provision of this Grant entitled "Revision of Grant Budget."

1D.2. Budget

IARC	East Africa					West Africa			Total
	CIAT	ICRAF Agro- Forestry	CIP Potatoes	IITA Root Crops	ISNAR	WARDA Rice	IITA Maize	ICRISAT Sorghum	
Coordi- nation	\$215,000	\$395,000	\$141,000	\$150,000	\$- 0 -	\$ 40,000	\$139,000	\$120,000	\$1,200,000
Planning/ Evaluation	37,000	25,000	60,000	36,000	- 0 -	100,000	80,000	82,000	420,000
Research Collaboration	83,000	160,000	88,000	97,000	- 0 -	145,000	100,000	70,000	743,000
Training/ Institution Strengthening	26,000	40,000	75,000	78,000	- 0 -	56,000	30,000	44,000	349,000
Administra- tive Support	89,000	130,000	86,000	89,000	- 0 -	59,000	51,000	84,000	588,000
Network Integration	- 0 -	- 0 -	- 0 -	- 0 -	79,828	- 0 -	- 0 -	- 0 -	79,828
TOTAL EST. AID AMOUNT	<u>\$450,000</u>	<u>\$750,000</u>	<u>\$450,000</u>	<u>\$450,000</u>	<u>\$79,828</u>	<u>\$400,000</u>	<u>\$400,000</u>	<u>\$400,000</u>	<u>\$3,379,828</u>
Grantee/Other Contributions for Network Productivity/Management Studies									<u>\$ 40,000</u>
TOTAL EST. PROGRAM AMOUNT	<u>\$450,000</u>	<u>\$750,000</u>	<u>\$450,000</u>	<u>\$450,000</u>	<u>\$79,828</u>	<u>\$400,000</u>	<u>\$400,000</u>	<u>\$400,000</u>	<u>\$3,419,828</u>

**1E. REPORTING REQUIREMENTS**

**1E.1. Financial Reporting**

**1E.1.(a)** Financial reporting requirements shall be in accordance with the Standard Provision of this Grant entitled "Payment - Periodic Advance," as shown in Attachment 3.

**1E.1.(b)** All financial reports shall be submitted to A.I.D., Office of Financial Management, FA/FM/CMPD/DCB, Room 700 SA-2, Washington, D.C. 20523-0209. In addition, one copy of all financial reports shall be submitted to the A.I.D. Project Office specified in the Cover Letter of this Grant.

**1E.1.(c)** The frequency of financial reporting and the due dates of reports shall be as specified in the Standard Provision of this Grant referred to in Section 1E.1.(a) above.

**1E.1.(d)** The Grantee's financial reports shall include expenditures of A.I.D. Grant funds provided hereunder, as well as other non-federal contributions.

**1E.2. Technical Reporting**

The Grantee shall notify the participating IARCs that A.I.D. requires them to comply with the technical reporting requirements set forth in Section 19 of Attachment 5 of this Grant.

**1F. SPECIAL PROVISIONS**

The Grantee shall notify the participating IARCs that A.I.D. requires them to comply with the Special Provision entitled "Restrictions on Lobbying" set forth in Attachment 4 of this Grant, and the Special Provisions Applicable to IARCs Participating in the African National Agricultural Programs Linkages, set forth in Attachment 5 of this Grant.

PROGRAM DESCRIPTION

## Consultative Group on International Agricultural Research

Mailing Address: 1818 H Street, N.W., Washington, D.C. 20433, U.S.A.

Office Location: 801 19th Street, N.W.

Telephone (Area Code 202) 473-8951

Cable Address-INTBAFRAD

Fax (Area Code 202) 334-8750

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June 28, 1993

Dr. Ralph Cummings, Jr.  
Coordinator, International Agricultural  
Research Center Staff  
Bureau for Science and Technology  
Agency for International Development  
Room 513, SA-18  
Washington, D.C. 20523-1809

Dear Ralph,

The CGIAR has long recognized the importance of developing national capacity for research on agriculture and natural resource management issues. CGIAR centers have developed training programs and networking activities to address this objective. Attached is a specific proposal to support networking activities between five CGIAR centers and the national programs in Africa.

The U.S. Agency for International Development has been an important catalyst for implementing capacity building programs. In particular through regional and bilateral support it has contributed substantially to such activities at CGIAR centers. We would be grateful if you could consider funding the attached proposal through the CGIAR special activities program.

Sincerely yours,



Ravi Tadvalkar  
Senior Finance Officer

Enclosure

## Strengthening National Agricultural Research Systems in Africa through Collaborative Research Networks

### Introduction

The Consultative Group on International Agricultural Research (CGIAR) has long recognized the importance of developing national capacity for research on agriculture and natural resource management issues. No where has this been seen as more critical than in Africa, where national systems have tended to be small and underfunded, resulting in decreased ability to develop and adapt technologies needed by farmers. The resulting gap in technology development and application has contributed to gaps in meeting productivity needs and degradation of the natural resource base through the use of non-sustainable practices such as slash and burn without adequate fallow periods.

A series of studies and reports have concluded that strengthening national research systems is a key step in generating appropriate technologies which are adopted and applied in major farming systems. CGIAR stakeholders, including centers, donors and collaborating institutions, have recognized the importance of fostering national research capacity and leadership as a necessary part of a longer term strategy leading to sustainable and productive farming and resource management systems. Strong national institutions, including organizations in the public, private and university sectors, are required for a true transformation to take place.

A variety of means have been used to strengthen national systems in Africa, including donor-supported bilateral projects, institution building activities of many kinds, and a large number of regionally oriented activities. CGIAR-sponsored International Agricultural Research Centers have a long track record as direct or indirect partners in many such activities. Their advantages have included their apolitical constitution, acknowledged program excellence, and a stability of mandate, approach and support that has been difficult to achieve at the national level. However, as resources have grown increasingly constrained, the ability of donors to support large-scale, nationally oriented interventions has been constrained. At the same time, a consensus has emerged that collaborative research networks offer an excellent, cost-effective means of building national and regional capacity, clear economies of scale, and the emergence of coherent national and regional research policies.

### IARC Research and Collaborative Research Networks

During the last decade, much evolution of collaborative research efforts involving IARCs and national research programs has occurred. From initial relationships characterized primarily by

growing and evaluating breeding nurseries, centers and national programs have joined together to develop a series of closely interlinked collaborative research networks. IARCs are one partner among many, with leadership coming from national programs at both the scientist (steering committees) and policy maker (directors committees) level. Emphasis is placed both on assessing and developing new technologies, as well as on effective partnerships to test and adapt innovative approaches to solving problems. NARS members see a growing stake in their own participation, which includes a broad-based, on-going effort to monitor impact. This is seen as an essential part of fostering support at the national, regional and international level.

New, innovative approaches to networking thus emphasize institutional as well as technological development. A clear focus remains on solving problems of significant importance to the countries involved, while at the same time using a collaborative research approach to address broader issues of participation, responsibility and leadership. Strategies are developed in a participatory manner, with a clear goal being the eventual independence of national and regional research partners to contribute to, and benefit from, an emerging global system of agricultural and natural resources research.

For major donors, collaborative research initiatives offer an opportunity to support activities which directly complement their investment in the research programs of IARCs. Thus, support for networks can be seen as increasing the relevance and impact of core support to the CGIAR centers. It also addresses donor concerns that center's programs be linked to and responsive to national researchers and their most critical needs. Achievement of true partnerships between IARCs and the NARS of a region can reassure donors that the relevance and impact of research supported at IARCs is maximized.

Similarly, international research centers view the development of strong, effective research networks as a means to ensure the viability of technologies, information and human resource development activities they undertake. As the sense of being stakeholders increases, national programs are able to collaborate with centers and with each other with increasing effectiveness. Research opportunities bringing real synergy to the overall effort are more readily identified and realized.

Most importantly, national programs themselves see the development of collaborative research networks as a means of gaining a stronger voice in determining research directions, priorities, and policies. Interaction across national boundaries provides a forum for expressing national and transnational concerns to arrive at the highest priority, strategic approaches to problem solving. Regional meetings have repeatedly concluded that national programs want to work with each other, and that a participatory

mode of collaborative research definition and management is highly desirable.

#### Evolution of A New Initiative

The African agricultural and natural resources management research community has made significant progress in recent years in developing a more rationalized approach to collaborative research networks. Key aspects of productive networks have been defined, and donors too have sought to integrate their efforts through fora such as SPAAR (Special Program for African Agricultural Research). IARCs have actively sought to bring networks in which they participate closer together for both scientific and institutional reasons. Greater integration of network activities reduces the burden on national programs, and allows them to more effectively direct their overall participation in the global agricultural research system.

As emphasis on the importance eco-regional research has grown, centers and national programs have looked closely at how research objectives are defined. More and more, scientists are viewing agricultural land as a key component of the larger landscape, with land management systems and component technologies being viewed as key areas for intervention. Commodity focus remains important, but it is seen as offering a "handle" for managing what are often complex systems with many important aspects. In East Africa, the International Center for Research on Agroforestry (ICRAF) has initiated a highlands initiative that integrates a number of networks working on different commodities into a holistic, regional approach.

In recognition of the importance that collaborative networks hold for achievement of broad-scale CGIAR goals relating to hunger, economic development and environmental preservation, the CGIAR Secretariat is working with centers and donors to establish a special activity to strengthen national agricultural research systems in Africa through collaborative research networks. A special fund has been established to provide donors with a means to provide support for collaboration among NARS and with the IARCs. An integrated approach has been adopted, incorporating major commodities, such as beans, maize, rice, roots and tubers and sorghum, with key resource management areas such as agroforestry. CGIAR centers will assume key roles in fostering networks, but will do so in a collaborative way, with leadership and decision making based in committees made up of partner national systems.

The initiative will involve seven IARCs initially, building on collaborative research networks which have been evolving in both East and West Africa. Each network will focus on an important commodity or topic for the East or West Africa eco-regions, emphasizing both scientific and institutional opportunities. Involvement of the IARCs offers both program and financial

accountability, as all seven IARCs have excellent financial management and audit arrangements in place. More importantly, the centers offer both institutional and scientific memory for subject areas of each network.

#### Network Fundamentals

Each network is designed to increase the productivity of national agricultural research programs--not to substitute for them. All participating countries will have equal opportunity for national participation in priority setting, and each network will ensure that adequate support is available for full national participation. All networks will include goals that go beyond scientific research and include efforts to promote dissemination of new technologies, through NARS, to farmer groups and other private organizations. Management decisions will be taken jointly by committees of network members and research directors and the relevant international centers.

Each network has developed an action plan to foster the achievement of overall institutional and specific technical objectives. Centers have developed detailed funding plans for each network, covering key areas such as training, travel, research support, coordination and evaluation. Each network will seek to strengthen ties to bilateral donors at the country level, and to regional organizations. As the program develops, there will be increasing scope for support for diverse sources, including bilateral, regional and multilateral donors. In-kind support from NARS should also increase, as productivity is demonstrated and confidence among national leaders grows.

Network structure will include the center as a coordinating organization, a steering committee composed of participating scientists, and an overall eco-regionally oriented committee of research directors. The committees will meet semi-annually to identify strategies and goals, review research results, lay out new priorities and apportion institutional responsibilities. Special workshops will be held to focus on specific scientific problems and innovative approaches to dissemination of results. The structure will favor frequent communication, and research results will be freely available to all participants, as well as any interested bona fide researcher.

#### Activity Focus

West Africa- In West Africa, the initiative will focus on the three most important cereals: maize, sorghum and rice. Three CGIAR centers will organize complimentary, inter-linking networks of researchers. For maize, the International Institute of Tropical Agriculture (IITA), located in Ibadan, Nigeria will take the lead. The sorghum network will be coordinated by the International Crops Research Institute for the Semi-Arid Tropics (ICRISAT), which has

a major sub-center in Niamey, Niger. For rice, the West Africa Rice Development Association (WARDA), Bouake, Ivory Coast, will take the lead. A description of each network follows:

Maize Network- This activity, coordinated by IITA, will encompass both coastal and Sahelian West African countries. Issues related to variety development and testing, disease and pest control through integrated pest management, and agronomic/natural resource management will be emphasized.

Sorghum Network- ICRISAT will coordinate this network, in close collaboration with existing regional activities, from its regional sorghum program in Mali. Pests, diseases, and the development of high-yielding, well-adapted germplasm will be emphasized. National programs of principle sorghum-producing countries in the region will participate.

Rice Network- WARDA will coordinate a series of key Task Forces made up of scientists working on problems and productivity of major rice ecosystems. These will collectively form a highly integrated network drawing on the strengths of each country, and reflecting the relative importance of specific constraints to progress in achieving sustainable, highly productive rice systems.

An overarching committee of research directors from countries participating in the three networks will be convened. This committee will serve as a bridge mechanism towards a fully integrated, eco-regionally based, NARS-led effort. Each network will also encompass economic and management issues, as stimulus to economic development and efficiency of effort are major goals of the program. The initiative will be a major step in the direction of fully integrated national research systems able to fully benefit from research conducted by CGIAR centers and other important parts of the global research system.

#### East Africa

In East Africa, as in West Africa, four networks will be coordinated by International Centers. These will encompass root and tuber crops (IITA), beans (the International Center for Tropical Agriculture (CIAT)), potato and sweet potato (the International Potato Center (CIP)), and agro-forestry (the International Center for Research on Agroforestry (ICRAF)). Integration of the four research networks is assured through the overarching responsibility of a single Directors Committee. A brief description of each network follows:

Roots and Tubers- IITA will coordinate the network from its regional base of operations in Uganda. Key areas of activity include pests, disease and productivity issues, as well as

economically important considerations such as post-harvest constraints and marketing. Linkages with regional and bilateral organizations providing planting materials to farmers are featured.

Beans- CIAT will coordinate the bean research network from a regional base in Tanzania. Systems approaches are emphasized, as are natural resource management concerns. Although beans constitute an important part of the diet of the region, many of the producing areas are suffering the effects of non-sustainable production systems.

Potato and Sweet Potato- The East Africa regional network on these important commodities will be coordinated from Kenya. Strong national participation includes national leadership on key constraints such as virus-free planting materials, late blight and bacterial wilt. Integrated pest management for sweet potato will be emphasized.

Agroforestry- Integrated programs of agroforestry, encompassing major systems in highland East Africa and Central Africa are planned. By nature, the activities will be cross-cutting, involving major systems, many woody and non-woody crops, and emphasizing sustainable systems to protect the environment. Because of coverage of both Central and East Africa, the budget for this subject area is larger.

A special initiative on network integration will draw on the expertise of the International Service for National Agricultural Research (ISNAR). ISNAR will work with the Directors' Committee to foster leadership on the part of the national programs. ISNAR will draw on its experience and expertise in facilitating planning, priority setting and coordinated implementation of network research programs.

#### Donor Support

This is an entirely new initiative, generated in recognition of the growing interest in the donor, center and NARS community for an integrated effort to develop full partnerships among national, regional and international research agencies. At the outset, a key donor is sought for support of the above activities. Ideally, this donor will have both global and regional objectives, and a strong stake in strengthening national agricultural research programs. As the productivity of this new approach is recognized, additional support from CGIAR donors is likely. At this stage, donors have contributed \$40,000 toward studies of networks; funding for the networks will provide important information on implementation and fostering of the collaborative research network approach.

A budget for the activity is attached. In the initial year, \$3.1 million is sought for the support of seven networks and an

integrating research management activity. All activities will contribute towards the eventual goal of strengthened national capacity and the evolution of regional coordination in research. Overall activity categories are similar across networks, but some differences in emphasis reflect varying needs in regions and with regard to specific research goals. The integrated activity reflected in the budget is the result of in-depth, activity by activity planning involving centers, donor representatives, and importantly, national programs.

Accountability is ensured through normal CGIAR center accounting and financial and program monitoring systems. Annual audits and reports for each network will be collated and submitted to the donor.

STANDARD PROVISIONS

STANDARD PROVISIONS FOR  
GRANTS TO PUBLIC INTERNATIONAL ORGANIZATIONS

- |                                    |  |
|------------------------------------|--|
| 1. Allowable Costs                 | 9. Publications  |
| 2. Refunds                         | 10. Audit and Records (Select and include only the applicable version as specified in the applicability statement of the provision.) |
| 3. Revision of Grant Budget        | 11. Payment (Select and include only the applicable version as specified in the applicability statement of the provision.) *         |
| 4. Termination Procedures          |  |
| * 5. U.S. Officials Not to Benefit |  |
| 6. Nonliability                    |  |
| 7. Amendment                       |  |
| 8. Notices                         |  |

1. ALLOWABLE COSTS (JULY 1988)

a. The grantee shall be reimbursed for costs incurred in carrying out the purposes of this grant which are reasonable, allocable, and allowable.

(1) Reasonable shall mean those costs that do not exceed those which would be incurred by an ordinarily prudent person in the conduct of normal business.

(2) Allocable shall mean those costs which are necessary to the grant.

(3) Allowable shall mean those costs which are reasonable and allocable, and which conform to any limitations set forth in this grant.

b. Prior to incurring a questionable or unique cost, the grantee is encouraged to obtain the grant officer's written determination as to whether the cost will be allowable.

2. REFUNDS (JULY 1988)

a. The grantee is encouraged to utilize interest bearing accounts where feasible and shall remit to AID all interest earned on funds provided by AID

b. Funds obligated by AID but not disbursed to the grantee at the time the grant expires or is terminated shall revert to AID, except for such funds encumbered by the grantee by a legally binding transaction applicable to this grant. Any funds advanced to but not expended by the grantee at the time of expiration or termination of the grant shall be refunded to AID except for such funds encumbered by the grantee by a legally binding transaction applicable to this grant.

c. If, at any time during the life of the grant, or as a result of final audit, it is determined that AID funds provided under this grant have been expended for purposes not in accordance with the terms of this grant, the grantee shall refund such amount to AID

3. REVISION OF GRANT BUDGET (JULY 1988)

a. The approved grant budget is the financial expression of the grantee's program as approved during the grant award process.

b. The grantee shall immediately request approval from the grant officer when there is reason to believe that within the next 30 calendar days a revision of the approved grant budget will be necessary for any of the following reasons:

(1) To change the scope or the objectives of the project and/or revise the funding allocated among project objectives.

(2) Additional funding is needed.

(3) The grantee expects the amount of AID authorized funds to exceed its needs by more than \$5,000 or five percent of the AID award, whichever is greater.

c. Except as required by other provisions of this grant specifically stated to be an exception from this provision, the Government shall not be obligated to reimburse the grantee for costs incurred in excess of the total amount obligated under the grant. The grantee shall not be obligated to continue performance under the grant (including actions under the "Termination Procedures" provision) or otherwise to incur costs in excess of the amount obligated under the grant, unless and until the grant officer has notified the grantee in writing that such obligated amount has been increased and has specified the new grant total amount.

4. TERMINATION PROCEDURES (JULY 1988)

This agreement may be terminated, in whole or in part, by either party at any time upon 30 days written notice of termination. Upon receipt of and in accordance with a termination notice from the grant officer, the grantee shall take immediate action to cease all expenditures financed by this grant and to cancel all unliquidated obligations if possible. Further, upon receipt of notice of termination, the grantee shall not enter into any further obligations under this grant. Except as provided below, no further reimbursement shall be made after the effective date of termination. The grantee shall within 30 days of the effective date of termination repay to the Government all unexpended AID funds which are not otherwise obligated by a legally binding transaction applicable

to this grant. Should the funds paid by the Government to the grantee prior to the effective date of termination be insufficient to cover the grantee's obligations in a legally binding transaction, the grantee may submit to the Government within 90 days after the effective date of termination a written claim for such amount. The grant officer shall determine the amount(s) to be paid by the Government to the grantee under such claim in accordance with the "Allowable Costs" provision of this grant.

✚ 5. U.S OFFICIALS NOT TO BENEFIT (JULY 1988)

No member of or delegate to the U.S. Congress or resident U.S. Commissioner shall be admitted to any share or part of this grant or to any benefit that may arise therefrom.

6. NONLIABILITY (JULY 1988)

AID does not assume liability for any third party claims for damages arising out of this grant.

7. AMENDMENT (JULY 1988)

The grant may be amended upon mutual consent of the parties by formal modifications to the basic grant document or by means of an exchange of letters between the grant officer and an appropriate official of the grantee.

8. NOTICES (JULY 1988)

Any notice given by AID or the grantee shall be sufficient only if in writing and delivered in person, mailed, or cabled as follows:

To the AID grant officer, at the address specified in the grant.

To grantee, at grantee's address shown in the grant or to such other address designated within the grant.

Notices shall be effective when delivered in accordance with this provision, or on the effective date of the notice, whichever is later.

9. PUBLICATIONS (JULY 1988) \*

(This provision is applicable when publications are financed under the grant.)

a. If it is the grantee's intention to identify AID's contribution to any publication resulting from this grant, the grantee shall consult with AID on the nature of the acknowledgement prior to publication.

b. The grantee shall provide the AID project officer with one copy of all published works developed under this grant and with lists of other written work produced under the grant.

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

\* 10. AUDIT AND RECORDS (STANDARD) (JULY 1988)

(This provision is applicable when AID is not the sole contributor to the grant program.)

The grantee shall maintain books, records, documents, and other evidence in accordance with the grantee's usual accounting procedures to sufficiently substantiate charges to the grant. The Grantee confirms that this program will be subject to an independent audit in accordance with the Grantee's usual auditing procedure, and agree to furnish copies of these audit reports to AID along with such other related information as may be requested by AID with respect to questions arising from the audit report.

10. AUDIT AND RECORDS (AID SOLE CONTRIBUTOR) (JULY 1988)

(This provision is applicable when AID is the sole contributor to the grant program.)

The grantee shall maintain books, records, documents, and other evidence in accordance with the grantee's usual accounting procedures to sufficiently substantiate charges to the grant. The Grantee agrees to make available to AID or the Comptroller General of the United States all records and documents which support expenditures made under this program.

10. Audit and Records (U.N. Grants) (July 1988) \*

(This provision is applicable to grants to the United Nations when AID is not sole contributor. When this provision is used the "Reporting and Evaluation" clause in the grant schedule should be deleted.)

It is agreed that the grantee will furnish the U.S. government with a final report on activities carried out under this grant, including accounting for these funds in sufficient detail to enable AID to liquidate the grant. The report should be submitted to the U.S. Mission to the U.N. in New York for forwarding to the AID program office.

~~It is understood that financial records, including documentation to support entries on accounting records and to substantiate charges against the grant, shall be maintained in accordance with the Grantee's usual accounting procedures, which shall follow generally accepted accounting practices. All such financial records shall be maintained for at least three years after the final disbursement of funds under this grant.~~

~~The Grantee confirms that the grant account will be audited in accordance with established procedures under appropriate provisions of the financial regulations and rules of the United Nations.~~

~~Any funds disbursed by AID, but not committed by the Grantee prior to the expiration date shall be refunded to AID. Funds not used for the purpose of this Grant shall be refunded to AID by the Grantee.~~

\* 11. PAYMENT (PERIODIC ADVANCE) (OCTOBER 1991)

(This provision is applicable when: (i) the grantee maintains procedures to minimize the time elapsing between the transfer of funds and the disbursement thereof, and (ii) the grantee's financial management system meets generally accepted accounting standards for funds control and accountability.)

a. Periodic advances shall be limited to the minimum amounts needed to meet current disbursement needs 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. Cash advances made by the grantee to secondary recipient or the grantee's field organizations shall conform substantially to the same standards of timing and amount as apply to cash advances by AID to the grantee.

b. The grantee shall submit requests for advances (using SF-270, "Request for Advance or Reimbursement") at least monthly to the paying office specified in the grant letter. Requests shall state the estimated disbursements to be made during the period covered by the request, less the estimated balance of cash on hand at the beginning of the period and the advance amount being requested.

c. The grantee shall submit a "Financial Status Report" (SF-269A) quarterly, no later than 30 days after the end of the period, to the paying office specified in the grant letter. The report shall show disbursements, advances received, and any cash remaining on hand for the period covered by the report. Within 90 days following the expiration of the grant, the grantee shall submit a SF-269A showing total disbursements, total advances received, and any cash remaining on hand, which will be refunded to AID. \*

- \* d. If at any time, the AID Controller determines that the grantee has demonstrated an unwillingness or inability to: (1) establish procedures that will minimize the time elapsing between cash advances and the disbursement thereof, (2) timely report cash disbursements and balances as required by the terms of the grant, and (3) impose the same standards of timing of advances and reporting on any subrecipient or any of the grantee's overseas field organizations; the AID Controller shall advise the grant officer who may suspend or revoke the advance payment procedure.

11. PAYMENT (COST-REIMBURSEMENT) (JULY 1988)  
(This provision is applicable when the grantee does not meet the standards for a letter of credit or for periodic advances )

The grantee shall submit to the paying office indicated in the grant letter an original and 3 copies of SF 1034, "Public Voucher for Purchases and Services Other Than Personal" and SF 1034A, Continuation of SF 1034, normally once a month, but in any event no less than quarterly. Each voucher shall be identified by the grant number and shall state the total costs for which reimbursement is being requested.

11. PAYMENT (LETTER OF CREDIT) (JULY 1988) \*  
(This provision is applicable when a Letter of Credit is requested by the grantee and approved by AID's Office of Financial Management.)

a. Payment under this grant shall be by means of a Letter of Credit (LOC) in accordance with the terms and conditions of the LOC and any instructions issued by the AID Office of Financial Management, Program Accounting and Finance Division (FA/FM/CMP).

b. As long as the LOC is in effect, the terms and conditions of the LOC and any instructions issued by FA/FM/CMP constitute the payment conditions of this grant superseding and taking precedence over any other clause of this grant concerning payment.

c. If the LOC is revoked, payment may be made on a cost-reimbursement basis, in accordance with paragraph e. of this clause.

d. Revocation of the LOC is at the discretion of FA/FM/CMP after consultation with the grant officer. Notification to the recipient of revocation must be in writing and must specify the reasons for such action. The recipient may appeal any such revocation to the grant officer, in accordance with the Disputes clause of this grant. Pending final decision, payments under the contract will be in accordance with paragraph e. of this clause

e. If the LOC is revoked, the grantee shall submit to the AID Controller an original and 3 copies of SF 1034, "Public Voucher for Purchases and Services Other Than Personal" and SF 1034A, Continuation of SF 1034, normally once a month, but in any event no less than quarterly. Each voucher shall be identified by the grant number and shall state the total costs for which reimbursement is being requested.

SPECIAL PROVISION ENTITLED  
"RESTRICTIONS ON LOBBYING"

RESTRICTIONS ON LOBBYING

Subpart A - General

Sec.

- 227.100 Conditions on use of funds.
- 227.105 Definitions.
- 227.110 Certification and Disclosure.

Subpart B - Activities by Own Employees

- 227.200 Agency and legislative liaison.
- 227.205 Professional and technical services.
- 227.210 Reporting.

Subpart C - Activities by Other than Own Employees

- 227.300 Professional and technical services.

Subpart D - Penalties and Enforcement

- 227.400 Penalties.
- 227.405 Penalty procedures.
- 227.410 Enforcement.

Appendix A to Part 227 - Certification Regarding Lobbying  
Appendix B to Part 227 - Disclosure Form to Report Lobbying

Authority: Section 319, Public Law 101-121 (31 U.S.C. 1352); [citation to Agency rulemaking authority].

Cross reference: See also Office of Management and Budget notice published at 54 FR 523-6. December 20, 1989.

105.100 Conditions on use of funds.

(a) No appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay 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 any of the following covered Federal actions: 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.

(b) Each person who requests or receives from an agency a Federal contract, grant, loan, or cooperative agreement shall file with that agency a certification, set forth in Appendix A, that the person has not made, and will not make, any payment prohibited by paragraph (a) of this section.

(c) Each person who requests or receives from an agency a Federal contract, grant, loan, or a cooperative agreement shall file with that agency a disclosure form, set forth in Appendix B, if such person has made or has agreed to make any payment using nonappropriated funds (to include profits from any covered Federal action), which would be prohibited under paragraph (a) of this section if paid for with appropriated funds.

(d) Each person who requests or receives from an agency a commitment providing for the United States to insure or guarantee a loan shall file with that agency a statement, set forth in Appendix A, whether that person has made or has agreed to make any payment to influence or attempt 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 that loan insurance or guarantee.

(e) Each person who requests or receives from an agency a commitment providing for the United States to insure or guarantee a loan shall file with that agency a disclosure form, set forth in Appendix B, if that person has made or has agreed to make any payment to influence or attempt 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 that loan insurance or guarantee.

105.105 Definitions.

For purposes of this part:

(a) Agency, as defined in 5 U.S.C. 552(f), includes Federal executive departments and agencies as well as independent regulatory commissions and Government corporations, as defined in 31 U.S.C. 9101(1).

(b) Covered Federal action means any of the following Federal actions:

- (1) The awarding of any Federal contract;
(2) The making of any Federal grant;
(3) The making of any Federal loan;
(4) The entering into of any cooperative agreement; and,
(5) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

Covered Federal action does not include receiving from an agency a commitment providing for the United States to insure or guarantee a loan. Loan guarantees and loan insurance are addressed independently within this part.

(c) Federal contract means an acquisition contract awarded by an agency, including those subject to the Federal Acquisition Regulation (FAR), and any other acquisition contract for real or personal property or services not subject to the FAR.

(d) Federal cooperative agreement means a cooperative agreement entered into by an agency.

(e) Federal grant means an award of financial assistance in the form of money, or property in lieu of money, by the Federal Government or a direct appropriation made by law to any person. The term does not include technical assistance which provides services instead of money, or other assistance in the form of revenue sharing, loans, loan guarantees, loan insurance, interest subsidies, insurance, or direct United States cash assistance to an individual.

(f) Federal loan means a loan made by an agency. The term does not include loan guarantee or loan insurance.

(g) Indian tribe and tribal organization have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 4500). Alaskan Natives are included under the definitions of Indian tribes in that Act.

(h) Influencing or attempting to influence means making, with the intent to influence, any communication to or appearance before 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 any covered Federal action.

(i) Loan guarantee and loan insurance mean an agency's guarantee or insurance of a loan made by a person.

(j) Local government means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

(k) Officer or employee of an agency includes the following individuals who are employed by an agency:

- (1) An individual who is appointed to a position in the Government under title 5, U.S. Code, including a position under a temporary appointment;
(2) A member of the uniformed services as defined in section 5303, title 37, U.S. Code;
(3) A special Government employee as defined in section 5305, title 18, U.S. Code; and,
(4) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, U.S. Code appendix 2.

Person means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

(m) Reasonable compensation means, with respect to a regularly employed officer or employee of any person, compensation that is consistent with the normal compensation for such officer or employee for work that is not furnished to, not funded by, or not furnished in cooperation with the Federal Government.

(n) Reasonable payment means, with respect to professional and other technical services, a payment in an amount that is consistent with the amount normally paid for such services in the private sector.

(o) Recipient includes all contractors, subcontractors at any tier, and sub grantees at any tier of the recipient of funds received in connection with a Federal contract, grant, loan, or cooperative agreement. The term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

(p) Regularly employed means, with respect to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement or a commitment providing for the United States to insure or guarantee a loan, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract, grant, loan, cooperative agreement, loan insurance commitment, or loan guarantee commitment. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

(q) State means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or interstate entity having governmental duties and powers.

105.110 Certification and Disclosure.

(a) Each person shall file a certification, and a disclosure form, if required, with each submission that initiates agency consideration of such person for:

- (1) Award of a Federal contract, grant, or cooperative agreement exceeding \$100,000; or
(2) An award of a Federal loan or a commitment providing for the United States to insure or guarantee a loan exceeding \$150,000.

(b) Each person shall file a certification, and a disclosure form, if required, upon receipt by such person of:

- (1) A Federal contract, grant, or cooperative agreement exceeding \$100,000; or
(2) A Federal loan or a commitment providing for the United States to insure or guarantee a loan exceeding \$150,000, unless such person previously filed a certification, and a disclosure form, if required, under paragraph (a) of this section.

(c) Each person shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affects the accuracy of the information contained in any disclosure form previously filed by such person under paragraphs (a) or (b) of this section. An event that materially affects the accuracy of the information reported includes:

- (1) A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered Federal action; or
(2) A change in the person(s) or individual(s) influencing or attempting to influence a covered Federal action; or,
(3) A change in the officer(s), employee(s), or Member(s) contacted to influence or attempt to influence a covered Federal action.

(d) Any person who requests or receives from a person referred to in paragraphs (a) or (b) of this section:

- (1) A subcontract exceeding \$100,000 at any tier under a Federal contract;
(2) A sub grant, contract, or subcontract exceeding \$100,000 at any tier under a Federal grant;
(3) A contract or subcontract exceeding \$100,000 at any tier under a Federal loan exceeding \$150,000; or

(4) A contract or subcontract exceeding \$100,000 at any tier under a Federal cooperative agreement, shall file a certification, and a disclosure form, if required, to the next tier above.

(e) All disclosure forms, but not certifications, shall be forwarded from tier to tier until received by the person referred to in paragraphs (a) or (b) of this section. That person shall forward all disclosure forms to the agency.

(f) Any certification or disclosure form filed under paragraph (e), shall be treated as a material representation of fact upon which all receiving tiers shall rely. All liability arising from an erroneous representation shall be borne solely by the tier filing that representation and shall not be shared by any tier to which the erroneous representation is forwarded. Submitting an erroneous certification or disclosure constitutes a failure to file the required certification or disclosure, respectively. If a person fails to file a required certification or disclosure, the United States may pursue all available remedies, including those authorized by section 1352, title 31, U.S. Code.

(g) For awards and commitments in process prior to December 23, 1989, but not made before that date, certifications shall be required at award or commitment, covering activities occurring between December 23, 1989, and the date of award or commitment. However, for awards and commitments in process prior to the December 23, 1989 effective date of these provisions, but not made before December 23, 1989, disclosure forms shall not be required at time of award or commitment but shall be filed within 30 days.

(h) No reporting is required for an activity paid for with appropriated funds if that activity is allowable under either Subpart 1 or 2.

200 Agency and legislative liaison.

(a) The prohibition on the use of appropriated funds, in §227.100(a), does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement if the payment is for agency and legislative liaison activities not directly related to a covered Federal action.

(b) For purposes of paragraph (a) of this section, providing any information specifically requested by an agency or Congress is allowable at any time.

(c) For purposes of paragraph (a) of this section, the following agency and legislative liaison activities are allowable at any time only where they are not related to a specific solicitation for any covered Federal action:

(1) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and

(2) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(d) For purposes of paragraph (a) of this section, the following agencies and legislative liaison activities are allowable only where they are prior to formal solicitation of any covered Federal action:

(1) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;

(2) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission, and,

(3) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95-507 and other subsequent amendments.

(e) Only those activities expressly authorized by this section are allowable under this section.

205 Professional and technical services.

(a) The prohibition on the use of appropriated funds, in §227.100(a), does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement or an extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal contract, grant, loan, or cooperative agreement or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal contract, grant, loan, or cooperative agreement.

(b) For purposes of paragraph (a) of this section, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline. For example drafting of a legal document accompanying a bid or proposal by a lawyer is allowable. Similarly, technical advice provided by an engineer on the performance or operational capability of a piece of equipment rendered directly in the negotiation of a contract is allowable. However, communications with the intent to influence made by a professional (such as a licensed lawyer) or a technical person (such as a licensed accountant) are not allowable under this section unless they provide advice and analysis directly applying their professional or technical expertise and unless the advice or analysis is rendered directly and solely in the preparation, submission or negotiation of a covered Federal action. Thus, for example, communications with the intent to influence made by a lawyer that do not provide legal advice or analysis directly and solely related to the legal aspects of his or her client's proposal, but generally advocate one proposal over another are not allowable under this section because the lawyer is not providing professional legal services. Similarly, communications with the intent to influence made by an engineer providing an engineering analysis prior to the preparation or submission of a bid or proposal are not allowable under this section since the engineer is providing technical services but not directly in the preparation, submission or negotiation of a covered Federal action.

(c) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

(d) Only those services expressly authorized by this section are allowable under this section.

207.210 Reporting.

No reporting is required with respect to payments of reasonable compensation made to regularly employed officers or employees of a person.

Subpart C - Activities by Other than Own Employees

227.100 Professional and technical services.

(a) The prohibition on the use of appropriated funds, in §227.100(a), does not apply in the case of any reasonable payment to a person, other than an officer or employee of a person requesting or receiving a covered Federal action, if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal contract, grant, loan, or cooperative agreement or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal contract, grant, loan, or cooperative agreement.

(b) The reporting requirements in §227.110 (a, and b) regarding filing a disclosure form by each person, if required, shall not apply with respect to professional or technical services rendered directly in the preparation, submission, or negotiation of any commitment providing for the United States to insure or guarantee a loan.

For purposes of paragraph (a) of this section, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline. For example, drafting of a legal document accompanying a bid or proposal by a lawyer is allowable. Similarly, technical advice provided by an engineer on the performance or operational capability of a piece of equipment rendered directly in the negotiation of a contract is allowable. However, communications with the intent to influence made by a professional (such as a licensed lawyer) or a technical person (such as a licensed accountant) are not allowable under this section unless they provide advice and analysis directly applying their professional or technical expertise and unless the advice or analysis is rendered directly and solely in the preparation, submission or negotiation of a covered Federal action. Thus, for example, communications with the intent to influence made by a lawyer that do not provide legal advice or analysis directly and solely related to the legal aspects of his or her client's proposal, but generally advocate one proposal over another are not allowable under this section because the lawyer is not providing professional legal services. Similarly, communications with the intent to influence made by an engineer providing an engineering analysis prior to the preparation or submission of a bid or proposal are not allowable under this section since the engineer is providing technical services but not directly in the preparation, submission or negotiation of a covered Federal action.

(d) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

(e) Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.

(f) Only those services expressly authorized by this section are allowable under this section.

Subpart D - Penalties and Enforcement

§227.400 Penalties.

(a) Any person who makes an expenditure prohibited herein shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure.

(b) Any person who fails to file or amend the disclosure form (see Appendix B) to be filed or amended if required herein, shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

(c) A filing or amended filing on or after the date on which an administrative action for the imposition of a civil penalty is commenced does not prevent the imposition of such civil penalty for a failure occurring before that date. An administrative action is commenced with respect to a failure when an investigating official determines in writing to commence an investigation of an allegation of such failure.

(d) In determining whether to impose a civil penalty, and the amount of any such penalty, by reason of a violation by any person, the agency shall consider the nature, circumstances, extent, and gravity of the violation, the effect on the ability of such person to continue in business, any prior violations by such person, the degree of culpability of such person, the ability of the person to pay the penalty, and such other matters as may be appropriate.

(e) First offenders under paragraphs (a) or (b) of this section shall be subject to a civil penalty of \$10,000, absent aggravating circumstances. Second and subsequent offenses by persons shall be subject to an appropriate civil penalty between \$10,000 and \$100,000, as determined by the agency head or his or her designee.

(f) An imposition of a civil penalty under this section does not prevent the United States from seeking any other remedy that may apply to the same conduct that is the basis for the imposition of such civil penalty.

§227.405 Penalty procedures.

Agencies shall impose and collect civil penalties pursuant to the provisions of the Program Fraud and Civil Remedies Act, 31 U.S.C. sections 3803 (except subsection (c)), 3804, 3805, 3806, 3807, 3808, and 3812, insofar as these provisions are not inconsistent with the requirements herein.

§227.410 Enforcement.

The head of each agency shall take such actions as are necessary to ensure that the provisions herein are vigorously implemented and enforced in that agency.

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Appendix A to Part 227 - Certification Regarding Lobbying

Certification for Contracts, Grants, Loans, and Cooperative Agreements

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 Form to Report Lobbying," 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, subgrants, 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, U.S. 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.

Appendix B to Part 227 - Disclosure Form to Report Lobbying.  
[See attached.]



## INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity 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 a covered Federal action. Use the SF-LLL-A Continuation Sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, state and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee", then enter the full name, address, city, state and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, state and zip code of the lobbying entity engaged by the reporting entity identified in item 4 to influence the covered Federal action.  
(b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
11. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (item 4) to the lobbying entity (item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
12. Check the appropriate box(es). Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
13. Check the appropriate box(es). Check all boxes that apply. If other, specify nature.
14. Provide a specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the date(s) of any services rendered. Include all preparatory and related activity, not just time spent in actual contact with Federal officials. Identify the Federal official(s) or employee(s) contacted or the officer(s), employee(s), or Member(s) of Congress that were contacted.
15. Check whether or not a SF-LLL-A Continuation Sheet(s) is attached.
16. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, D.C. 20503.

# DISCLOSURE OF LOBBYING ACTIVITIES CONTINUATION SHEET

Approved by OMB  
0348-0046

Reporting Entity: \_\_\_\_\_ Page \_\_\_\_\_ of \_\_\_\_\_

[Empty reporting area for disclosure of lobbying activities]

SPECIAL PROVISIONS APPLICABLE TO IARCs  
PARTICIPATING IN THE  
AFRICAN NATIONAL AGRICULTURAL PROGRAMS LINKAGES

**1. ALLOWABLE COSTS**

**1.(a)** The IARC shall be reimbursed for costs incurred in carrying out the purposes of this grant which are reasonable, allocable, and allowable in accordance with these provisions and the federal cost principles set forth in OMB Circular A-122. With respect to costs which require prior approval of the sponsoring agency, such approval is hereby given; provided, however, that the IARCs shall consult with the A.I.D. Grant Officer.

**1.(b)** The IARC shall include this provision, substantially the same as this provision, in all cost-reimbursable subagreements and contracts, except that, in lieu of OMB Circular A-122, the cost principles set forth in Part 31.2 of the Federal Acquisition Regulation or in OMB Circular A-21 shall apply to contractors and subrecipients which are for-profit commercial firms or educational institutions, respectively.

**2. ACCOUNTING, AUDIT, AND RECORDS**

**2.(a)** The IARCs shall maintain books, records, documents, and other evidence relating to this program in accordance with generally accepted accounting principles formally prescribed by the U.S., the cooperating country, or the International Accounting Standards Committee (an affiliate of the International Federation of Accountants) to sufficiently substantiate charges. Accounting records which are supported by documentation will, at a minimum, be adequate to show all costs incurred, receipt and use of goods and services acquired, the costs of the program supplied from other sources, and the overall progress of the program. The IARCs' records shall be retained for a period of three years from the expiration of A.I.D. funding, and may be audited by A.I.D. and/or its authorized representatives. The IARCs shall insert this paragraph 2.(a) in all subagreements and cost-reimbursable contracts valued in excess of \$10,000.

**2.(b)** The IARC shall have an audit made of the funds provided By A.I.D. and of the financial statements of the IARC as a whole. The IARC shall select an independent auditor in accordance with the "Guidelines for Financial Audits Contracted by Foreign Recipients" issued by the A.I.D. Inspector General. The audit shall be a financial audit performed in accordance with such guidelines and in accordance with generally accepted government auditing standards issued by the Comptroller General of the United States and shall determine whether A.I.D. funds have been used in accordance with these provisions. Audits shall be performed annually.

2.(c) The audit report shall be submitted to A.I.D. within 30 days after completion of the audit, but the audit shall be completed and the report submitted not later than 13 months after the close of each of the IARC's fiscal years. The A.I.D. Inspector General will review this report to determine whether it complies with the audit requirements set forth herein. No audit costs may be charged if audits have not been made in accordance with this provision. In cases of continued inability or unwillingness to have an audit performed in accordance with the terms of this provision, A.I.D. will consider appropriate sanctions.

2.(d) The IARCs shall ensure that funds made available to subrecipients and nonprofit cost-reimbursable contractors that receive \$25,000 or more per year of A.I.D. funds are audited in accordance with this provision. Such audit responsibilities with respect to subrecipients and contractors may be satisfied by relying on independent audits of the subrecipients or contractors, or on appropriate procedures performed by the internal audit or program staff of the IARC, by expanding the scope of the independent financial audit of the IARC to encompass testing of subrecipients' or contractors' records, or by a combination of these procedures. The IARCs shall ensure that appropriate corrective actions are taken on the recommendations contained in the subrecipients' or contractors' audit reports; consider whether subrecipients' or contractors' audits necessitate adjustment of their own records, and require each subrecipient or contractor to permit independent auditors to have access to records and financial statements as necessary.

### 3. REFUNDS

3.(a) A.I.D. funds shall be maintained in an interest-bearing account. Interest earned on advances will be remitted to A.I.D. However, the IARC may retain up to \$250 of interest earnings per year for administrative purposes.

3.(b) At the time the grant between A.I.D. and the CGIAR expires or is terminated, funds advanced by the CGIAR to the IARCs shall revert to the CGIAR and thence to A.I.D. if the IARC has not expended them.

3.(c) Notwithstanding paragraph 3.(b) above, funds which the IARC has obligated in legally binding transactions applicable to the program will not revert to the CGIAR and A.I.D.

3.(d) A.I.D. reserves the right to require a refund by the IARC of any amount which the IARC did not spend in accordance with the terms and conditions set forth herein. In the event that a final audit has not been performed, A.I.D. retains the right to a refund until all claims which may result from the final audit have been resolved.

3. (e) The IARC shall include a provision, substantially the same as this provision, in all subagreements and cost-reimbursable or which provide for advance payments by the IARC to its contractor or subrecipient.

4. INELIGIBLE COUNTRIES

4. (a) Unless otherwise agreed-to by the A.I.D. Project Officer, the IARCs may only expend A.I.D. funds for assistance to countries eligible for assistance under the Foreign Assistance Act of 1961, as amended, or under acts appropriating funds for foreign assistance.

4. (a) The IARC shall include a provision, substantially the same as this provision, in all contracts and subagreements.

5. DEBARMENT, SUSPENSION, AND OTHER ELIGIBILITY MATTERS

5. (a) By acceptance of A.I.D. funds from the CGIAR for the purpose of the African National Agricultural Research Programs Linkages, the IARC certifies, to the best of its knowledge and belief, that it and its principals:

5. (a) (1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;

5. (a) (2) Have not, within the preceding three-year period, been convicted of, or had a civil judgement rendered against them for, commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;

5. (a) (3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph 5. (a) (2) of this provision; and

5. (a) (4) Have not within the preceding three-year period had one or more public transactions (Federal, State, or local) terminated for cause or default.

5. (b) The IARC agrees that it will not knowingly enter into any subagreements or contracts with a person or entity that is included on the "Lists of Parties Excluded from Federal Procurement or Nonprocurement Programs." The IARC further agrees to include the following provision in any subagreements or contracts:

DEBARMENT, SUSPENSION, INELIGIBILITY, AND VOLUNTARY EXCLUSION

The subrecipient/contractor certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

5.(c) The policies and procedures applicable to debarment, suspension, and ineligibility under A.I.D.-financed transactions are set forth in 22 CFR Part 208.

6. NONDISCRIMINATION

6.(a) No U.S. citizen or legal resident shall be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination on the basis of race, color, national origin, age, handicap, or gender under any program or activity performed in the U.S. or in which personnel are recruited in the U.S.

6.(b) The IARC shall include this provision in all contracts and subagreements.

7. U.S OFFICIALS NOT TO BENEFIT

7.(a) No member of or delegate to the U.S. Congress or resident U.S. Commissioner shall be admitted to any share or part of A.I.D. funds or to any benefit that may arise therefrom; but this provision shall not be construed to extend if made with a corporation for its general benefit.

7.(b) The IARC shall include this provision in all contracts and subagreements.

8. NONLIABILITY

A.I.D. does not assume liability for any third party claims for damages arising out of the grant between A.I.D. and the CGIAR.

9. METRIC SYSTEM OF MEASUREMENT

9.(a) Whenever measurements are required or authorized, they shall be made, computed, and recorded in metric system units of measurement, unless the A.I.D. Project Officer finds that such usage is impractical or is likely to cause U.S. firms to experience significant inefficiencies or the loss of markets. Where the metric system is not the predominant standard for a particular application, measurements may be expressed in both the metric and the traditional equivalent units, provided that the metric units are listed first.

9. (b) The IARC shall include this provision in all contracts and subagreements.

10. PROCUREMENT OF GOODS AND SERVICES

10. (a) Ocean Shipment of Goods

10. (a) (1) At least 50% of the gross tonnage of all goods purchased with A.I.D. funds and transported to the cooperating countries on ocean vessels shall be made on privately-owned U.S.-flag commercial ocean vessels, to the extent that such vessels are available at fair and reasonable rates for such vessels.

10. (a) (2) At least 50% of the gross freight revenue generated by ocean shipments of goods purchased with A.I.D. funds and transported to the cooperating countries on dry cargo liners shall be paid to or for the benefit of privately-owned U.S.-flag commercial ocean vessels to the extent that such vessels are available at fair and reasonable rates for such vessels.

10. (a) (3) When U.S.-flag vessels are not available, or their use would result in a significant delay, the IARC may request a determination of non-availability from the A.I.D. Transportation Support Division, Office of Procurement, Washington, DC 20523-1419, giving the basis for the request which will relieve the IARC of the requirement to use U.S.-flag vessels for the amount of tonnage included in the determination. Shipments made on non-free world ocean vessels are not reimbursable.

10. (a) (4) Vouchers submitted for reimbursement which include ocean shipment costs shall contain a certification essentially as follows:

"I hereby certify that a copy of each ocean bill of lading concerned has been submitted to the U.S. Department of Transportation, Maritime Administration, Division of National Cargo, 400 7th Street, S.W., Washington, DC 20590, and that such bills of lading state all of the carrier's charges including the basis for calculation such as weight or cubic measurement."

10. (a) (5) Shipments must meet all applicable eligibility requirements set forth in Chapter 7 of A.I.D. Handbook 1, Supplement B.

10. (b) Marine Insurance

Marine insurance may be purchased from any free world country, except that, if the cooperating country discriminates by

statute, decree, rule, or practice against any marine insurance company authorized to do business in the U.S., then any commodity shipped to that country and insured against marine risk shall be placed in the U.S. with a company or companies authorized to do marine insurance business in the U.S.

**10.(c) Air Travel and Transportation**

**10.(a)** Air travel and transportation financed by A.I.D. shall be on certified U.S.-flag carriers, to the extent that they are available.

**10.(b)** The IARCs' established practices and policies applicable to all of the IARCs' activities shall apply to subsistence, post differentials, and other allowances paid to IARC personnel in international travel status. The standard for determining the reasonableness of such costs is 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 A.I.D. Project Officer.

**10.(d) Motor Vehicles**

Procurement of motor vehicles from Special Free World A.I.D. Geographic Code 935) countries is authorized. However, procurement of motor vehicles shall, to the maximum practicable extent, be of U.S. motor vehicles. Procurement of non-U.S. vehicles shall be held to an absolute minimum, and large amounts of non-U.S. motor vehicles shall not be made.

**10.(e) Fertilizer**

Large volume procurement of fertilizer (over 5,000 tons) shall be limited to U.S. sources.

**10.(f) Agricultural Commodities**

Agricultural commodities may not be procured outside the U.S. when the domestic price of the commodity is less than parity, unless the commodity cannot reasonably be procured in the U.S. in order to meet the needs of the particular activity.

**10.(g) Pharmaceuticals**

Pharmaceuticals may be purchased provided that all of the following conditions are met: (1) the pharmaceuticals must be

safe and efficacious; (2) the pharmaceuticals must be of U.S. source and origin; (3) the pharmaceuticals must be of at least 51% U.S. componentry; (4) the pharmaceuticals must be purchased from a supplier whose nationality is in the U.S.; (5) the pharmaceuticals must be in compliance with U.S. Food and Drug Administration (FDA) (or other controlling U.S. authority) regulations governing United States interstate shipment of pharmaceuticals; (6) the manufacturer of the pharmaceuticals must not infringe on U.S. patents; and (7) the pharmaceuticals must be competitively procured.

10. (h) Pesticides

Pesticides may only be purchased if the purchase and/or use of such pesticides is for research or limited field evaluation by or under the supervision of project personnel. Pesticides are defined as substances or mixtures of substances: intended for preventing destroying, repelling, or mitigating any unwanted insects, rodents, nematodes, fungi, weeds, and other forms of plant or animal life or viruses, bacteria, or other micro-organisms (except viruses, bacteria, or other micro-organisms on or living in man or other living animals); or intended for use as a plant regulator, defoliant, or dessicant.

10. (i) Construction and Engineering Services

Construction services estimated to be in excess of \$5,000,000 shall be limited to U.S. firms. All engineering services shall be limited to U.S. firms. When U.S. firms implement a construction activity, at least 50% of the supervisors and other specified personnel working at the project site must be U.S. citizens or legal residents of the U.S.

10. (j) Ineligible Goods and Services: Under no circumstances shall the IARC procure any of the following:

- 10. (j) (1) Military Equipment;
- 10. (j) (2) Surveillance equipment;
- 10. (j) (3) Commodities and services for support of police or other law enforcement activities;
- 10. (j) (4) Abortion equipment and services;
- 10. (j) (5) Luxury goods and gambling equipment; or
- 10. (j) (6) Weather modification equipment.

10.(k) Other Goods and Services

5.(k)(1) The authorized source for procurement of all other goods and services is A.I.D. Geographic Code 935 (Special Free World), and such goods and services must meet the source, origin, componentry, and nationality requirements set forth in Chapter 5 of A.I.D. Handbook 1, Supplement B in accordance with the following descending order of precedence:

10.(k)(1)(A) The United States (A.I.D. Geographic Code 000)

10.(k)(1)(B) The Cooperating Country

10.(k)(1)(C) Selected Free World Countries (A.I.D. Geographic Code 941)

10.(k)(1)(D) Special Free World Countries (A.I.D. Geographic Code 935)

10.(k)(2) When the IARCs procure goods and services from other than U.S. sources under the order of precedence set forth above, the IARCs shall document their 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 IARCs' documentation:

10.(k)(2)(A) The procurement was of an emergency nature which would not allow for the delay attendant to soliciting U.S. sources;

10.(k)(2)(B) The price differential for procurement from U.S. sources exceeded by 50% or more the delivered price from the non-U.S. source;

10.(k)(2)(C) Compelling local political considerations precluded consideration of U.S. sources;

10.(k)(2)(D) The goods or services were not available from U.S. sources; or

10.(k)(2)(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 U.S. foreign assistance program.

10.(1) Procurement Procedures

The IARCs may use their own procurement policies and practices for the procurement of goods and services, provided they conform to all of A.I.D.'s requirements listed above and as follows:

10. (1) (1) General Requirements

10. (1) (1) (A) The IARCs shall maintain a code or standards of conduct that shall govern the performance of its officers, employees, or agents engaged in the awarding and administration of contracts using A.I.D. funds. No employee, officer, or agent shall participate in the selection, award, or administration of a contract in which A.I.D. funds are used, where, to that individual's knowledge, the individual or the individual's immediate family, partners, or organization in which the individual or the individual's immediate family or partners has a financial interest, or with whom that individual is negotiating or has any arrangement concerning prospective employment. The IARCs' officers, employees, or agents shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or potential contractors. Such standards shall provide for disciplinary actions to be applied for violations of such standards by the IARCs' officers, employees, or agents.

10. (1) (1) (B) All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition. The IARCs should be alert to organizational conflicts of interest or noncompetitive 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 should be excluded from competing for such procurements. Awards shall be made to the bidder/offeror whose bid/offer is responsive/responsible to the solicitation and is most advantageous to the IARC, price and other factors considered. Solicitations shall clearly set forth all requirements that the bidder/offeror must fulfill in order to be evaluated by the IARC. Any and all bids/offers may be rejected when it is in the IARC's interest to do so.

10. (1) (1) (C) All IARCs shall establish procurement procedures that provide for, at a minimum, the following procedural requirements:

10. (1) (1) (C) (i) Proposed procurement actions shall follow a procedure to assure the avoidance of purchasing unnecessary or duplicative items. Where appropriate, an analysis shall be made of lease and purchase alternatives to determine which would be the most economical practical procurement.

10. (1) (1) (C) (ii) Solicitations for goods and services shall be based upon a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such a description shall not, in competitive

procurements, contain features which unduly restrict competition. "Brand-name or equal" descriptions may be used as a means to define the performance of other salient requirements of a procurement, and when so used, the specific features of the named brand which must be met by bidders/offerors shall be clearly specified.

**10.(1)(1)(C)(iii)** Positive efforts shall be made by the IARCs to utilize U.S. small business and U.S. minority-owned business sources of supplies and services. Such efforts should allow these sources the maximum feasible opportunity to compete for contracts utilizing A.I.D. funds. To permit A.I.D., 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, the IARCs shall, to the maximum extent possible, provide the following information to the Office of Small Disadvantaged Business Utilization, A.I.D., Washington, D.C. 20523-1414, at least 45 days prior (except where a shorter time is requested of and granted by the Office of Small and Disadvantaged Business Utilization) to placing any order or contract in excess of \$25,000:

**10.(1)(1)(C)(iii)a.** Brief general description and quantity of goods or services;

**10.(1)(1)(C)(iii)b.** Closing date for receiving quotations, proposals, or bids; and

**10.(1)(1)(C)(iii)c.** Address where solicitations or specifications can be obtained.

**10.(1)(1)(C)(iv)** The type of procuring instruments used, e.g., fixed-price contracts, cost-reimbursable contracts, purchase orders, incentive contracts, shall be determined by the IARC, but must be appropriate for the particular procurement and for promoting the best interest of the program involved. In those instances where a cost-reimbursable contract authorizes a fee, a fixed amount will be used in lieu of a percentage of cost.

**10.(1)(1)(C)(v)** Contracts shall be made only with responsible contractors who possess the potential ability to perform successfully under the terms and conditions of a proposed contract. Consideration shall be given to such matters as contractor integrity, record of past performance, financial and technical resources, or access to other necessary resources. Contracts shall not be made to firms or individuals whose name appears on the "List of Parties Excluded from Federal Procurement and Nonprocurement Programs." The A.I.D. Grant Officer will provide the IARC with a copy of this list upon request.

**10. (1) (1) (C) (vi)** All proposed sole source contracts or where only one bid or proposal is received in which the aggregate expenditure is expected to exceed \$10,000 shall be subject to prior approval by an appropriate official within the IARC's organization.

**10. (1) (1) (C) (vii)** Some form of price or cost analysis should be made in connection with every procurement action. Price analysis may be accomplished in various ways, including the comparison of price quotations submitted, market prices and similar indicia, together with discounts. Cost analysis is the review and evaluation of each element of cost to determine reasonableness, allocability, and allowability.

**10. (1) (1) (C) (viii)** Procurement records and files for purchases in excess of \$10,000 shall include the following:

**10. (1) (1) (C) (viii)a.** Basis for contractor selection;

**10. (1) (1) (C) (viii)b.** Justification for lack of competition when competitive bids or offers are not obtained;

**10. (1) (1) (C) (viii)c.** Basis for award cost or price.

**10. (1) (1) (C) (ix)** 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 followup of all purchases.

**10. (1) (2)** Each contract and subcontract shall contain, in addition to provisions to define a sound and complete contract, the following contract provisions, if applicable, as well as any provision within these provisions which requires such inclusion of that provision. Whenever a provision is required to be inserted in a contract, the IARC shall insert a statement in the contract that in all instances where the U.S. Government or A.I.D. is mentioned, the IARC's name is substituted.

**10. (1) (2) (A)** Contracts in excess of \$10,000 shall contain contractual provisions or conditions that will allow for administrative, contractual, or legal remedies in instances in which contractors violate or breach contract terms, and provide for such remedial actions as may be appropriate.

**10. (1) (2) (B)** All contracts in excess of \$10,000 shall contain suitable provisions for termination by the IARC, 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.

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**10.(1)(2)(C)** All negotiated contracts over \$10,000 awarded by the IARCs shall include a provision to the effect that the IARC, A.I.D., 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.

**10.(1)(2)(D)** In all contracts for construction or facility improvement awarded for more than \$100,000, the IARCs shall observe generally accepted bonding requirements.

**10.(1)(2)(E)** All contracts awarded by the IARC or a subrecipient/contractor to be performed in the United States having a value of more than \$10,000, shall contain a provision requiring compliance with Executive Order 11246, entitled "Equal Employment Opportunity," as amended, and as supplemented in U.S. Department of Labor Regulations (41 CFR, Part 60).

**10.(1)(2)(F)** All contracts in excess of \$2,000 for construction or repair to be performed in the United States awarded by the IARC or subrecipient/contractor shall include a provision for compliance with the Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented in U.S. Department of Labor Regulations (29 CFR Part 3). This Act provides that each contractor or subrecipient shall be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which that individual is otherwise entitled. The IARC shall report all suspected or reported violations to A.I.D.

**10.(1)(2)(G)** All construction contracts to be performed in the United States awarded by the IARC or subrecipient of more than \$2,000 shall include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 276a to a-7) as supplemented by U.S. Department of Labor Regulations (29 CFR, Part 5). Under this Act, contractors shall be required to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the U.S. Secretary of Labor. In addition, contractors shall be required to pay wages not less than once a week. The IARC shall place a copy of the current prevailing wage determination issued by the U.S. Department of Labor in each solicitation and the award of a contract shall be conditioned upon the acceptance of the wage determination. The IARC shall report all suspected or reported violations to A.I.D.

**10.(1)(2)(H)** Where applicable, all contracts awarded by the IARC or subrecipients in excess of \$2,000 for construction contracts to be performed in the United States and its territories and in excess of \$2,500 for other contracts that

involve the employment of mechanics or laborers, shall include a provision for compliance with sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by U.S. Department of Labor Regulations (29 CFR, Part 5). Under section 103 of the Act, each contractor shall be required to compute the wages of every mechanic and laborer on the basis of a standard work day of 8 hours and a standard workweek of 40 hours. Work in excess of the standard workday or workweek is permissible provided that the worker is compensated at a rate of not less than 1-1/2 times the basic rate of pay for all hours worked in excess of 8 hours in any calendar day or 40 hours in the workweek. Section 107 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions that are unsanitary, hazardous, or dangerous to the worker's health and safety as determined under construction safety and health standards promulgated by the Secretary of Labor. These requirements do not apply to the purchases of supplies of materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

**10. (1) (2) (I)** Contracts, the principal purpose of which is to create, develop, or improve products, processes or methods; or for exploration into fields that directly concern public health, safety, or welfare; or contracts in the fields of science or technology in which there has been little significant experience outside of work funded by Federal assistance, shall contain a notice to the effect that matters regarding rights to inventions and materials generated under the contract are subject to the regulations included in these provisions. The contractor shall be advised as to the source of additional information regarding these matters.

**10. (1) (2) (J)** Contracts in excess of \$100,000 to be performed in the United States shall contain a provision that requires the contractor to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act of 1970 (42 U.S.C. 7401) and the Federal Water Pollution Control Act (40 CFR 15), as amended. Violations shall be reported to A.I.D. and the Regional Office of the U.S. Environmental Protection Agency.

**10. (1) (2) (K)** Contracts which require performance outside the United States shall contain a provision requiring Workmen's Compensation Insurance (42 U.S.C. 1651, et seq.). As a general rule, U.S. Department of Labor waivers will be obtained for persons employed outside the United States who are not United States citizens or residents provided adequate protection will be given to such persons. The IARC should refer questions on this subject to the A.I.D. Grant Officer.

**10. (m)** The IARC shall include a provision, substantially the same as this provision, in all applicable contracts and subagreements.

**11. SUBAGREEMENTS**

**11.(a)** Awards shall be made only with responsible subrecipients who possess the potential ability to perform successfully under the terms and conditions of a proposed subagreement. Consideration shall be given to such matters as integrity, record of past performance, financial and technical resources, or access to other 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." The A.I.D. Grant Officer will provide the IARC with a copy of this list upon request.

**11.(b)** All subagreements shall, at a minimum, contain, in addition to provisions to define a sound and complete agreement, the following provisions as well as any that are specifically required by any other provision set forth herein. Whenever a provision is required to be inserted in a subagreement, the IARC shall insert a statement in the subagreement that in all instances where A.I.D. or the U.S. Government is mentioned, the IARC's name will be substituted.

**11.(b)(1)** Subagreements in excess of \$10,000 shall contain provisions or conditions that will allow for administrative or legal remedies in instances where subrecipients violate subagreement terms and provide for such remedial action as may be appropriate.

**11.(b)(2)** All subagreements in excess of \$10,000 shall contain suitable provisions for termination by the IARC including the manner by which termination will be effected and the basis for settlement. In addition, such subagreements shall describe conditions under which the subagreement may be terminated for default, as well as conditions where the subagreement may be terminated because of circumstances beyond the control of the subrecipient.

**11.(b)(3)** All subagreements over \$10,000 issued by the IARC shall include a provision to the effect that the IARC, A.I.D., or their duly authorized representatives, shall have access to any books, documents, papers, and records of the subrecipient which are directly pertinent to the specific program for the purpose of making audits, examinations, excerpts, and transcriptions.

**11.(b)(4)** Subagreements, the principal purpose of which is to create, develop, or improve products, processes, or methods; or for exploration into fields that directly concern public health, safety, or welfare; or subagreements in the field of science or technology in which there has been little significant experience outside of work funded by Federal assistance, shall contain a notice to the effect that matters regarding rights to inventions and materials generated under

the subagreement are subject to the regulations contained in these provisions. The subrecipient shall be advised as to the source of additional information regarding these matters.

11.(b) (5) The IARC shall include a provision, substantially the same as this provision, in all subagreements.

12. PATENT RIGHTS

12.(a) Definitions.

12.(a) (1) Invention means any invention or discovery which is or may be patentable or otherwise protectable under Title 35 of the United States Code.

12.(a) (2) Subject invention means any invention of the IARC conceived or first actually reduced to practice in the performance of work under this program.

12.(a) (3) Practical application means to manufacture in the case of a composition or product, to practice in the case of a process or method, or to operate in the case of a machine or system; and, in each case, under such conditions as to establish that the invention is being utilized and that its benefits are, to the extent permitted by law or Government regulations, available to the public on reasonable terms.

12.(a) (4) Made when used in relation to any invention means the conception or first actual reduction to practice of such invention.

12.(a) (5) Small business firm means a U.S. small business concern which meets the size standards for small business concerns involved in Government procurement and subcontracting at 13 CFR 121.3-8 and 13 CFR 121.3-12, respectively.

12.(a) (6) Nonprofit organization means a university or other institution of higher education or an organization which is not organized for profit as described in the laws of the country in which it was organized.

12.(b) Allocation of Principal Rights: The IARC may retain the entire right, title, and interest throughout the world to each subject invention, subject to the provisions of this clause and 35 U.S.C. 203. With respect to any subject invention in which the IARC retains title, the Federal Government shall have a non-exclusive, non-transferable, irrevocable, paid-up license to practice or have practiced for or on behalf of the U.S. the subject invention throughout the world.

**12. (c) Invention Disclosure, Election of Title, and Filing of Patent Applications by IARCs:**

**12. (c) (1)** The IARC shall disclose each subject invention to A.I.D. within two months after the inventor discloses it in writing to IARC personnel responsible for patent matters. The disclosure to A.I.D. shall be in the form of a written report and shall identify the grant under which the invention was made and the inventor(s). It shall be sufficiently complete in technical detail to convey a clear understanding, to the extent known at the time of the disclosure, of the nature, purpose, operation, and the physical, chemical, biological, or electrical characteristics of the invention. The disclosure shall also identify any publication, on sale, or public use of the invention, and whether a manuscript describing the invention has been submitted for publication and, if so, whether it has been accepted for publication at the time of disclosure. In addition, after disclosure to A.I.D., the IARC shall promptly notify A.I.D. of the acceptance of any manuscript describing the invention for publication, or of any on sale or public use planned by the IARC.

**12. (c) (2)** The IARC shall elect in writing whether or not to retain title to any such invention by notifying A.I.D. within two years of disclosure to A.I.D. However, in any case where publication, on sale, or public use has initiated the one-year statutory period wherein valid patent protection can still be obtained in the United States, the period of election of title may be shortened by A.I.D. to a date that is no more than 60 days prior to the end of the statutory period.

**12. (c) (3)** The IARC shall file its initial patent application on a subject invention to which it elects to retain title within one year after election of title or, if earlier, prior to the end of any statutory period wherein valid patent protection can be obtained in the United States after a publication, on sale, or public use. The IARC shall file patent applications in additional countries within either ten months of the corresponding initial patent application or six months from the date permission is granted by the Commissioner of Patents and Trademarks to file foreign patent applications where such filing has been prohibited by a Secrecy Order.

**12. (c) (4)** Requests for extension of the time for disclosure to A.I.D., election, and filing may, at the discretion of A.I.D., be granted.

**12. (d) Conditions When the Government May Obtain Title:** The IARC shall convey to A.I.D. upon written request, title to any subject invention:

**12. (d) (1)** If the IARC fails to disclose or elect the subject invention within the times specified in 12. (c) above,

or elects not to retain title. A.I.D. may only request title within sixty days after learning of the IARC's failure to report or elect within the specified times.

12.(d)(2) In those countries in which the IARC fails to file patent applications within the times specified in 12.(c) above; provided, however, that if the IARC has filed a patent application in a country after the times specified in 12.(c) above, but prior to its receipt of the written request of A.I.D., the IARC shall continue to retain title in that country.

12.(d)(3) In any country in which the IARC decides not to continue the prosecution of any application for, to pay the maintenance fees on, or defend in reexamination or opposition proceeding on a patent on a subject invention.

12.(e) Minimum Rights to IARC:

12.(e)(1) The IARC shall retain a nonexclusive, royalty-free license throughout the world in each subject invention to which the Government obtains title except if the IARC fails to disclose the subject invention within the times specified in 12.(c) above. The IARC's license extends to its subsidiaries and affiliates, if any, within the corporate structure of which the IARC is a party and includes the right to grant sublicenses of the same scope to the extent the IARC was legally obligated to do so as of September 30, 1993. The license is transferable only with the approval of A.I.D. except when transferred to the successor of that party of the IARC's business to which the invention pertains.

12.(e)(2) The IARC's license may be revoked or modified by A.I.D. to the extent necessary to achieve expeditious practical application of the subject invention pursuant to an application for an exclusive license submitted in accordance with applicable provisions in 37 CFR Part 4 and agency licensing regulations (if any). This license shall not be revoked in that field of use or the geographical areas in which the IARC has achieved practical application and continues to make the benefits of the invention reasonably accessible to the public. The license in any foreign country may be revoked or modified at the discretion of A.I.D. to the extent the IARC, its licensees, or its subsidiaries or affiliates have failed to achieve practical application.

12.(e)(3) Before revocation or modification of the license, A.I.D. will furnish the IARC written notice of its intention to revoke or modify the license, and the IARC shall be allowed thirty days (or such other time as may be authorized by A.I.D. for good cause shown by the IARC) after the notice to show cause why the license should not be revoked or modified. The IARC has the right to appeal, in accordance with applicable

regulations in 37 CFR Part 404 and agency regulations, if any, concerning the licensing of Government-owned inventions, any decision concerning the revocation or modification of its license.

**12.(f) IARC Action to Protect the Government's Interest:**

**12.(f)(1)** The IARC agrees to execute or to have executed and promptly deliver to A.I.D. all instruments necessary to (i) establish or conform the rights the Government has throughout the world in those subject inventions to which the IARC elects to retain title, and (ii) convey title to A.I.D. when requested under paragraph 12.(d) above, and to enable the Government to obtain patent protection throughout the world in that subject invention.

**12.(f)(2)** The IARC agrees to require, by written agreement, its employees, other than clerical and nontechnical employees, to disclose promptly in writing to personnel identified as responsible for the administration of patent matters, and in a format suggested by the IARC, each subject invention in order that the IARC can comply with the disclosure provisions of paragraph 12.(c) above, and to execute all papers necessary to file patent applications on subject inventions and to establish the Government's rights in the subject inventions. This disclosure format should require, as a minimum, the information required by 12.(c)(1) above. The IARC shall instruct such employees through employee agreements or other suitable educational programs on the importance of reporting inventions in sufficient time to permit the filing of patent applications prior to U.S. or foreign statutory bars.

**12.(f)(3)** The IARC shall notify A.I.D. of any decision not to continue the prosecution of a patent application, pay maintenance fees, or defend in a reexamination or opposition proceeding on a patent, in any country, not less than 30 days before the expiration of the response period required by the relevant patent office.

**12.(f)(4)** The IARC agrees to include, within the specification of any United States patent application and any patent issuing thereon covering a subject invention, the following statement: "This invention was made with U.S. Government support under U.S. Agency for International Development (A.I.D.) Grant No. LAG-4111-G-00-3042-00. The U.S. Government has certain rights in this invention."

**12.(g) Subagreements and Contracts:** The IARC shall include this provision suitably modified to identify the parties, in all subagreements and contracts, regardless of tier, for experimental, developmental, or research work to be performed by a small business firm or nonprofit organization. The subrecipient or contractor shall retain all rights provided for

the IARC in this provision, and the IARC shall not, as part of the consideration for awarding the contract or subagreement, obtain rights in the contractor's or subrecipient's subject inventions.

**12.(h) Reporting Utilization of Subject Inventions:** The IARC agrees to submit on request periodic reports no more frequently than annually on the utilization of a subject invention or on efforts at obtaining such utilization that are being made by the IARC or its licensees or assignees. Such reports shall include information regarding the status of development, date of first commercial sale or use, gross royalties received by the IARC, and such other data and information as A.I.D. may reasonably specify. The IARC also agrees to provide additional reports as may be requested by A.I.D. in connection with any march-in proceedings undertaken by A.I.D. in accordance with paragraph 12.(j) of this provision. As required by 35 USC 202(c)(5), A.I.D. agrees that, to the extent permitted by law, it shall not disclose such information to persons outside the Government.

**12.(i) Preference for United States Industry:** Notwithstanding any other provision of this clause, the IARC agrees that neither it nor any assignee will grant to any person the exclusive right to use or sell any subject invention in the United States unless such person agrees that any products embodying the subject invention shall be manufactured substantially in the United States. However, in individual cases, the requirement for such an agreement may be waived by A.I.D. upon a showing by the IARC or its assignee that reasonable but unsuccessful efforts have been made to grant licenses on similar terms to potential licensees that would be likely to manufacture substantially in the United States, or that under the circumstances manufacture in the United States is not commercially feasible.

**12.(j) March-in Rights:** The IARC agrees that, with respect to any subject invention in which it has acquired title, A.I.D. has the right, in accordance with the procedures in 37 CFR Part 401.6 and any supplemental agency regulations, to require the IARC, an assignee, or exclusive licensee of a subject invention, to grant a non-exclusive, partially exclusive, or exclusive license in any field of use to a responsible applicant or applicants, upon terms that are reasonable under the circumstances, and if the IARC, assignee, or exclusive licensee refuses such a request, A.I.D. has the right to grant such a license itself if A.I.D. determines that:

**12.(j)(1)** Such action is necessary because the IARC or assignee has not taken, or is not expected to take within a reasonable time, effective steps to achieve practical application of the subject invention in such field of use;

12. (j) (2) Such action is necessary to alleviate health or safety needs which are not reasonably satisfied by the IARC, assignee, or their licensees;

12. (j) (3) Such action is necessary to meet requirements for public use specified by Federal regulations and such requirements are not reasonably satisfied by the IARC, assignee, or licensees; or

12. (j) (4) Such action is necessary because the agreement required by paragraph 12.(i) of this clause has not been obtained or waived, or because a license of the exclusive right to use or sell any subject invention in the United States is in breach of such agreement.

12. (k) Special Provisions: The IARC agrees that:

12. (k) (1) Rights to a subject invention may not be assigned without the approval of A.I.D., except where such assignment is made to an organization which has as one of its primary functions the management of inventions; provided that such assignee shall be subject to the same provisions as the IARC.

12. (k) (2) The IARC shall share royalties collected on a subject invention with the inventor, including Federal co-inventors, when A.I.D. deems it appropriate when the subject invention is assigned in accordance with 35 USC 202(e) and 37 CFR 401.10;

12. (k) (3) The balance of any royalties or income earned by the IARC with respect to subject inventions, after payment of expenses (including payments to inventors) incidental to the administration of subject inventions, shall be utilized for the support of scientific research or education; and

12. (k) (4) It will make efforts that are reasonable under the circumstances to attract licensees of subject inventions that are small business firms, and it will give preference to a small business firm when licensing a subject invention if the IARC determines that the small business firm has a plan or proposal for marketing the invention which, if executed, is equally as likely to bring the invention to practical application as any plans or proposals from applicants that are not small business firms; provided that the IARC is also satisfied that the small business firm has the capability and resources to carry out its plan or proposal. The decision whether to give a preference in any specific case will be at the discretion of the IARC. However, the IARC agrees that the U.S. Secretary of Commerce may review the IARC's licensing program and decisions regarding small business applicants, and the IARC shall negotiate changes to its licensing policies, procedures, or practices with the U.S. Secretary of Commerce when the Secretary's review discloses that the IARC could take reasonable steps to more effectively implement the requirements of this subparagraph 12.(k) (4).

12.(1) Communications: Communications concerning this provision shall be addressed to the A.I.D. grant officer.

13. REGULATIONS GOVERNING EMPLOYEES

13.(a) The IARC's employees who are not citizens of the cooperating country shall maintain private status and may not rely on local U.S. Government offices or facilities for support.

13.(b) The sale of personal property or automobiles by IARC employees and their dependents in the foreign country to which they are assigned shall be subject to the same limitations and prohibitions which apply to direct-hire A.I.D. personnel employed by the Mission, including the rules contained in 22 CFR Part 136, except as this may conflict with host government regulations.

13.(c) Other than work to be performed for which an employee is assigned by the IARC, no employee of the IARC shall engage directly or indirectly, either in the individual's own name or in the name or through an agency of another person, in any business, profession, or occupation in the foreign countries to which the individual is assigned, nor shall the individual make loans or investments to or in any business, profession, or occupation in the foreign countries to which the individual is assigned.

13.(d) The IARC's employees, while in a foreign country, are expected to show respect for its conventions, customs, and institutions, to abide by its applicable laws and regulations, and not to interfere in its internal political affairs.

13.(e) In the event the conduct of any IARC employee is not in accordance with the preceding paragraphs, the IARC's chief of party shall consult with the A.I.D. Mission Director and the employee involved and shall recommend to the IARC a course of action with regard to such employee.

13.(f) The IARC recognizes the rights of the U.S. Ambassador to direct the removal from a country of any U.S. citizen or the discharge of any third country national when, in the discretion of the Ambassador, the interests of the United States so require.

13.(g) If it is determined, under either 13.(e) or 13.(f) above, that the services of such employee shall be terminated, the IARC shall use its best efforts to cause the return of such employee to the United States, or point of origin, as appropriate.

13.(h) The IARC shall include a provision, substantially the same as this provision, in all contracts and subagreements.

**14.           PARTICIPANT TRAINING**

**14.(a)**    Definition: A participant is any non-U.S. individual being trained outside of that individual's home country.

**14.(b)**    Application of Handbook 10: Participant training shall comply with the policies established in A.I.D. Handbook 10, Participant Training, except to the extent that specific exceptions to Handbook 10 have been provided with the concurrence of the A.I.D. Office of International Training. (Handbook 10 may be obtained by submitting a request to the Office of International Training [R&D/OIT], Agency for International Development, Washington, D.C. 20523-1601.)

**14.(c)**    Orientation: In addition to the mandatory requirements in Handbook 10, IARCs are strongly encouraged to provide, in collaboration with the Mission training officer, predeparture orientation (see Chapter 13 of Handbook 10) and orientation in Washington at the Washington International Center (see Chapter 18D of Handbook 10). 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 A.I.D. Project Officer, who will transmit the request to NCIV through R&D/OIT.

**14.(d)**    The IARC shall include a provision, substantially the same as this provision, in all contracts and subagreements under which participant training will be conducted.

**15.           TITLE TO AND USE OF PROPERTY**

**15.(a)**    Title to all property financed by A.I.D. shall vest in the IARC.

**15.(b)**    The IARC agrees to use and maintain the property for the purposes of the program.

**15.(c)**    With respect to property having an acquired value of \$1,000 or more, the IARC agrees to report such items to the A.I.D. Grant Officer as they are acquired and to maintain a control system which will permit their ready identification and location.

**15.(d)**    Within thirty calendar days after the expiration of A.I.D. funding, the IARC will provide a list to the A.I.D. Grant Officer of each item that has an appraised value of \$1,000 or more with a detailed proposal of what the IARC intends to do with that property. If the A.I.D. Grant Officer does not respond within 120 calendar days, the IARC may proceed with the

disposition of the property. However, if the IARC uses the property for purposes other than those of the program or sells or leases the property, A.I.D. shall be reimbursed for its share of the property unless the A.I.D. Grant Officer authorizes A.I.D.'s share of the income from selling or leasing the property to be used as program income. This share is based upon the percentage of A.I.D.'s contribution to the IARC's program. If A.I.D. paid 100% of the IARC's costs, then A.I.D. would receive 100% of the selling cost, less a nominal selling fee of \$100.

15.(e) The IARC shall include a provision, substantially the same as this provision, in all contracts and subagreements.

16. RIGHTS IN DATA

16.(a) Definitions

16.(a)(1) "Data" means recorded information (including information relating to the research, testing, or development of any drug or device requiring approval for use in the United States), regardless of form or the media on which it may be recorded. In the aggregate, these data may be in the form of reports, articles, manuals, or publications. The term includes technical data and computer software. The term does not include financial reports or other information incidental to grant administration.

16.(a)(2) "Form, fit and function data" means data relating to items, components, or processes that are sufficient to enable physical and functional interchangeability, as well as data identifying source, size, configuration, mating, and attachment characteristics, functional characteristics, and performance requirements, but specifically excludes the source code, algorithm, process, formulae, and flow charts of the software.

16.(a)(3) "Limited rights" means the rights of the Government in limited rights data as set forth in the following Limited Rights Notice:

These data are submitted with limited rights.  
These data may be reproduced and used by the Government with the limitation that they will not, without written permission of the IARC, be used for purposes of manufacture nor disclosed outside the Government.

This Notice shall be marked on any reproduction of these data, in whole or in part.

**16.(a)(4)** "Limited rights data" means data (other than computer software) that embody trade secrets, or are commercial or financial and confidential or privileged, to the extent that such data pertain to items, components, or processes developed at private expense, including minor modifications thereof.

**16.(a)(5)** "Restricted computer software" means computer software developed at private expense and that is a trade secret; is commercial or financial and is confidential or

privileged; or is published copyrighted computer software, including minor modifications of such computer software.

**16.(a)(6)** "Technical data" means data (other than computer software) which are of a scientific or technical nature.

**16.(a)(7)** "Unlimited rights" means the right of the Government to use, disclose, reproduce, prepare derivative works, distribute copies to the public, and perform publicly, in any manner and for any purpose, and to permit others to do so.

**16.(b)** Allocation of Rights

**16.(b)(1)** Except as provided in paragraph 16.(c) of this provision regarding copyright, the Federal Government shall have unlimited rights in --

**16.(b)(1)(A)** Data first produced in performance of this program;

**16.(b)(1)(B)** Form, fit and function data delivered under this program;

**16.(b)(1)(C)** Data delivered under this program (except for restricted computer software) that constitutes manuals or instructional and training material for installation, operation, or routine maintenance and repair of items, components, or processes delivered or furnished for use under this program; and

**16.(b)(1)(D)** All other data delivered under this program unless provided otherwise for limited rights data or restricted computer software in accordance with paragraph 16.(d) of this provision.

**16.(b)(2)** The IARC shall have the right to --

**16.(b)(2)(A)** Use, release to others, reproduce, distribute, or publish any data first produced or specifically used by the IARC in the performance of this program;

**16.(b)(2)(B)** Protect from unauthorized disclosure and use those data which are limited rights data or restricted computer software to the extent provided in paragraph 16.(d) of this provision;

**16.(b)(2)(C)** Substantiate use of, add, or correct limited rights, restricted rights, or copyright notices;

**16.(b)(2)(D)** Establish claim to copyright subsisting in data first produced in the performance of this program to the extent provided in paragraph 16.(c) of this provision.

**16.(c) Copyright**

**16.(c) (1)** Data first produced in the performance of this Program. The IARC may establish, without prior approval of A.I.D., claim to copyright subsisting in scientific and technical articles based on or containing data first produced in the performance of this program and published in academic, technical, or professional journals, symposia proceedings, or similar works. The prior express written permission of A.I.D. is required to establish claim to copyright subsisting in all other data first produced in performance of this program. For computer software and other data, the IARC grants to the Government, and others acting on its behalf, a paid-up, nonexclusive, irrevocable, worldwide license in such copyrighted data to reproduce, prepare derivative works, and display publicly by or on behalf of the Government.

**16.(c) (2)** Data not first produced in the performance of this Program. The IARC shall not, without prior written permission of A.I.D., incorporate in data delivered under this program any data not first produced in the performance of this program and which contains the copyright notice of 17 U.S.C. 401 or 402, unless the IARC identifies such data and grants to the Government, or acquires on its behalf, a license of the same scope as set forth above in paragraph 16.(c) (1).

**16.(c) (3)** Removal of copyright notices. The Government agrees not to remove any copyright notices placed on data delivered to A.I.D., and to include such notice on all reproductions of such data.

**16.(d) Protection of Limited Rights Data and Restricted Computer Software**

When data other than that listed in paragraph 16.(b) (1) (A), 16.(b) (1) (B) and 16.(b) (1) (C) of this provision are delivered under this program and qualify as either limited rights data or restricted computer software, if the IARC desires to continue protection of such data, the IARC shall withhold such data and not furnish them to the Government. As a condition to this withholding, the IARC shall identify the data being withheld and furnish form, fit, and function data in lieu thereof.

**16.(e) Subagreements and Contracts**

The IARC has the responsibility to obtain from subrecipients, contractors, and those who work in collaboration with the IARC in performance of this program all data and rights necessary to fulfill the IARC's obligations under this provision. If a subrecipient, contractor, or collaborator refuses to accept terms affording the Government such rights, the IARC shall promptly bring such refusal to the attention of A.I.D. and shall not proceed without authorization from A.I.D.

**16. (f) Relationship to Patents**

Nothing contained in this provision shall imply a license to the Government under any patent or be construed as affecting the scope of any license or other right granted to the Government.

**16. (g)** The IARC shall include a provision, substantially the same as this provision, in all contracts and subagreements.

**17. LIMITATION ON USE OF FUNDS**

**17. (a)** The IARC shall obtain the permission of the A.I.D. Grant Officer prior to providing any monies or benefits, either directly or indirectly, to any employee of the United States Government.

**17. (b)** The IARC shall not utilize funds provided by A.I.D. for any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training in connection with the growth or production in countries other than the United States of an agricultural commodity for export which would compete with a similar commodity grown or produced in the United States.

**17. (c)** Reports submitted by the IARC shall contain a statement indicating the projects or activities to which United States funds have been attributed, together with a brief description of the activities adequate to show that United States funds have not been used for the purpose in paragraph 17. (b) above.

**17. (d)** The IARC agrees to refund to A.I.D. upon request an amount equal to any United States funds used for the purposes prohibited by any clause or provision herein.

**17. (e)** The IARC shall include a provision, substantially the same as this provision, in all contracts and subagreements.

**18. COMPLIANCE WITH FEDERAL GUIDELINES AND REGULATORY PROCEDURES PERTAINING TO RECOMBINANT DNA**

**18. (a)** The IARC shall implement any research activities under this program which involve recombinant DNA in accordance with:

**18. (a) (1)** The National Institutes of Health Guidelines for Research Involving Recombinant DNA Molecules;

**18. (a) (2)** Procedures issued by the U.S. Department of Agriculture (USDA), the Environmental Protection Agency (EPA), or other appropriate Federal agency;

18. (a) (3) A.I.D.'s environmental procedures; and
18. (a) (4) Such other Federal guidelines and procedures as may apply during the course of research.
18. (b) The IARC cannot commence testing in any foreign location until written approval for such testing is obtained from the government of the country where testing is planned. Testing shall be conducted in accordance with all applicable regulations of that country.
18. (c) In addition, and prior to commencement of any such testing, the IARC shall make a judgement and communicate same to the A.I.D. Project Officer as to whether the regulations, procedures, or facilities of the country in question are adequate to ensure testing in an environmentally sound manner. In the event such judgement is that they are not, the IARC and the A.I.D. Project Officer will consult and agree on the conditions to be applied to the testing which will have such environmental effect.
18. (d) Reports submitted to A.I.D. will address regulatory issues as noted above related to the activity.
18. (e) The IARC shall include a provision, substantially the same as this provision, in all contracts and subagreements.

19. REPORTING REQUIREMENTS

19. (a) Quarterly Reports

Each IARC shall submit five (5) copies of brief quarterly program performance reports to the A.I.D. Project Officer. In addition, two copies shall be submitted to A.I.D., POL/CDIE/DI, Washington, DC 20523-1802. These reports shall be submitted within 30 days following the end of the reporting period, and shall briefly present the following information:

19. (a) (1) A comparison of actual accomplishments with the goals established for the period, the findings of the investigator, or both. If the output of programs can be readily quantified, such quantitative data should be related to cost data for computation of unit costs.
19. (a) (2) Reasons why established goals were not met, if applicable.
19. (a) (3) Other pertinent information including the status of finances and expenditures and, when appropriate, analysis and explanation of cost overruns or high unit costs. See also Sections 17 and 18 of these provisions.

**19. (b) Special Reports**

Between the required program performance reporting dates, events may occur that have significant impact upon the program. In such instances, the IARC shall inform the A.I.D. Project Officer as soon as the following types of conditions become known:

**19. (b) (1)** Problems, delays, or adverse conditions that will materially affect the ability to attain program objectives, prevent the meeting of time schedules and goals, or preclude the attainment of work units by established time periods (see also Sections 17 and 18 of these provisions). This disclosure shall be accompanied by a statement of the action taken, or contemplated, and any A.I.D. assistance needed to resolve the situation.

**19. (b) (2)** Favorable developments or events that enable time schedules to be met sooner than anticipated or more work units to be produced than originally projected.

**19. (c) Technical and Research Reports and Publications**

The IARCs shall summarize technical and research activities of the project in reports, and distribute such reports to the appropriate USAID Missions, developing countries, and host country and international institutions in order to encourage use of the technology developed. Such reports will be completed within 60 days after completion of the activity. Journal articles and other publications are encouraged. See also Section 19. (e) below.

**19. (d) Final Report**

The IARCs shall submit, within 90 days following the expiration of A.I.D. funding, five (5) copies of a final report to the A.I.D. Project Officer. In addition, two copies shall be submitted to A.I.D., POL/CDIE/DI, Washington, DC 20523-1802. It will cover the entire period of the program and include all information shown in this Section 19, specifically including, but not necessarily limited to: (1) a summarization of the program's accomplishments or failings; (2) an overall description of the activities under the program during the period of this Grant; (3) a description of the methods of work used; (4) comments and recommendations regarding unfinished work and or program/continuation and direction; (5) information required by Section 18 of these provisions; and (6) a fiscal report that describes in detail how A.I.D. (and any matching) funds were used (see also Section 17 of these provisions).

**19. (e) Markings, Acknowledgements, and Disclaimers**

**19. (e) (1)** The cover page of all reports shall include a descriptive title, the author's name(s), Grant number

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(LAG-4111-G-00-3042-00), the project number and title, the IARC's name, name of the A.I.D. project office (R&D/AGR), and the publication or issuance date of the report.

**19.(e)(2)** A.I.D. shall be prominently acknowledged in all publications, videos, or other information/media products funded or partially funded by A.I.D., and the product shall state that the views expressed by the author(s) do not necessarily reflect those of A.I.D. Acknowledgements should identify the sponsoring A.I.D. project office as well as A.I.D. substantially as follows:

"This [publication, video, or other information/media product (specify)] was made possible through support provided by the Office of Agriculture, Bureau for Research and Development, U.S. Agency for International Development, under the terms of Grant No. LAG-4111-G-00-3042-00. The opinions expressed herein are those of the author(s) and do not necessarily reflect the views of the U.S. Agency for International Development."

**19.(e)(3)** Unless the IARC is instructed otherwise by the A.I.D. Project Officer, publications, videos, or other information/media products funded under by A.I.D. and intended for general readership or other general use will be marked with the A.I.D. logo and/or U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT appearing either at the top or at the bottom of the front cover or, if more suitable, on the first inside title page for printed products, and in equivalent appropriate location in videos or other information/media products. Logos and markings of co-sponsors or authorizing institutions should be similarly located and of similar size and appearance.

**19.(e)(4)** The IARC shall provide the A.I.D. Project Officer and POL/CDIE/DI, Room 215, SA-18, Washington, DC 20523-1802, with one copy each of all published works developed with A.I.D. funds with lists of other written work produced with A.I.D. funds.

**19.(e)(5)** In the event A.I.D. 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 program.

**19.(e)(6)** Except as otherwise provided in these provisions, the author or the IARC is free to copyright any books, publications, or other copyrightable materials developed with A.I.D. funds, but A.I.D. 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.

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19.(e)(7) It is A.I.D.'s policy to inform the public as fully as possible of its programs and activities. The IARCs are encouraged to give public notice of the receipt of A.I.D. funds and, from time-to-time, to announce progress and accomplishments. Press releases or other public notices should include a statement substantially as follows:

"The U.S. Agency for International Development administers the U.S. foreign assistance program providing economic and humanitarian assistance in more than 80 countries worldwide."

19.(e)(8) The IARCs may call on A.I.D.'s Office of External Affairs for advice regarding public notices. The IARCs are requested to provide copies of notices or announcements to the A.I.D. Project Officer and to A.I.D.'s Office of External Affairs as far in advance of release as possible.

AGENCY FOR INTERNATIONAL DEVELOPMENT  
PROJECT IMPLEMENTATION ORDER/TECHNICAL SERVICES (PIO/T)\*

Page 1 of 1 Pages

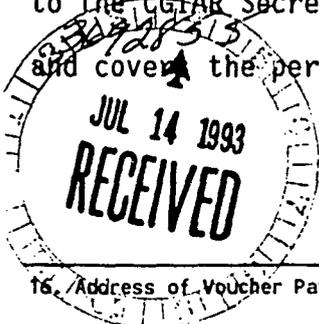
1. Cooperating Country Worldwide	2. PIO/T No. 936-4111- 3692856	3. PIO/T Amend No. Original
4. Project/Activity No. and Title 936-4111 International Agricultural Research Centers (African National Research Programs Linkages) Doc.# 41181	5. Appropriation Symbol(s) 72-113/41014	
7. Pro Ag No. or Project Authorization Date 3/18/93 (Action Memo Attached)	6. Budget Plan Code(s) DSS3-93-16900-EG11 (381-36-099-06-20-31)	
9. Project Assistance Completion Date (Month, Day, Year)	8. Obligation Status <input checked="" type="checkbox"/> Administrative Reservation <input type="checkbox"/> Implementing Document	
	10. Authorized Agent FA/OP/B/LA	

11. Type of Action and Governing A.I.D. Handbook [ B ]	12. Contract/Grant/Cooperative Agreement/ Reference Number (if this PIO/T is for an order or a modification to an award) TBD
A. A.I.D. Contract (HB14) B. A.I.D. Grant or Cooperative Agreement (HB 13)	C. PASA/RSSA (HB 12) D. Other

13. A.I.D. Funding (Attach a detailed budget in support of column (2) as Attachment A.)				
	(1) Previous Total	(2) Increase	(3) Decrease	(4) Total to Date
A. Dollars	-	\$500,000	-	\$500,000
B. U.S.-Owned Local Currency				

14. Mission References

15. Instructions to Authorized Agent Request that FA/OP/B/LA obligate funds contained in this PIO/T to the CGIAR Secretariat (World Bank). This PIO/T is issued in conjunction with PIO/T and cover the period 9/30/93 through 9/29/94. The total of the two concurrently issued PIO/Ts is \$3,079,828



FA/FM/A/NPA & PA OFFICE OF FINANCIAL MANAGEMENT ACTION: Reserve 7/14/93 FA/FM/GMP/DCED PA
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16. Address of Voucher Paying Office Agency for International Development, Room 700, SA-2, Washington, D.C. 20523

17. Clearances - Include typed name, office symbol, and date for all clearances

A. The Project Officer certifies (1) that the specifications in the statement of work or program description are technically adequate, and (2) that (for contract actions only) all program personnel who are defined as procurement officials under 41 U.S.C 423 have signed the Procurement Integrity Certification (OF-333).

Signature R&D/AGR/IARC, R. Bertram	Date: 7/7/93	Phone No: 703/875-4070
B. The statement of work or program description lies within the purview of the initiating office and approved agency programs.	C. Signature: R&D/AGR, H. Hortik	Date: 7/9/93
Signature: R&D/AGR, A. Hurdus	Date: 7/2/93	Signature: R&D/AGR, B. Beckett
D. Funds for the services requested are available	E. Signature: FA/OP/B/LA, J. Bergman	Date: 7/9/93
Signature: FA/FM/A/PNP&PA, R. Anderson	Date:	Signature: R&D/PO, G. Standrod
		Date: 7/14/93

18. For the Cooperating Country: The terms and conditions set forth herein are hereby agreed to:

Signature:	Title:	Date:
Signature: R&D/PO/PR, Elizabeth Roche	Title: Chief	Date: 7/14/93

FOR CONTRACT ACTIONS ONLY: SOURCE SELECTION INFORMATION--SEE FAR 3.104. THIS DOCUMENT, OR PORTIONS THEREOF, CONTAINS PROPRIETARY OR SOURCE SELECTION INFORMATION RELATED TO THE CONDUCT OF A FEDERAL AGENCY ACQUISITION, THE DISCLOSURE OF WHICH IS RESTRICTED BY LAW (41 U.S.C. 423). UNAUTHORIZED DISCLOSURE OF THIS INFORMATION MAY SUBJECT BOTH THE DISCLOSURER AND RECIPIENT TO CONTRACTUAL, CIVIL, AND/OR CRIMINAL PENALTIES AS PROVIDED BY LAW.  
FOR OTHER ACTIONS: UNAUTHORIZED DISCLOSURE OF PROPRIETARY OR SOURCE SELECTION INFORMATION MAY SUBJECT AN EMPLOYEE TO DISCIPLINARY ACTION.

AID 1350-1 (11/91)  
\*Subject to non-inclusion of AFR/ARTS E-Mail (7/6/93) language regarding publications.

MAR 17 1993

MEMORANDUM

To: RD/AGR, Hans P. Peterson

From: RD/AGR/IARC, Ralph W. Cummings, Jr.

Subject: Authorization for Funding of non-CGIAR International Agricultural Research Centers (IARCs) and IARC management support, Project 936-4111. Doc. # 41150

Problem: Your authorization is needed for A.I.D. grant funds to help support the FY 1993 core and capital budgets of two non-CGIAR IARCs and several activities related to A.I.D. and U.S. participation in the IARC/CGIAR system.

DISCUSSION: In addition to the core support provided to the CGIAR centers under project 936-4111.88, several key centers and activities are provided for separately under 936-4111. The two international centers funded under this project conduct top-quality, long-term research on two areas that are not included in the CGIAR portfolio. The support activities provide critical components of overall U.S. interaction with the IARCs, as well as important research network activities sponsored by USAID Missions and Regional Bureaus.

AVRDC - The Asian Vegetable Research and Development Center, Taiwan, provides a full array of research and outreach services to national vegetable research programs and private sector horticultural activities in developing countries world wide. AVRDC's research on key commodities underpins high value sources of income for producers, and the vegetables contribute important sources of vitamins and minerals to diet in developing countries. The research program is highly focussed, and includes considerable emphasis on integrated pest management, plant host disease resistance and other technologies contributing to sustainable, environmentally protecting production systems.

Although most active in South and Southeast Asia, AVRDC conducts cooperative research activities in Africa and Latin America. It conserved one of the world's largest collections vegetable germplasm, and its improved varieties are sent out to researchers worldwide. A.I.D. Missions have shown strong support to AVRDC in the past, and continue to foster AVRDC outreach in Bangladesh and other countries. The proposed R&D contribution for FY 1993 is \$1.0 million.

IBSRAM- The International Board for Soils Research and Management (IBSRAM) is a unique, decentralized activity which integrates diverse efforts into a globally relevant research program. IBSRAM is providing critical leadership associated with soil conservation and land management in tropical and subtropical regions. IBSRAM

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provides effective information networks for scientists around the globe, ensuring that appropriate results are applied across regions with minimal duplication of research.

IBSRAM is launching a new initiative to develop closer integration and coordinated approaches to critical environmental issues. This effort will include participation with a variety of research institutions, international programs, TropSoils and IFDC. In recognition of the importance of the sustainability and environmental issues, an increased contribution of \$100,000 of R&D funding is proposed for FY 1993.

RSSA with USDA/OICD/RSED- This project also provides funding for continued cooperation with USDA in support of U.S. interaction with the CGIAR system. There are two principal activities under the RSSA (DAN-4111-RAG-0050-00).

Research and Management Advisors- The RSSA contains funding for the on-going contribution of two USDA staff who provide essential service for A.I.D. management of the IARC grants. The Research Advisor provides analyses and briefings on IARC and CGIAR system issues, while the Management Advisor provides critical assistance on financial and informational activities.

SLOs- The second activity funded under the RSSA is the Scientific Liaison Officer (SLO) Program. Leading U.S. scientists provide voluntary assistance to A.I.D. and USDA efforts to foster collaborative linkages between U.S. researchers the IARCs. Related activities includes small cooperative research partnerships involving U.S. graduate students.

Proposed FY 1993 R&D funding for these two activities under the RSSA with USDA/OICD is \$400,000.

Research Networks/IARC Outreach: Our staff is increasingly called upon to work collaboratively with Missions and Regional Bureaus in the support of research networks and IARC outreach. As you know, major activities of this kind in Africa were established and funded in FY 1992. In FY 1993, the African activities will continue and possibly expand, and other Regional Bureaus, USAID Missions or A.I.D./W Offices may also want to develop activities. Funds transferred from other parts of the Agency are not likely to exceed \$4,000,000 in FY 1993.

**RECOMMENDATION:** That you authorize up to \$5,500,000 of FY 1993 funding under project 936-4111, International Agricultural Research Centers, to be used for support of AVRDC and IBSRAM core and capital budgets, the IARC system research management and linkages support RSSA, and IARC research network/outreach. Amounts for each of these categories are as follows:

1. Asian Vegetable Research and Development Center, \$1,000,000;
2. International Board for Soils Research and Management, \$100,000;
3. USDA/OICD RSSA, \$400,000
4. Mission/Regional/AID/W Funded Networks/Outreach, \$4,000,000.

Total Authorization: \$5,500,000

Approved: *[Signature]*

Disapproved: \_\_\_\_\_

Date: 3/18/93

Clearances: RD/AGR, B. Beckett *[Signature]* date 3/17/93  
RD/AGR, A. Hurdus *[Signature]* date 3/19/93  
RD/PO, J. Bierke \_\_\_\_\_ date \_\_\_\_\_



PIO/T No.  
936-4111-

20. Special Provisions

A. Language Requirements (specify) (Include funds in budget for testing, as required.)

N/A

B. Access to classified information  will  will not be required by technical specialists. (Indicate level)

C. Duty post(s) and duration of technical specialist(s) services at post(s) (months):

D. Dependents' travel and support  will  will not be funded by A.I.D.

E. Geographic code applicable to procurement under this PIO/T is: (If other than authorized in Project Authorization, attach waiver(s))

<input type="checkbox"/> 1. 000	<input type="checkbox"/> 3. 935	<input type="checkbox"/> 5. Other (specify)
<input type="checkbox"/> 2. 899	<input type="checkbox"/> 4. 941	

F. Salary approval(s) to exceed FS-1 salary ceiling are:

1. attached  2. in process  3. N/A

G. Cooperating country acceptance of this project:

1. has been obtained  2. is in process  3. is not applicable to services required by PIO/T

H. Justification for use of external resources for advisory and assistance services is:

1. attached  2. N/A

I. clearance for procurement of ADP equipment, software, and services is:

1. attached  2. in process  3. N/A

J. OMB approval of any report to be completed by ten or more members of the general public under the statement of work is:

1. attached  2. in process  3. N/A

K. Participant Training  is  is not being funded as part of this PIO/T. (If so, attach Budget Estimate Worksheet, Form AID 1382-10)

L. Requirement (contracts only) is recommended for:

1. small-business set-aside  2. SBA 8(a) program  
 3. disadvantaged-enterprise set-aside  4. No recommendation

M. Other (specify)

21. Provisions for Logistic Support

A. Specific Items (Insert "X" in applicable column at right. If entry needs qualification, insert asterisk and explain in C. "Comments")

	IN KIND SUPPLIED BY		FROM LOCAL CURRENCY SUPPLIED BY		TO BE PROVIDED OR ARRANGED BY SUPPLIER	N/A
	A.I.D.	COOPERATING COUNTRY	A.I.D.	COOPERATING COUNTRY		
(1) Office Space					X	
(2) Office Equipment					X	
(3) Housing and Utilities					X	
(4) Furniture					X	
(5) Household Appliances (Stoves,Refrig., etc.)					X	
(6) Transportation in Cooperating Country					X	
(7) Transportation To and From Country					X	
(8) Interpreter Services/Secretarial					X	
(9) Medical Facilities (Health Room)					X	
(10) Vehicles (official)					X	
(11) Travel Arrangements/Tickets					X	
(12) Nightwatchman for Living Quarters					X	
(13)						
(14)						
(15)						
(16)						

B. Additional Facilities Available From Other Sources:

1. Diplomatic Pouch  2. PX  3. Commissary  
 4. Other (specify, e.g., duty free entry, tax exemptions)

C. Comments:

PIO/T No.  
936-4111

22. Relationship of Contractor, Recipient, or Participating Agency to Cooperating Country and to A.I.D.

A. Relationships and Responsibilities: The Administrator through R&D/AGR/IARC to the World Bank

B. Cooperating Country Liaison Officials: Dr. Alexander von der Osten, Executive Secretary  
Consultative Group on International  
Agricultural Research (CGIAR)  
1818 H. Street, N.W., Washington, D.C. 20433

C. A.I.D. Liaison Officials:

Ralph Cummings, Jr. R&D/AGR/IARC Project Officer	Alan Hurdus R&D/AGR Acting Director, Office of Agriculture
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23. Background Information (additional information useful to authorized agent)

The grant for this project should be marked for the CGIAR Special Activities Account and directed to:

IDA "T" Account of the World Bank  
Federal Reserve Bank  
33 Liberty Street  
New York, NY 10045

VOUCHER INFO: Each voucher submission (S: -1034) should include:

Grant Number #: _____	Project Manager: Robert Bertram
Project Number #: _____	Obligation #: _____
Project Office: _____	

24. Summary of attachments that accompany the PIO/T (check applicable boxes)

- [\*] A. Detailed budget estimate in support of increased funding (Block 13)
- [\*] B. Evaluation criteria for competitive procurement
- [\*] C. Justification for procurement by other than full and open competition or noncompetitive assistance
- [\*] D. Statement of work or program description
- [\*] E. Waiver(s), justification(s), clearance(s), certification(s), approval(s) (specify number)

25. Distribution of PIO/T

BEST AVAILABLE COPY

BEST AVAILABLE COPY

**NETWORK INITIATIVE BUDGET**  
Region and Commodity Focus

	EAST AFRICA					WEST AFRICA			SUBTOTAL
	Bean	Agro- Forestry	Potatoes	Root Crops	ISNAR	Rice	Maize	Sorghum	
<b>AFR/ARTS FARA Contribution:</b>									
<u>Activity</u>									
Coordination	215,000	195,000	141,000	150,000		40,000	139,000	120,000	1,000,000
Planning/Evaluation	37,000	25,000	60,000	36,000		100,000	80,000	82,000	420,000
Research Collaboration	83,000	160,000	88,000	97,000		145,000	100,000	70,000	743,000
Training/Institution Strengthening	26,000	40,000	75,000	78,000		56,000	30,000	44,000	349,000
Administrative Support	89,000	30,000	86,000	89,000		59,000	51,000	84,000	488,000
Network Integration					79,828				79,828
<b>SUBTOTAL</b>	<b>450,000</b>	<b>450,000</b>	<b>450,000</b>	<b>450,000</b>	<b>79,828</b>	<i>400,000</i>	<i>400,000</i>	<i>400,000</i>	<b>3,079,828</b>
<b>R &amp; D/ENR Contribution: 1/</b>									
<u>Activity</u>									
Coordination		200,000							200,000
Administrative Support		100,000							100,000
<b>SUBTOTAL</b>		<b>300,000</b>							<b>300,000</b>
		<i>750,000</i>							<i>3,379,828</i>
<b>Other Donors' Contribution:</b>									
<u>Activity</u>									
Network Productivity/Management Studies									40,000
<b>SUBTOTAL</b>									<b>40,000</b>
<b>TOTAL</b>									<b>3,419,828</b>

Notes:

1/ To be added to the Agroforestry grant in FY 94, see attached letter from T. Johnson.

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MEMORANDUM

JUN 11 1993

To: RD/AGR/IARC, Ralph Cummings, Jr.

From: <sup>for</sup> RD/ENR, Twig Johnson *Dan Deely*

Subject: ENR Plans for support of ICRAF AFRENAs in FY 1994

As you know, our office recently completed a transfer of \$300,000 of FY 1993 funds to RD/AGR, project 936-4111.88. This funding is to be added to this year's core grant to ICRAF. This follows through on earlier commitments to support the AFRENAs, which are part of ICRAF's core programs, during the current year.

As you know, it is also our intention to provide the same amount of funding for the activity's operation during the next fiscal year. I understand that your office will make a grant to this effect using FY 1993 funds provided by the Africa Bureau, to cover the operational period extending through FY 1994. We are unable, at this time, to contribute \$300,000 of FY 1993 funds for this purpose, but we intend to do so as early as possible in FY 1994.

The purpose of this note is to confirm our intention in this regard, thus providing the Office of Procurement assurance that a grant for the period October 1993 to September 1994 of \$750,000 (\$450,000 from Africa Bureau through RD/AGR/IARC plus \$300,000 from RD/ENR) will be fully funded, although our funds will not be available until next year.

We appreciate the continuing cooperation between our two offices in funding of the AFRENAs.

cc: RD/AGR, A. Hurdus  
B. Beckett  
RD/PO, D. Erbe  
E. Roche  
RD/ENR, M. Berge  
D. Deely  
P. Bowen  
FA/OP/B/HNE, J. Bergman

## Consultative Group on International Agricultural Research

Mailing Address: 1818 H Street, N.W., Washington, D.C. 20433, U.S.A.  
Office Location: 801 19th Street, N.W.  
Telephone (Area Code 202) 473-8951  
Cable Address-INTBAFRAD  
Fax (Area Code 202) 334-8750

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June 28, 1993

Dr. Ralph Cummings, Jr.  
Coordinator, International Agricultural  
Research Center Staff  
Bureau for Science and Technology  
Agency for International Development  
Room 513, SA-18  
Washington, D.C. 20523-1809

Dear Ralph,

The CGIAR has long recognized the importance of developing national capacity for research on agriculture and natural resource management issues. CGIAR centers have developed training programs and networking activities to address this objective. Attached is a specific proposal to support networking activities between five CGIAR centers and the national programs in Africa.

The U.S. Agency for International Development has been an important catalyst for implementing capacity building programs. In particular through regional and bilateral support it has contributed substantially to such activities at CGIAR centers. We would be grateful if you could consider funding the attached proposal through the CGIAR special activities program.

Sincerely yours,



Ravi Tadvalkar  
Senior Finance Officer

Enclosure

## Strengthening National Agricultural Research Systems in Africa through Collaborative Research Networks

### Introduction

The Consultative Group on International Agricultural Research (CGIAR) has long recognized the importance of developing national capacity for research on agriculture and natural resource management issues. No where has this been seen as more critical than in Africa, where national systems have tended to be small and underfunded, resulting in decreased ability to develop and adapt technologies needed by farmers. The resulting gap in technology development and application has contributed to gaps in meeting productivity needs and degradation of the natural resource base through the use of non-sustainable practices such as slash and burn without adequate fallow periods.

A series of studies and reports have concluded that strengthening national research systems is a key step in generating appropriate technologies which are adopted and applied in major farming systems. CGIAR stakeholders, including centers, donors and collaborating institutions, have recognized the importance of fostering national research capacity and leadership as a necessary part of a longer term strategy leading to sustainable and productive farming and resource management systems. Strong national institutions, including organizations in the public, private and university sectors, are required for a true transformation to take place.

A variety of means have been used to strengthen national systems in Africa, including donor-supported bilateral projects, institution building activities of many kinds, and a large number of regionally oriented activities. CGIAR-sponsored International Agricultural Research Centers have a long track record as direct or indirect partners in many such activities. Their advantages have included their apolitical constitution, acknowledged program excellence, and a stability of mandate, approach and support that has been difficult to achieve at the national level. However, as resources have grown increasingly constrained, the ability of donors to support large-scale, nationally oriented interventions has been constrained. At the same time, a consensus has emerged that collaborative research networks offer an excellent, cost-effective means of building national and regional capacity, clear economies of scale, and the emergence of coherent national and regional research policies.

### IARC Research and Collaborative Research Networks

During the last decade, much evolution of collaborative research efforts involving IARCs and national research programs has occurred. From initial relationships characterized primarily by

growing and evaluating breeding nurseries, centers and national programs have joined together to develop a series of closely interlinked collaborative research networks. IARCs are one partner among many, with leadership coming from national programs at both the scientist (steering committees) and policy maker (directors committees) level. Emphasis is placed both on assessing and developing new technologies, as well as on effective partnerships to test and adapt innovative approaches to solving problems. NARS members see a growing stake in their own participation, which includes a broad-based, on-going effort to monitor impact. This is seen as an essential part of fostering support at the national, regional and international level.

New, innovative approaches to networking thus emphasize institutional as well as technological development. A clear focus remains on solving problems of significant importance to the countries involved, while at the same time using a collaborative research approach to address broader issues of participation, responsibility and leadership. Strategies are developed in a participatory manner, with a clear goal being the eventual independence of national and regional research partners to contribute to, and benefit from, an emerging global system of agricultural and natural resources research.

For major donors, collaborative research initiatives offer an opportunity to support activities which directly complement their investment in the research programs of IARCs. Thus, support for networks can be seen as increasing the relevance and impact of core support to the CGIAR centers. It also addresses donor concerns that center's programs be linked to and responsive to national researchers and their most critical needs. Achievement of true partnerships between IARCs and the NARS of a region can reassure donors that the relevance and impact of research supported at IARCs is maximized.

Similarly, international research centers view the development of strong, effective research networks as a means to ensure the viability of technologies, information and human resource development activities they undertake. As the sense of being stakeholders increases, national programs are able to collaborate with centers and with each other with increasing effectiveness. Research opportunities bringing real synergy to the overall effort are more readily identified and realized.

Most importantly, national programs themselves see the development of collaborative research networks as a means of gaining a stronger voice in determining research directions, priorities, and policies. Interaction across national boundaries provides a forum for expressing national and transnational concerns to arrive at the highest priority, strategic approaches to problem solving. Regional meetings have repeatedly concluded that national programs want to work with each other, and that a participatory

mode of collaborative research definition and management is highly desirable.

#### Evolution of A New Initiative

The African agricultural and natural resources management research community has made significant progress in recent years in developing a more rationalized approach to collaborative research networks. Key aspects of productive networks have been defined, and donors too have sought to integrate their efforts through fora such as SPAAR (Special Program for African Agricultural Research). IARCs have actively sought to bring networks in which they participate closer together for both scientific and institutional reasons. Greater integration of network activities reduces the burden on national programs, and allows them to more effectively direct their overall participation in the global agricultural research system.

As emphasis on the importance eco-regional research has grown, centers and national programs have looked closely at how research objectives are defined. More and more, scientists are viewing agricultural land as a key component of the larger landscape, with land management systems and component technologies being viewed as key areas for intervention. Commodity focus remains important, but it is seen as offering a "handle" for managing what are often complex systems with many important aspects. In East Africa, the International Center for Research on Agroforestry (ICRAF) has initiated a highlands initiative that integrates a number of networks working on different commodities into a holistic, regional approach.

In recognition of the importance that collaborative networks hold for achievement of broad-scale CGIAR goals relating to hunger, economic development and environmental preservation, the CGIAR Secretariat is working with centers and donors to establish a special activity to strengthen national agricultural research systems in Africa through collaborative research networks. A special fund has been established to provide donors with a means to provide support for collaboration among NARS and with the IARCs. An integrated approach has been adopted, incorporating major commodities, such as beans, maize, rice, roots and tubers and sorghum, with key resource management areas such as agroforestry. CGIAR centers will assume key roles in fostering networks, but will do so in a collaborative way, with leadership and decision making based in committees made up of partner national systems.

The initiative will involve seven IARCs initially, building on collaborative research networks which have been evolving in both East and West Africa. Each network will focus on an important commodity or topic for the East or West Africa eco-regions, emphasizing both scientific and institutional opportunities. Involvement of the IARCs offers both program and financial

accountability, as all seven IARCs have excellent financial management and audit arrangements in place. More importantly, the centers offer both institutional and scientific memory for subject areas of each network.

#### Network Fundamentals

Each network is designed to increase the productivity of national agricultural research programs--not to substitute for them. All participating countries will have equal opportunity for national participation in priority setting, and each network will ensure that adequate support is available for full national participation. All networks will include goals that go beyond scientific research and include efforts to promote dissemination of new technologies, through NARS, to farmer groups and other private organizations. Management decisions will be taken jointly by committees of network members and research directors and the relevant international centers.

Each network has developed an action plan to foster the achievement of overall institutional and specific technical objectives. Centers have developed detailed funding plans for each network, covering key areas such as training, travel, research support, coordination and evaluation. Each network will seek to strengthen ties to bilateral donors at the country level, and to regional organizations. As the program develops, there will be increasing scope for support for diverse sources, including bilateral, regional and multilateral donors. In-kind support from NARS should also increase, as productivity is demonstrated and confidence among national leaders grows.

Network structure will include the center as a coordinating organization, a steering committee composed of participating scientists, and an overall eco-regionally oriented committee of research directors. The committees will meet semi-annually to identify strategies and goals, review research results, lay out new priorities and apportion institutional responsibilities. Special workshops will be held to focus on specific scientific problems and innovative approaches to dissemination of results. The structure will favor frequent communication, and research results will be freely available to all participants, as well as any interested bona fide researcher.

#### Activity Focus

West Africa- In West Africa, the initiative will focus on the three most important cereals: maize, sorghum and rice. Three CGIAR centers will organize complimentary, inter-linking networks of researchers. For maize, the International Institute of Tropical Agriculture (IITA), located in Ibadan, Nigeria will take the lead. The sorghum network will be coordinated by the International Crops Research Institute for the Semi-Arid Tropics (ICRISAT), which has

a major sub-center in Niamey, Niger. For rice, the West Africa Rice Development Association (WARDA), Bouake, Ivory Coast, will take the lead. A description of each network follows:

**Maize Network-** This activity, coordinated by IITA, will encompass both coastal and Sahelian West African countries. Issues related to variety development and testing, disease and pest control through integrated pest management, and agronomic/natural resource management will be emphasized.

**Sorghum Network-** ICRISAT will coordinate this network, in close collaboration with existing regional activities, from its regional sorghum program in Mali. Pests, diseases, and the development of high-yielding, well-adapted germplasm will be emphasized. National programs of principle sorghum-producing countries in the region will participate.

**Rice Network-** WARDA will coordinate a series of key Task Forces made up of scientists working on problems and productivity of major rice ecosystems. These will collectively form a highly integrated network drawing on the strengths of each country, and reflecting the relative importance of specific constraints to progress in achieving sustainable, highly productive rice systems.

An overarching committee of research directors from countries participating in the three networks will be convened. This committee will serve as a bridge mechanism towards a fully integrated, eco-regionally based, NARS-led effort. Each network will also encompass economic and management issues, as stimulus to economic development and efficiency of effort are major goals of the program. The initiative will be a major step in the direction of fully integrated national research systems able to fully benefit from research conducted by CGIAR centers and other important parts of the global research system.

#### East Africa

In East Africa, as in West Africa, four networks will be coordinated by International Centers. These will encompass root and tuber crops (IITA), beans (the International Center for Tropical Agriculture (CIAT)), potato and sweet potato (the International Potato Center (CIP)), and agro-forestry (the International Center for Research on Agroforestry (ICRAF)). Integration of the four research networks is assured through the overarching responsibility of a single Directors Committee. A brief description of each network follows:

**Roots and Tubers-** IITA will coordinate the network from its regional base of operations in Uganda. Key areas of activity include pests, disease and productivity issues, as well as

economically important considerations such as post-harvest constraints and marketing. Linkages with regional and bilateral organizations providing planting materials to farmers are featured.

Beans- CIAT will coordinate the bean research network from a regional base in Tanzania. Systems approaches are emphasized, as are natural resource management concerns. Although beans constitute an important part of the diet of the region, many of the producing areas are suffering the effects of non-sustainable production systems.

Potato and Sweet Potato- The East Africa regional network on these important commodities will be coordinated from Kenya. Strong national participation includes national leadership on key constraints such as virus-free planting materials, late blight and bacterial wilt. Integrated pest management for sweet potato will be emphasized.

Agroforestry- Integrated programs of agroforestry, encompassing major systems in highland East Africa and Central Africa are planned. By nature, the activities will be cross-cutting, involving major systems, many woody and non-woody crops, and emphasizing sustainable systems to protect the environment. Because of coverage of both Central and East Africa, the budget for this subject area is larger.

A special initiative on network integration will draw on the expertise of the International Service for National Agricultural Research (ISNAR). ISNAR will work with the Directors' Committee to foster leadership on the part of the national programs. ISNAR will draw on its experience and expertise in facilitating planning, priority setting and coordinated implementation of network research programs.

#### Donor Support

This is an entirely new initiative, generated in recognition of the growing interest in the donor, center and NARS community for an integrated effort to develop full partnerships among national, regional and international research agencies. At the outset, a key donor is sought for support of the above activities. Ideally, this donor will have both global and regional objectives, and a strong stake in strengthening national agricultural research programs. As the productivity of this new approach is recognized, additional support from CGIAR donors is likely. At this stage, donors have contributed \$40,000 toward studies of networks; funding for the networks will provide important information on implementation and fostering of the collaborative research network approach.

A budget for the activity is attached. In the initial year, \$3.1 million is sought for the support of seven networks and an

integrating research management activity. All activities will contribute towards the eventual goal of strengthened national capacity and the evolution of regional coordination in research. Overall activity categories are similar across networks, but some differences in emphasis reflect varying needs in regions and with regard to specific research goals. The integrated activity reflected in the budget is the result of in-depth, activity by activity planning involving centers, donor representatives, and importantly, national programs.

Accountability is ensured through normal CGIAR center accounting and financial and program monitoring systems. Annual audits and reports for each network will be collated and submitted to the donor.