



U.S. Agency for International Development
Bureau for Humanitarian Response
Office of Food for Peace
A. Washington, D.C. 20523-7600

January 28, 2000

Dear Cooperating Sponsors:

I am pleased to enclose the final P.L. 480 Title II Results Reports Guidelines for FY 1999 and Development Program Guidelines for FY 2001. These guidelines for Cooperating Sponsors were announced November 12, 1999 in the Federal Register as available for public comment, and distributed shortly thereafter to Cooperating Sponsors and other interested parties.

In response to the comments provided by the Cooperating Sponsors, USAID in consultation with the FACG is undertaking a re-engineering of the Title II Non-Emergency approval process with the intent of issuing new guidelines in the fall of 2000. In the interest of expediting Previously Approved Activity (PAA) approval, the Office of Food for Peace has streamlined FY 2001 PAA documentation requirements and review criteria. Streamlining and expediting the PAA review process will be dependent upon Cooperating Sponsors' adherence to programmatic and budgetary components of their approved Development Activity Proposals (DAPs). The previous policy of a 20 percent or more increase in the level of requested funding for the fiscal year necessitating a DAP Amendment is eliminated, however, it is assumed that annual request levels will approximate very closely the approved annual requests in DAP or DAP Amendment budgets. Under the revised guidelines only a proposed increase in LOA funding will require a DAP Amendment.

Additionally, the Final Version of the FY 2001 Development Program Guidelines contains a policy statement on the re-engineering process. The policy statement is noted in the Policy Direction and Management Issues section of the Guidelines.

If you have any questions, please do not hesitate to contact Richard Newberg, Development Programs Division Chief, via email (rinewberg@usaid.gov) or telephone (202-712-1828).

Sincerely,

William T. Oliver

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

**BUREAU FOR HUMANITARIAN RESPONSE
OFFICE OF FOOD FOR PEACE
DEVELOPMENT PROGRAMS TEAM**

FINAL

January 28, 2000

**P.L. 480 TITLE II GUIDELINES
for
FISCAL YEAR 2001 PROGRAM PROPOSALS:**

**Development Activity Concept Papers
Development Activity Proposals (DAP)
Development Activity Proposal Amendments (DAP Amendment)
and
Previously Approved Activity Submissions (PAA)**

TABLE OF CONTENTS

List of Acronyms

CHAPTER 1: Introduction to Guidelines	1
I. Purpose of Guidelines	1
II. USAID Title II Program Policy Direction and Management Issues	1
III. Development of FY 2001 Guidelines	6
IV. Reporting Requirements for Title II Development Activities	6
CHAPTER 2: Title II Development Activity Concept Papers	8
CHAPTER 3: DAP Submissions	10
CHAPTER 4: DAP Amendments	21
CHAPTER 5: PAA Submissions	27
APPENDICES	
A. Strategy, Linkage, and Proposal Submission in “Non-presence” Countries	i
B. Review Criteria (DAP, PAA)	ii
C. Outlines (DAP, DAP Amendment, PAA)	viii
D. Indicator Performance Tracking Table	x
E. Budget Formats (Comprehensive, Detailed)	xi
F. Commodity Request Formats (AER, Procurement Schedule, LOA Reqs, Supplementary Chart)	xv
G. Section 202(e) Funding Instructions	xx
H. Environmental Compliance Documentation Instructions	xxvi
I. Authority and Statutory Lobbying Restrictions	xxix
J. List of Value Added Commodities	xxxiii
K. List of Available Information Packets	xxxiv

Note: If this is an electronic version of this document, check page numbers as font changes or margin parameters may affect pagination.

The forms and tables in the appendices may have been reduced to fit within the margined areas of the document. Electronic versions will be full sized. Illustrative and sample tables throughout the guidelines, may have also been reduced in size.

LIST OF ACRONYMS

ADS - Automated Directives System
AER - Annual Estimate of Requirements
AID - Agency for International Development (a.k.a. USAID)
BEO - Bureau Environmental Officer
BHR - Bureau for Humanitarian Response
CBO - Country Backstop Officer
CFR - Code of Federal Regulations
CP - Congressional Presentation
CS - Cooperating Sponsor
CSR - Commodity Status Report
DA - Development Assistance
DAP - Development Activity Proposal
EA - Environmental Assessment
EDM - Environmental Documentation Manual
ESR - Environmental Status Report
EXO - Executive Officer
FACG - Food Aid Consultative Group
FAM - Food Aid Management
FFP - Office of Food for Peace
FFPIS - Food for Peace Information System
FY - Fiscal Year
IEE - Initial Environmental Examination
ISA - Institutional Support Assistance Grant
ITSH - Internal Transport, Storage, and Handling
LOA - Life of Activity
LDC - Least Developed Country
LIFDC - Low Income Food Deficit Country
MCH - Maternal Child Health
MOU - Memorandum of Understanding
MT - Metric Ton
NICRA - Negotiated Indirect Cost Rate Agreement
NGO - Non-governmental Organization
PAA - Previously Approved Activity
PEA - Programmatic Environmental Assessment
P.L. - Public Law
PVO - Private and Voluntary Organization
R2 - Results Report
REDSO - Regional Economic Development Service Office
REO - Regional Environmental Officer
RFFPO - Regional Food for Peace Officer
UMR - Usual Marketing Requirements
USAID - United States Agency for International Development (a.k.a. AID)
U.S.C. - United States Code
USDA - United States Department of Agriculture
WFP - World Food Program

CHAPTER 1 INTRODUCTION TO GUIDELINES

These guidelines were reviewed and commented on by the Food Aid Consultative Group (FACG), pursuant to Section 205 of the Agricultural Trade Development and Assistance Act of 1954 (P.L. 480), as amended. The Bureau for Humanitarian Response's Office of Food for Peace (BHR/FFP) also solicited comments from United States Agency for International Development (USAID) Missions, Regional Bureaus, and Central Bureaus. These guidelines were made available in Final Draft for public comment through a notice published in the Federal Register on November 12, 1999. Subsequent revisions were in response to the comments provided and made in consultation with the FACG.

I. Purpose of Guidelines

These guidelines are provided for use by Cooperating Sponsors (CS)s and USAID Missions during the preparation and review of P.L. 480 Title II:

- (1) Concept Paper/Letters of Intent
- (2) Multi-year Development Activity Proposal (DAP)s
- (3) DAP Amendments
- (4) FY 2001 Previously Approved Activity (PAA)s

The guidelines apply to all Title II development program proposals. In addition, the review, approval, and reporting procedures for Title II development activities are described.

The Guidelines are available from BHR/FFP or Food Aid Management (FAM). See also BHR/FFP's home page on the Internet (http://www.info.usaid.gov/hum_response/ffp). Items from the **Information Packet** of related materials are available upon request from BHR/FFP or FAM (See **Appendix K** for contents).

II. USAID Title II Program Policy Direction and Management Issues

A. Food Aid and Food Security Policy

Food insecurity, poverty and lack of social services leave a significant portion of the world's population hungry and malnourished. To alleviate these problems, USAID focuses its resources on sustainable development. Within a framework of public law and U.S. Government policy and interests, USAID aims to invest in people, expand access and opportunity and promote favorable policies and institutional environments which attack the primary basic cause of hunger - poverty. Title II programs focus on improving household nutrition, especially in children and mothers, and on alleviating the causes of hunger, especially by increasing agricultural productivity.

Food assistance plays an important and special role in this effort. USAID's *1995 Food Aid and Food Security Policy Paper* guides program development and resources allocation for all USAID administered food aid activities. USAID allocates resources and manages programs

to increase the impact U.S. food aid has in reducing hunger. Priority is given to programs in those countries where food insecurity is greatest. Furthermore, Section 5.A., page 21 of the paper emphasizes the need to focus food assistance efforts in sub-Saharan Africa and South Asia, although not to the exclusion of other food insecure regions of the world. Ideally, the activities outlined in new DAPs will be in conformity with Mission priorities for the associated countries. However, this is not a requirement for approval of a DAP, and DAPs will be reviewed and considered eligible for approval so long as they are in consonance with USAID food security policy and other donor activity and do not violate Bellmon Amendment provisions.

While the prime focus of the policy paper is on development programs, it also addresses the broader category of non-emergency programs, as described in P.L. 480. Consistent with the policy paper, the majority of Title II programs focus on nutrition and agricultural production. However, the flexibility within the statute and the policy paper allows BHR/FFP to consider programs that focus on activity areas related to the availability, access and utilization of food. Humanitarian assistance (general relief) programs are allowed under the policy.

Two other important aspects of the policy paper for Title II development programs are the coordination of food aid with other assistance resources (particularly USAID resources) and the strengthening of the program development and management capacity of USAID's food aid partners. (The policy paper is available as part of the **Information Packet**).

B. Re-engineering of Title II Non-Emergency Approval Process

USAID in consultation with the FACG has undertaken re-engineering of the Title II Non-Emergency approval process with the intent of issuing new guidelines in the fall of 2000. The guidelines will embody new processes and procedures for the FY 2002 review and approval process.

In the interim, the Office of Food for Peace has streamlined FY 2001 Previously Approved Activity (PAA) documentation requirements, and FY 2001 PAA review criteria. It is particularly important to note that streamlining and expediting the PAA review process is heavily dependent upon Cooperating Sponsors' (CS') adherence to programmatic and budgetary components of their approved Development Activity Proposals (DAPs). DAP approvals incorporate Life of Activity (LOA) resources for commodity and freight funding as well as Section 202(e). CS FY 2001 PAA resource requests should be consistent with resources outlined in the annual projections and LOA funding in the Comprehensive Budget Summary. Deviations will require the more lengthy review and approval process of a DAP Amendment.

If a CS wishes to make any significant changes to a previously approved program, a DAP Amendment should be submitted in place of a PAA. Significant change is defined as a) a change in the strategic objectives of the project (CS Title II program or sub-program); b) an increase in the total Life of Activity Resource Request (LOA) using the estimated total dollar value of commodity, freight, and Section 202(e) as the indicator for requests; or c) a cumulative increase of 10% or more in any line-item of the comprehensive LOA budget for that particular line item. Food for Peace recognizes that there may be other changes in

implementation arrangements which may require a substantive review of the foundations upon which the DAP was originally approved. Under these circumstances the CS and Food for Peace may mutually decide to consider a DAP Amendment in place of a PAA. CSs are encouraged to consult early with Country Backstop Officers (CBOs) to make this determination.

C. Congressional Directives: Management of Title II Mandates

The Congressional Conference Report on Omnibus Consolidated and Emergency Supplemental Appropriations for FY 1999 stated that: *“The conferees are concerned that the Agency for International Development (AID) and Title II operational policies are not fully meeting both statutory mandates and the program’s primary humanitarian objective of providing U.S. agricultural products and commodities for feeding the needy worldwide. While encouraged by recent aid commitments to increase relief-type feeding programs, the conferees expect AID, to the extent practicable, in utilizing the funds provided herein, to ensure that the non-emergency programs, including monetization programs, comply with the statutory requirement that 75% of the commodities provided be in the form of highly nutritious value-added agricultural commodities.”*

In the past several years, FFP has had increasing difficulty in ensuring that the non-emergency programs meet the 75% value-added mandate. The Food Aid Food Security Policy Paper, issued in FY 1995, and USAID’s increased needs for sustainable and verifiable program impact, have led Cooperating Sponsors to focus on designing non-emergency programs that address the causes of food insecurity, not just short-term food needs (i.e., feeding programs). The reduction in humanitarian assistance (general relief, other child/institutional feeding) programs has reduced the proportion of processed and blended foods programmed. At the same time, monetization, particularly of Title II commodities in bulk form, has increased, both due to programming choices that focus on long-term food security programming, as well as CSs’ need to cover operational costs of distribution programs. Funding constraints from within the CSs, other donors, and local governments, as well as within USAID, have been a factor in increased reliance on monetization.

In FY 1999, over 50% of the total value of non-emergency Title II food aid programmed was monetized, in comparison with the mandated minimum of 15%. Bulk commodities are often used in monetization because of their easier marketability. However, the increasing monetization of bulk commodities makes it more difficult to meet the 75% value-added mandate.

To address these concerns supplementary monetization guidelines for FY 2000 and FY 2001 were published in the *Federal Register* on May 24, 1999. This document incorporates the supplementary guidance with the pre-existing monetization guidelines. In an effort to determine whether these guidelines should be permanently used in allocating P.L. Title II resources for monetization activities, they will be assessed by USAID BHR/FFP together with the Food Aid Consultative Group, Congressional oversight committees, the Department of Agriculture, representatives of the U.S. food export and processing trade, and others concerned, throughout the FY 2000 and FY 2001 programming years.

D. Proposals for Programs in Non-USAID Presence Countries

Current P.L. 480 Legislation provides that Title II-assisted non-emergency activities may not be denied solely because they are to be carried out in a country in which there is no USAID presence. Therefore, BHR/FFP will consider DAPs for non-presence countries, individually based upon the same criteria as presence countries (See **Appendix B**). BHR/FFP will look to the cognizant USAID Mission to review and comment on the proposal, providing concurrence or nonconcurrence, per the instructions for Mission comments (See the BHR/FFP cable to USAID Missions, available as part of the **Information Packet**). Where possible, REDSO, or bilateral Missions with oversight responsibilities for the non-presence country will also review and comment on the proposal. BHR/FFP will conduct reviews of non-presence country DAPs either in Washington or in the field at a Mission having oversight responsibilities for activities in the non-presence country. Regional Bureau representatives and Regional Food for Peace Officers will be included in the review process.

Following a DAP's review by BHR/FFP and the appropriate Mission, and the approval of Title II resource commitments to it by the Director, BHR/FFP, an action memorandum recommending the DAP as a non-presence country activity will be addressed by the Director, BHR/FFP to the cognizant Assistant Administrator and cleared by USAID's Bureau for Management. Approval of DAPs for non-presence countries, is individually based on the following merits (which are consistent with DAP review criteria): 1) potential development impact, 2) a plan for sustainability of post-activity benefits; 3) complementarity with other donor and host-government activities; and 4) a management and program monitoring and evaluation plan.

E. Resource Allocation Policies

1. BHR/FFP Title II Budget Estimates

During preparation of the President's annual budget request to Congress and USAID's Congressional Presentation (CP), the DAP life of activity (LOA) levels are essential components of BHR/FFP budget planning. BHR/FFP conducts its budget planning for the Title II commodity programs by reviewing currently approved DAP LOAs, anticipating new proposals, and comparing the levels to anticipated funding resources and commodity availability. For FY 2001 individual CP levels will be established in January 2000 based upon: 1) the LOA levels approved in original DAP or subsequent PAA update and/or 2) the commodity resource requirements approved for FY 2000. Although the FY 2001 CP will include an aggregate request of \$28 million for Title II Section 202(e), supporting documentation will reflect country/sponsor specific Section 202(e) levels consistent with LOA commitments.

Once the CP levels are determined, supporting documentation for country/sponsor commodity, transport and 202(e) levels will be communicated by cable to missions and by letter to PVOs.

2. New and/or Expanded Programs

USAID continues to dialogue with the Cooperating Sponsors to identify more efficient ways to implement and manage programs so as to achieve growth.

BHR/FFP is seeking to achieve economies of scale, where possible. Effective procurement and delivery of commodities, activity implementation, and PVO and USAID management are all pivotal to the success of Title II programs worldwide. Economies of scale are given serious consideration in relation to projected activity impact and results. BHR/FFP considers CS programs with annual requirements of less than 2000 metric tons to be unlikely to be cost-effective. Nevertheless, BHR/FFP will consider proposals for programs with lower annual requirements on a case-by-case basis.

BHR/FFP would like to see implementing partners collaborate and encourage cross fertilization by: carrying out joint or enhanced monitoring and evaluation systems; sharing tools, methodologies or expertise gained in the management of food aid programs; and establishing mentoring partnerships between CSs experienced in the implementation of Title II programs and less experienced local non-governmental organizations (NGO)s and U.S. PVOs.

In considering Title II proposals, BHR/FFP will give priority to programs a) proposed for countries in sub-Saharan Africa and south Asia; b) where economies of scale can be achieved in the mitigation of food insecurity; and c) where two or more CSs are carrying out a joint programming activity in order to mitigate a food security problem.

3. CS Annual Funding Requests and Life of Activity

BHR/FFP DAP approvals incorporate Life of Activity (LOA) resources for commodity and freight funding as well as Section 202(e). Cooperating Sponsor FY 2001 PAA resource requests should be consistent with resources outlines in the FFP approved LOA in the assistance agreement. New DAP and/or DAP Amendment resource requests should be consistent with estimates submitted in the 1999 Annual Results Reports.

4. Funding Decisions

Subject to satisfactory performance, existing commitments to PAAs have the highest funding priority, subject to the availability of funds and commodities. DAPs and DAP Amendments (which request additional resources) will be comprehensively and competitively reviewed based on the criteria described in **Appendix B**.

The USAID Mission, or BHR/FFP, will be ready to recommend approval or disapproval of PAAs within 45 days of submission of completed documents to BHR/FFP, subject to the resolution of outstanding issues as identified during the course of the review.

F. Environmental Compliance

Compliance with USAID's Environmental Procedures (known as 22 CFR 216 or Reg. 16) is required of all Title II Development Activities.

III. Development of the FY 2001 Guidelines

A. Regular Consultation with Partners

In developing the FY 2001 Guidelines, BHR/FFP consulted the Central and Regional Bureaus and CSs through the FACG. Regular FACG working group meetings provide a forum in which issues of concern to USAID and the CSs are discussed. Over the past several years, CSs have participated actively in the development of policies and guidelines related to Title II programs.

B. Changes to the Guidelines

These guidelines for Cooperating Sponsors were announced in draft on November 12, 1999 in the Federal Register as available for public comment, and distributed shortly thereafter to Cooperating Sponsors and other interested parties.

In response to the comments provided by the Cooperating Sponsors, USAID in consultation with the FACG has undertaken re-engineering of the Title II Non-Emergency approval process with the intent of issuing new guidelines in the fall of 2000. The guidelines will embody new processes and procedures for the FY 2002 review and approval process. Both the guidelines and a draft copy of a new R4 document that consolidates the R2 and PAA submissions will be reviewed by the FACG.

In the interim, the Office of Food for Peace has streamlined FY 2001 Previously Approved Activity (PAA) documentation requirements, and FY 2001 PAA review criteria. The PAA requirements and criteria outlined in this Final Version of the 2001 Development Programs Guidelines differ from those that were previously released in Final Draft on November 12, 1999, in that they reflect the Cooperating Sponsors' desire for a streamlined and expedited PAA submission and approval process.

Instructions for USAID Missions will be issued by BHR/FFP via cable. Detailed Results Reports Guidelines are being issued concurrently but separately.

IV. Reporting Requirements for Title II Development Activities

A. Annual Results Reporting

Cooperating Sponsors will submit Annual Results Reports to the USAID Mission on the achievement of results or progress towards results achievement as measured by established performance indicators, as well as actual pipeline at the end of FY 1999, estimated pipeline at the end of FY 2000 and estimated resource requirements for FYs 2000 - 2002. Missions must report through their Results Report and Resource Request (R4) submissions on the results of Title II activities, including Section 202(e) grants, which are integrated with the

Mission's programs. Where activities are not integrated into Mission objectives nor included in the Mission's R4, comments on the CS Results Report must be submitted to BHR/FFP. To allow BHR/FFP the full detail necessary to prepare their R4, CSs must also submit copies of their Annual Results Report to BHR/FFP. (See the FY 1999 Results Report Guidelines available from the **Information Packet**).

B. DAP Mid-term Evaluation

An evaluation is required mid-way through a DAP period, for example in year three of a five-year activity. The purpose of the mid-term evaluation is to provide an assessment of progress in DAP implementation and results achievement which can serve as a management tool to refine program activities and improve internal CS management of the program. The mid-term review should be held in the field and include participation from the Mission or REDSO (if appropriate), the CS, implementing partners, BHR/FFP and/or other appropriate BHR personnel, and external technical specialists. Wherever feasible, joint mid-term evaluations involving all Title II CSs in a given country are encouraged. However, where significant difficulties or concerns pertain to a particular DAP, a CS's evaluation should focus on its own activities. Results should be included in the annual CS Results Report.

C. External Impact Evaluation

The DAP must include planning for an external impact evaluation, normally to be carried out in the final year of the DAP period. The CS is requested to work closely with implementing partners, the Mission, REDSO or neighboring Mission (if appropriate), BHR/FFP, and technical specialists in the design and implementation of the evaluation.

Further information on the mid-term and final evaluations of Title II programs is available from the **Information Packet**.

D. Audits

All U.S. based CSs must ensure that Title II program audits are conducted in accordance with OMB Circular A-133, and the P.L. 480 Compliance Supplement. All non-U.S. based CSs must consult with the local USAID Mission regarding the frequency of audits to be conducted pursuant to USAID Regulation 11, Section 211.5, Obligations of Cooperating Sponsors.

CHAPTER 2 DAP CONCEPT PAPERS

CONCEPT PAPER SUBMISSION AND REVIEW

CSs are strongly encouraged to discuss with USAID the DAP concept prior to taking the time and incurring the expense of developing a DAP. For non-presence countries, communicate with BHR/FFP for guidance as to the appropriate contact.

The CS or eligible PVO may initiate or be requested by the USAID/Mission or BHR/FFP to submit a concept paper that describes the development activities for which a DAP may later be prepared. Concept papers should be submitted concurrently to the Mission and BHR/FFP at least four months prior to the planned submission of a DAP so as to allow sufficient time for the CS to conduct quality program planning. The USAID Mission in consultation with BHR/FFP, should review concept papers and informally discuss the concept paper with the CS and recommend if the CS should proceed with the development of a DAP.

INSTRUCTIONS FOR CS PREPARATION OF CONCEPT PAPERS

Concept papers are to be no longer than 5 pages in length and follow the format below.

- A. Problem Statement: The statement should be clear and concise, and should address the following:
 - 1. Nature: Identification of the food security problem and what needs to be done to alleviate it;
 - 2. Scope: Number of people affected by the problem, its distribution among economic and social groups and geographic areas;
 - 3. Consequences: Effect of the problem on the quality of life of groups of special concern (such as women and children); priority level of the problem according to representatives of the host country, and
 - 4. Causes: Perception of causes at the national and local levels, and the relationship among causes.
- B. Project Purpose: Provide a brief rationale, explaining why the project should be implemented.
- C. Project Goals and Objectives: State the target population and describe what is to be accomplished through what types of activities.
- D. Expected Results/Impact: Briefly state the expected results and impact of the activities.

- E. Collaboration and Integration: Briefly describe the nature of the planned collaboration with other private voluntary organizations (PVOs)/non-governmental organizations (NGOs), local government, and USAID activities. Describe the degree of integration with existing activities carried out by the submitting CS.

- F. Critical Resource Needs/Sources: Outline estimated funding and commodity requirements and anticipated source. If a monetization program, initiate feasibility study, including Bellmon Analysis and UMR concerns.

**CHAPTER 3
DAP SUBMISSIONS**

DAP SUBMISSION AND REVIEW PROCESS

I. Standard Submission and Review Cycle

- A. Cooperating Sponsors should consult BHR/FFP and the USAID Mission after November 15th regarding whether formal CS review meetings may be held in the field or Washington. CSs should submit DAPs first to the appropriate USAID Mission and subsequently to BHR/FFP as follows:

CS Review Meeting Location:	Submit to:	Submit by:
Field*	USAID Mission or Rep. BHR/FFP	February 15, 2000 March 1, 2000
OR		
Washington	USAID Mission or Rep. BHR/FFP	April 15, 2000 May 15, 2000

Formal Washington external review meetings will not be required of all FY 2001 submissions, unless specifically requested by the CS. External review meetings will be reserved for those submissions' whose activity and implementation design have raised significant issues.

- B. When required, Title II DAP review meetings will be held in Washington during the months of June and July 2000, or, to the extent possible, in the field between April and May 2000. In addition, a general country review meeting for those countries with two or more Title II CSs will precede the individual DAP reviews. To the extent practicable, BHR/FFP, USAID/Mission, Regional Bureau, and Central Bureau representatives, as well as CS headquarters and field staff and other technical specialists should participate. All CSs operating in the country will be invited to participate in the country review meeting.
- C. BHR/FFP intends to make funding recommendations by August 15, 2000 (subject to the timely submission of completed proposal documents to BHR/FFP, and the resolution of outstanding issues as identified during the course of reviews).

II. Where USAID Mission has PAA Approval Authority

Where a USAID Mission has PAA approval authority, these Guidelines should be followed. Formal CS-USAID DAP review meetings are coordinated by the USAID Mission and held in the field with BHR/FFP participation. The USAID Mission prepares approval documentation for the Director of BHR/FFP's signature. (A cable to USAID Missions on Field Review Procedures is available from the **Information Packet**).

III. Submission and Review Process: USAID Mission Strategy Linkage and Non-presence Countries

Consistent with P.L. 480 Section 202(b)(2) — programs which are not part of a development plan for the country prepared by the Agency, cannot be denied solely on the basis of the non-presence of USAID or a lack of strategy linkage. See **Appendix A** for various scenarios for submission. However, the deadlines as stated in Section I above apply.

IV. DAP Review Criteria

Approval of DAPs will be based on criteria note in **Appendix B**. In the case of a follow-up DAP, additional emphasis will be placed on the fourth (4th) year R2 of the previous DAP. Annual funding is subject to the availability of funds and commodities.

INSTRUCTIONS FOR CS PREPARATION OF DAP SUBMISSIONS

DAPs must:

- be written in 12-point type (narrative) in English
- follow the outline presented in **Appendix C**;
- **be limited to 60 pages (limit includes DAP Appendices A-F)**;
- include only the information requested (state if a section is not applicable; cross referencing and use of charts are encouraged to present information concisely and eliminate repetition)

CSs are required to submit **5 unbound copies** to BHR/FFP by the designated deadline.

Below are specific instructions for completing each item identified in the **Appendix C** outline.

Cover Page

The cover page should provide the following information:

- Country and CS
- Activity proposal period (FY - FY)
- Activity completion date
- Life of activity resource requests: commodity tonnage and dollar value; Section 202(e); and monetization proceeds
- Date of submission by CS's field office to the USAID Mission
- Date of submission by CS's headquarters to USAID/BHR/FFP
- CS's contact person, address, phone, fax, and e-mail

Executive Summary

This section should, in two pages or less, provide a concise summary of the proposed Title II activity, and in addition:

- State the food security problem to be addressed; strategic objectives and expected results; reason for requesting Title II commodities; resources required and committed, both in-kind and dollars (or dollar equivalent), from all sources; and how the impact will be measured and monitored.
- Briefly discuss the history of CS activities in the country or region, including the evolution of the Title II strategy and proposed interventions. If there is an emergency relief context, please discuss the transition in terms of the linkages between relief and development.

CSs should include the following table in the executive summary of the DAP:

Program Component (note each technical area and the AER categories within)	No. Benes. per component for FY 2001	Requested levels per FY (MT)	2nd	3rd	4th	5th	Requested LOA Level (MT)	Requested DAP 202e (LOA)	Requested 202e for FY 2001 (\$)	Total Budget (\$) from comprehensive budget	Non-FFP contrib'n (\$) from comprehensive budget
TOTAL											

Note: Life of Activity (LOA)

I. Problem Analysis and Proposed Interventions

Where a CS program is integrated with Mission activities and points A and B below are covered in the Mission Plan, this plan may simply be referenced.

- A. Provide a brief description and analysis of the critical food security problems facing the population in the country and the proposed target area. Include in this analysis appropriate data that is available on the levels, major determinants, and linkage of and to food insecurity.
- B. Based on this analysis of food insecurity problems, identify the priority technical and geographic areas where development assistance is needed, and the time line for action. As part of this discussion, briefly describe the extent to which problems in these priority

technical and geographic areas are being addressed by USAID/BHR, Global, Mission, World Bank, World Food Program, or other development and community organizations. Note which unmet development needs remain.

- C. Among these unmet needs, describe the capacity and relative strengths in your organization for addressing them, technically and geographically. Include an assessment of the institutional capacity of your organization, and of local partners (if relevant).
- D. Based on the analysis of unmet needs and identification of your organization's relative capacity to address them, briefly identify the technical and geographic areas that this proposed activity plans to address (a more detailed description should be deferred until Section II (below). Include a country map that clearly defines the area(s) of intervention. Also describe briefly how these would complement current development efforts.

II. Activity Objectives and Design

Clearly state the proposed objectives and the activity areas to be addressed to achieve them. For each objective and its related activity, provide a narrative, which covers the following:

A. Specific Objectives, Rationale, and Related Activity Descriptions

1. Objectives

Clearly state the objective and any sub-objectives (intermediate results) anticipated over the life of the program. Prioritize sub-objectives, keeping them focused and limited in number. To encourage CS comparative advantage, strategic objectives should be limited to one. Establish a time frame within the overall activity period for completion of objectives/sub-objectives.

2. Proposed Activity Intervention

Describe the type, purpose, location, and feasibility of the activity intervention, and the amount and type of commodity that would be used for each activity. Describe and quantify the target population, specify how the Title II food and/or monetization proceeds will be utilized, and justify the size of the ration and the ration mix selected. For direct distribution activities, describe how Title II commodities will directly contribute to the improvement of the food security of the targeted populations.

CSs with program objectives in the technical areas of (1) health and nutrition; (2) agriculture, the environment and related infrastructure; (3) water and sanitation; (4) education; and (5) micro-enterprise development, may wish to consult technical questions available from the **Information Packet**, and concisely incorporate information responding to these issues into this and other relevant DAP sections.

3. Key Assumptions and Risks

Discuss the key or critical assumptions of the planned activity and any risks, which may negatively affect expected results. For countries and/or regions where there has been a pattern of climatic, political, or economic instability, or the potential for other program disruptions is significant, ensure that the relevant factors are included in the discussion of assumptions and risks. If the proposal has a monetization component, discuss potential risks and typical problems associated with commodity trading (i.e. defaults by buyers, commercial sector complaints, fluctuating market prices, and currency devaluation). Briefly describe any contingency plans to mitigate the effect of changes in critical assumptions.

If the success of the proposed activities is contingent upon conditions or events outside the CS's control (e.g., host government infrastructure, policy or program shifts of the host government, or material contributions from other organizations), briefly note them, and how they could affect your organization's ability to carry out its proposed activities. Also note how your organization would plan to handle the situation.

4. Sustainability Strategy

Describe how the Title II activity will promote the financial and/or institutional sustainability of intended results. Discuss how sustainability will be measured, e.g., cost recovery, financial commitment, technical/managerial capacity, community commitment, or the capacity of host country counterparts, government or institutions. Describe the capacity of host country counterparts to sustain the results of the activities.

5. Lessons Learned

In the case where the CS had a previous Title II program in the target country, discuss how the activity designs incorporate lessons learned from previous activities and respond to the concerns raised in recent evaluations or audits. If recommendations were not implemented, a brief narrative noting the reason(s) for the decision should be included.

B. Performance Indicators and Targets

Managing for results requires the identification of objectives, intermediate results, and measurable performance indicators in order to demonstrate sustainable impact of the Title II activity on food security. Performance indicators measure the extent to which the activity results in changes in behavior and well being at the population level, as well as progress in activity implementation. Two types of performance indicators should be identified in the DAP - impact indicators and annual monitoring indicators. (Further information on impact and monitoring indicators is available from the **Information Packet**.)

The CS should quantify in the DAP the current level of each impact indicator, if possible, with primary data (baseline) for the population of interest, or with secondary data that provide a reasonable estimate of the current situation. The DAP should also include LOA targets for all performance indicators, and annual targets as appropriate. For these targets, the magnitude of change in the performance indicator, the size of the population affected, and criteria for determining that targets have been achieved, must be clear. BHR/FFP recognizes that DAP targets are likely to be estimates, and subject to revision after definitive baseline numbers have been established.

The current status and planned targets for each of the performance indicators should be reported in the DAP using the table format in **Appendix D**. This same table, updated as necessary, should be included in Results Report submissions in subsequent years, and in the PAA or DAP Amendment if there have been revisions in the indicators or targets.

C. Monitoring and Evaluation Plan

A monitoring and evaluation plan should be developed and implemented to measure the performance indicators and report on the degree of achievement of performance targets. In countries where more than one CS is engaged in similar activities, joint monitoring and evaluation plans are encouraged. More on monitoring and evaluation plans is available from the **Information Packet**.

D. Implementation Schedule

Provide a detailed, time-phased implementation schedule/plan for FY 2001. Include a list or chart identifying the following: key activities planned; timing of these activities; person(s) responsible; and the relationship between the planned activities and the strategic objectives, performance indicators, and/or benchmarks established for the activity. Include all training, technical assistance, evaluation, audit, commodity procurement, and other key actions. Refer to the appropriate USAID field unit regarding the degree of detail desired, as the Mission is the primary review point for the implementation schedule/plan.

E. A-133 Audits

Provide any information related to the CS's A-133 and other Title II-related audit activities, which will affect the implementation schedule. Discuss how any outstanding audit recommendations will be closed and, as required, incorporated in the activity.

III. Complementarity

Briefly describe how the interventions support or complement host government (national, regional, or local), CS and USAID Mission strategic development objectives. Note any complementarity between the proposed program and other development activities being undertaken in the country. Indicate where the complementary programs are being carried out. State how Title II resources are being integrated with other resources. Describe

partnerships and alliances with community and local groups, as well as with other CSs. If collaboration with other CSs is anticipated, note whether the organizations are working toward the same specific objectives, carrying out similar or complementary activities, and how they plan to pool resources to do so. When multiple CSs are proposing a joint submission, where one CS is the “lead” CS and the other (s) are “sub recipients,” only one submission and AER is required.

IV. Bellmon Amendment: Disincentive Analysis and Storage Availability

This is a statutory requirement, a "condition precedent" to the provision of Title II food aid under P.L. 480. The Bellmon Analysis should focus on FY 2001. For detailed guidance for gathering the information necessary for a Bellmon Determination, CSs should consult the 1985 *Background Paper and Guide to Addressing Bellmon Amendment Concerns on Potential Food Aid Disincentives and Storage* and the USAID cable title *Bellmon Certification Requirements for P.L. 480 Title II Activities* (reissued, August 1999). For supplemental information regarding market analysis, CSs should consult the P.L. 480 *Title II Monetization Field Manual*. These documents are available as part of the **Information Packet**, and are also **online at: http://www.info.usaid.gov/hum_response/ffp/monetiz.htm**.

A Bellmon analysis must be performed in each country where Title II commodities will be distributed or sold, including each country incorporated into a regional proposal. CSs should note in the text of the DAP who carried out the Bellmon analysis, and provide a very brief statement regarding the summary conclusions, relevant issues or areas of concern, and plans to ensure they are mitigated or resolved. A copy of the Bellmon Analysis should be submitted as an appendix to the DAP. Congress has directed USAID to ensure that U.S. commodities will not have a disruptive impact on the farmer or the local economy of the recipient country.

V. Activity Resource Requirements

A. Financial Plan

1. Narrative

Provide a concise narrative to clarify budget line items. Explain how the financial requirements (in-kind, dollars, foreign/local currency) for the life of the DAP will be met. If 202(e), monetization, or other funds are expected to be carried over from FY 2000 or earlier years, explain why. Describe any budget line items or funding sources that are not self-explanatory.

2. Budget Tables

Two budget tables showing all funding sources are required: a comprehensive budget summarized in no more than 10 line items, and line-item detail budget for the overall country program. Budget tables should be cross-referenced as needed, and not exceed 15 pages.

Budgets should be denominated in U.S. dollars and be consistent with the details presented in the DAP. If foreign/local currency line items need to be translated into U.S. dollars, state the exchange rate used and an explanatory note regarding the choice of exchange rate, including the date it was obtained, the time period it reflects or other relevant information to place it into context. Formats are provided in **Appendix E and on diskette from the Information Packet.**

a. Comprehensive Budget

The comprehensive budget table should be presented by not more than 10 consolidated line-items and must include all funding sources (i.e., Title II monetization; Section 202(e); CS, host government, and beneficiary contributions; empty container sales; other USAID (specify), other donor (specify), or local community contribution). Link individual funding sources to their specific uses (including costs of monitoring and evaluation). Identify opening and closing balances by fund source.

In the case where a CS expects to have carry-over of proceeds from a prior year, include an estimate of expected carry-over funds and the source. A budget for each fiscal year of the DAP must be provided, including a life-of-activity total.

Submit a copy of the latest approved negotiated indirect cost rate agreement (NICRA) with the budget information. For a CS that does not have a provisional or final approved federal rate, submit supporting documentation in the calculation of the CS's indirect rate.

b. Itemized Detailed Budget

A detailed budget must be prepared for FY 2001 only, and should show calculations for all line items. CSs should not submit separate detailed budgets for multiple program locations.

3. Section 202(e) Funding

See **Appendix G** for specific information on Section 202(e) request preparation.

B. Commodities

1. Annual Estimate of Requirement (AER)

Attach as an appendix the FY 2001 AER in standard format (which contains 21 lines). Three original copies must be fully signed and submitted no later than July 31, 2000. A format is provided in **Appendix F and on diskette in the Information Packet.** In all cases, representatives of the CS local office, CS headquarters, USAID Mission, and BHR/FFP must sign the AER for the initial program approval in a FY.

Changes subsequent to the initial FY's approval levels (commodity specifications and/or tonnage) must be documented by a revised AER, prepared and resubmitted by the CS. For an AER revision, the CS headquarters may sign for the field office, and BHR/FFP may sign for the USAID Mission, if revised levels are endorsed in writing (via cable, email or letter) by the appropriate USAID Mission representative. However, for programs in countries where a memorandum of understanding has been signed between BHR/FFP and the USAID Mission, delegating PAA approval authority to the field, the USAID Mission may sign for BHR/FFP and, subject to CS internal authority procedures, the CS field office may also sign for the CS headquarters. In all cases, BHR/FFP/POD will review AERs as the final step to allocating commodity approvals in the Food for Peace Information System (FFPIS). For proper review and accurate commodity procurement, it is necessary to ensure that the commodities requested on the AER are specific in terms of varieties and packaging options desired.

2. Commodity Procurement Schedule

Attach the planned commodity procurement schedule for the FY 2001 line 17 tonnage requested in the AER. The procurement schedule should show the month that commodities are desired at US port, and the amount of each commodity to be procured. These schedules allow FFP to provide commodity suppliers information regarding anticipated orders. A format and instructions can be found in **Appendix F and on diskette in the Information Packet**.

3. Commodity Requirement Worksheet

Attach as an appendix a life-of-activity Commodity Requirement Worksheet by AER category. (See format in **Appendix F**).

4. Supplementary Commodity Chart

If there is more than one objective or technical area, include a supplementary chart showing the total commodities (MT) and the Section 202(e) budget total (if any) for FY 2001, broken out by objective or technical area. (See format in **Appendix F**). Note that commodities used for food for work and/or monetization must be allocated to or among the objective/activity area they support. Estimates are acceptable.

5. Pipeline Analysis

For follow-on DAPs, a pipeline analysis is provided in the AER. The pipeline analysis will be periodically and jointly evaluated by the CS and BHR/FFP with particular emphasis on the FY 2000 end-of-year Commodity Status Report (CSR).

6. Monetization Plan, If Applicable

Include a monetization plan as outlined in the relevant sections of the *Title II Monetization Field Manual*, which is available from the **Information Packet**. Refer also to the additional monetization criteria and policies noted in **Appendix B**. Provide full justification for the monetization and describe the proposed mechanics of the monetization. Provide a separate monetization sales budget and a cost recovery estimate. Discuss sales proceeds management, including “maintenance of value” issues, and the vehicle procurement plan. (CSs are reminded that BHR/FFP applies the same requirements and procedures regarding vehicle purchases funded by monetization as those funded by Section 202(e) grants; follow instructions as laid out for Section 202(e) funding, in **Appendix G**).

7. Commodity Issues

Discuss any commodity-related issues in a logistics plan, including port facility, storage infrastructure, port management capabilities, transport status, and commodity pipeline. For landlocked countries, note the points of entry (limited to four) for BHR/FFP review and approval. For special procurement or shipping requests, such as containerization or through bills of lading for non-landlocked countries, a detailed justification must be attached.

Any Cooperating Sponsor requesting reimbursement for inland transportation charges must provide BHR/FFP with a copy of the current contract, and note what changes, if any, are anticipated. If the subject contract is not in English, a translation of the contract should also be provided. In preparing a transportation contract, attention should be paid to USAID Regulation 11 (22 CFR 211) to ensure that all USAID reimbursable costs will be reimbursed by USAID. CSs should also include with their submission the contract covering FY 2001 transportation and an estimate of total U.S. dollars needed for inland transportation for the fiscal year. Submission of the required information to BHR/FFP is pivotal to establishing an inland transportation account for FY 2001 reimbursements.

C. Human Resources

1. Provide a one-page organizational chart identifying position titles of CS staff and the amount of time that will be devoted to each proposed activity and corresponding responsibilities.
2. List the recipient agencies (counterpart and/or collaborating organizations, both private and host government) and briefly describe their roles and the extent to which they finance, manage, and/or implement the activity.
3. If major technical assistance is being planned, explain the scope of the activity and the individual or organization responsible.

VI. Environmental Compliance

All DAPs for FY 2001 should include, as an attachment, an Initial Environmental Evaluation (IEE) cleared by the Mission Director or his/her designee (typically a Mission environmental officer). Further information is available from **Appendix H**.

VII. Host Country Food for Peace Program Agreement

Attach the current signed CS/Host Country Food for Peace Program Agreement as required by Section 211.3(b) of Regulation 11, including exemption from the payment of taxes on Title II program commodities, material, and equipment. Indicate whether there are outstanding issues, such as the continuation of tax exemptions, and how the host country has cooperated with the CS in the implementation of its programs in accordance with Regulation 11, in the case of follow-on DAPs.

Appendices

Attach the documents listed under “Appendices” in the DAP Submission Outline provided in **Appendix C**, as appropriate, to the DAP. If a document is lengthy, attach a copy only to the primary (“original”) unbound copy of the proposal.

**CHAPTER 4
DAP AMENDMENTS**

DAP AMENDMENT SUBMISSION AND REVIEW PROCESS

I. Standard Submission and Review Cycle

- A. Cooperating Sponsors should consult BHR/FFP and the USAID Mission after November 15th regarding whether formal CS review meetings may be held in the field or Washington. CSs should submit DAP Amendments first to the appropriate USAID Mission and subsequently to BHR/FFP as follows:

CS Review Meeting Location:	Submit to:	Submit by:
Field*	USAID Mission or Rep. BHR/FFP	February 15, 2000 March 1, 2000
OR		
Washington	USAID Mission or Rep. BHR/FFP	April 15, 2000 May 15, 2000

Formal Washington external review meetings will not be required of all FY 2001 submissions, unless specifically requested by the CS. External review meetings will be reserved for those submissions' whose activity and implementation design have raised significant issues.

- B. When required, Title II DAP Amendment review meetings will be held in Washington, to the extent possible, during the months of June and July 2000, or to the extent possible, in the field between April and May 2000. In addition to individual reviews of proposals, a general country review meeting for those countries with two or more Title II CSs will precede the individual DAP Amendment reviews. To the extent practicable, BHR/FFP, USAID/Mission, Regional Bureau, and Central Bureau representatives, as well as CS headquarters and field staff and other technical specialists should participate either in person or by conference call. All CSs operating in the country will be invited to participate in the country review meeting.
- C. BHR/FFP intends to make funding recommendations by August 15, 2000 (subject to the timely submission of completed proposal documents to BHR/FFP, and the resolution of outstanding issues as identified during the course of reviews).

II. Where PAA Approval Authority is Delegated to USAID Mission

Where a USAID Mission has PAA approval authority, these Guidelines should be followed. Formal CS-USAID DAP Amendment review meetings are coordinated by the USAID Mission and held in the field with BHR/FFP participation. The USAID Mission prepares

approval documentation for the Director of BHR/FFP's signature. (A cable to USAID Missions on Field Review Procedures is available from the **Information Packet**).

III. USAID Mission Strategy Linkage and Non-presence Countries

Consistent with P.L. 480 Section 202(b)(2) — programs which are not part of a development plan for the country prepared by the Agency, cannot be denied solely on the basis of the non-presence of USAID or a lack of strategy linkage. See **Appendix A** for various scenarios for submission. However, the deadlines as stated in Section I above all apply.

IV. DAP Amendment Review Process

Approval of new activities and implementation arrangements as described within the DAP Amendment, will be based on the DAP review criteria. Annual funding will be subject to the availability of funds and commodities. A program should not submit both a PAA and a DAP Amendment for FY 2001.

DAP Amendments are reviewed in conjunction with the current CS Results Report. The first of the stated review criteria, the assessment that “adequate progress is being made towards achieving results as reported in the CS's Annual Results Report covering FY 1999,” is considered a critical factor in the approval of a DAP Amendment. The inclusion of an adequate monetization report (if applicable) in the CS's Annual Results Report, is also considered a critical factor for approval.

INSTRUCTIONS FOR CS PREPARATION OF DAP AMENDMENTS

If it becomes necessary for the CS to make any significant changes to a previously approved program, a DAP Amendment should be submitted in place of a PAA. However, the CS should consult with the Mission and BHR/FFP before preparing a DAP Amendment. Significant change is defined as a) a change in the strategic objectives of the project (CS Title II program or sub-program); b) an increase in the total Life of Activity Resource Request (LOA) using the estimated total dollar value of commodity, freight, and Section 202(e) as the indicator for requests; or c) a cumulative increase of 10% or more in any line-item of the comprehensive LOA budget for that particular line item. Food for Peace recognizes that there may be other changes in implementation arrangements which may require a substantive review of the foundations upon which the DAP was originally approved. Under these circumstances the CS and Food for Peace may mutually decide to consider a DAP Amendment in place of a PAA. CSs are encouraged to consult early with Country Backstop Officers (CBOs) to make this determination.

All DAP Amendments must:

- be written in 12-point type (narrative) in English
- follow the outline presented in **Appendix C**;
- **be limited to 40 pages, (limit includes Appendices A-E)**;

- cover PAA requirements for activities as approved in the original DAP and provide sufficient information regarding the new activities, implementation arrangements, etc. to allow that portion of the program to be reviewed in accordance with the DAP review criteria;
- include only the information requested (state if a section is not applicable; cross referencing and use of charts are encouraged to present information concisely and eliminate repetition)

CSs are required to submit **5 unbound copies** to BHR/FFP by the designated deadline.

Executive Summary

CSs should include the following table for FY 2001 and revised LOA in an executive summary of the DAP Amendment:

Program Component (note each technical area and the AER categories within)	No. Benes.	Approved DAP Level (MT)	Requested DAP Amend Level (MT)	Approved DAP 202e (\$)	Requested DAP Am. 202e (\$)	Total Budget (\$) from revised comprehensive budget	Non-FFP contrib'n (\$) from comprehensive budget
TOTAL							

I. Progress in Activity Implementation

This section should be complementary to the information provided in the FY 1999 CS Results Report.

A. Follow-up of FY 2000 Title II Review (if applicable)

CSs should respond to the technical and programmatic concerns raised during the FY 2000 review, as detailed in the summary cable to a USAID Mission or REDSO and/or FFP's letter of approval to the CSs. Provide information on actual or planned implementation of the recommendations made and the resulting budgetary impact. Explain any delays in implementing recommendations.

B. FY 2000 Activity Completion to Date

CSs should provide a brief summary of FY 2000 activity completion to date, highlighting major accomplishments vis a vis the FY 2000 Implementation Plan. Note whether progress is on track and schedule.

II. Lessons Learned and Proposed Program Changes

Analyze lessons learned during recent activity implementation. Based on recent progress and constraints, CSs should:

1. Explain how any modification may affect activity budgets and commodity allocations.
2. Note significant changes in your operating environment (e.g., economic, social or political developments) that affected or may continue to affect performance in meeting the objectives, particularly with respect to the required Host Country Food for Peace Program Agreement.

III. FY 2001 Detailed Implementation Plan

Submit a detailed implementation schedule/plan for FY 2001. **See Chapter 3, DAP Instructions Section II.D.**

IV. FY 2001 Bellmon Analysis

In the text of the DAP Amendment, CSs should note who carried out the Bellmon Analysis and provide a very brief statement regarding the summary conclusions, relevant issues or areas of concern, and plans to ensure they are mitigated or resolved. An updated Bellmon Analysis which reflects new or changed commodity requirements should be submitted as an appendix to the DAP Amendment. See the **Information Packet** for further information on Bellmon Analysis.

V. Activity Resource Requirements

A. Financial Plan

Provide a revised financial plan for the DAP amendment, showing FY 2001 detailed information and comprehensive budget updates for the remaining years of the DAP, and the revised LOA total. Incorporate the comparison budget format provided in **Appendix E**. Also include in the budget narrative an explanation of significant line-item deviations from the original budget or changes in funding sources. CSs are requested to maintain consistency in budget presentation as they move from the DAP to the first PAA and from the first PAA through all subsequent PAAs.

1. Narrative

Provide a narrative to clarify budget line items. If 202(e), monetization, or other funds are expected to be carried over from FY 2000 or earlier years, explain why. Describe any budget line items or funding sources that are not self-explanatory.

2. Budget Tables

An updated comprehensive budget for all funding sources is required, along with an itemized detailed budget for FY 2001. (See **Chapter 3, DAP Instructions Section V.A.2.**) Use the comprehensive budget format for DAP Amendments and PAAs in **Appendix E.**

3. FY 2001 Section 202(e) Request

If applicable, refer to the instructions in **Appendix G** of these Guidelines.

B. Commodities

1. Annual Estimate of Requirement (AER)

Attach as an appendix the FY 2001 AER in standard format (which contains 21 lines). Note that all parties must sign three original copies no later than July 31, 2000. See **Chapter 3, DAP Instructions Section V. B.1.** for further information regarding instructions as to whom must sign the AER. A format is provided as **Appendix F and on diskette in the Information Packet.**

2. Commodity Procurement Schedule

In addition, attach a revised commodity procurement schedule for the FY 2001 line 17 tonnage requested in the AER. (See **Chapter 3, DAP Instructions Section V.B.2.**)

3. Life of Activity Commodity Requirement Worksheet

Attach as an appendix a revised life-of-activity Commodity Requirement Worksheet by AER category. A format for this worksheet is available in **Appendix F.**

4. Pipeline Analysis

A pipeline analysis is provided in the AER. The pipeline analysis will be periodically and jointly evaluated by the CS and BHR/FFP with particular emphasis on the FY 2000 end-of-year Commodity Status Report (CSR).

5. Supplementary Commodity Chart

If there is more than one objective or technical area, include a supplementary chart. (See **Chapter 3, DAP Instructions Section V.B.4.**)

C. Monetization Plan, If Applicable

If there are important changes to the monetization plan outlined in the original DAP, summarize them and provide a brief discussion. A cost recovery estimate calculation is to be provided. (See **Chapter 3, DAP Instructions Section V.B.6.**)

VI. Environmental Compliance

Cooperating Sponsors should submit an IEE Amendment with their FY 2001 DAP Amendment. See **Appendix H** for further information.

Appendices

Attach the documents listed under “Appendices” in the DAP Amendment Submission Outline provided in **Appendix C**, as appropriate, to the DAP Amendment. If a document is lengthy, attach a copy only to the primary (“original”) unbound copy of the proposal.

**CHAPTER 5
PAA SUBMISSIONS**

PAA SUBMISSION AND REVIEW PROCESS

I. Standard Submission and Review Cycle

- A. CSs should submit PAAs first to the appropriate USAID Mission and subsequently to BHR/FFP as follows:

CS Review Meeting Location:	Submit to:	Submit by:
Field*	USAID Mission or Rep. BHR/FFP	February 15, 2000 March 1, 2000
OR		
Washington	USAID Mission or Rep. BHR/FFP	April 1, 2000 April 15, 2000

II. Where PAA Approval Authority is Delegated to USAID Mission

Where a USAID Mission has PAA approval authority, the USAID Mission coordinates the PAA process. The USAID Mission may amend the instructions and time frame for the submission of PAAs as provided in these guidelines. However, the following items remain obligatory: all forms relating to the commodity requests, comprehensive budget and 202(e) request, and environmental compliance documentation if required. PAA review meetings are recommended by BHR/FFP, but will be coordinated by the USAID Mission and held in the field. (A cable to USAID Missions on Field Review Procedures is available from the **Information Packet**).

III. Submission and Review Process: Non-presence Countries

See **Appendix A** for various scenarios for submission. However, the deadlines as stated in Section I above all apply.

IV. PAA Review Criteria

Annual funding will be subject to the availability of funds and commodities. PAAs are reviewed in conjunction with the current CS Results Report. The assessment that “adequate progress is being made towards achieving results as reported in the CS’s Annual Results Report covering FY 1999,” is considered a critical factor in the approval of a PAA. The inclusion of an adequate monetization report (if applicable) in the CS’s Annual Results Report, is also considered a critical factor for approval.

INSTRUCTIONS FOR CS PREPARATION OF PAA SUBMISSIONS

A CS must submit a PAA for the subsequent years for any previously approved program for which there are no significant changes from the DAP. If a CS wishes to make any significant changes to a previously approved program, a DAP Amendment should be submitted in place of a PAA. (A program should not submit both a PAA and a DAP Amendment for FY 2001.) Significant change is defined as a) a change in the strategic objectives of the project (CS Title II program or sub-program); b) an increase in the total Life of Activity Resource Request (LOA) using the estimated total dollar value of commodity, freight, and Section 202(e) as the indicator for requests; or c) a cumulative increase of 10% or more in any line-item of the comprehensive LOA budget for that particular line item. Food for Peace recognizes that there may be other changes in implementation arrangements which may require a substantive review of the foundations upon which the DAP was originally approved. Under these circumstances the CS and Food for Peace may mutually decide to consider a DAP Amendment in place of a PAA. CSs are encouraged to consult early with Country Backstop Officers (CBOs) to make this determination.

Please note that the PAA submission for the second year of a DAP should consist of only a signed AER, a Commodity Procurement Schedule, a Supplementary Commodity Chart (if applicable), and the appropriate Environmental Compliance Documentation. All other PAAs must contain all the applicable items that are detailed below.

All PAAs must:

- be written in 12-point type (narrative) in English
- follow the outline presented in **Appendix C** (except PAAs for the second year of the DAP)
- **be limited to 15 pages**; and
- include only the information requested (state if a section is not applicable; cross referencing and use of charts are encouraged to present information concisely and eliminate repetition)

CSs are required to submit **5 unbound copies** to BHR/FFP by the designated deadline.

Program Summary

CSs should include the following table in an executive summary of the PAA:

Program Component (note each technical area and the AER categories within)	No. Benes.	Approved DAP Level (MT) for FY 2001	Request-ed PAA Level (MT) for FY 2001	Approved DAP 202e (\$) for FY 2001	Request-ed PAA 202e (\$) for FY 2001	Total Budget (\$) from comprehensive budget	Non-FFP contrib'n (\$) from comprehensive budget

TOTAL							
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Additionally, the program summary should include a brief and specific narrative that includes an encapsulation of the most recent Results Report (R2) if applicable, highlights of budget line item changes that are greater than 5% as approved in the DAP, a summary of the monetization experiences including problems, cost recovery ratio, and pipeline, and program constraints. The program summary is not to exceed three (3) pages.

I. Activity Resource Requirements

CSs are requested to maintain consistency in budget presentation as they move from the DAP to the first PAA and from the first PAA through all subsequent PAAs.

A. Financial Plan

1. Comprehensive Budget

An updated comprehensive budget for all funding sources is required. (See **Chapter 3, DAP Instructions Section V.A.2.**) Use the comprehensive budget format for DAP Amendments and PAAs in **Appendix E.**

2. FY 2001 Section 202(e) Request

If requesting Section 202(e) funds, refer to the instructions in **Appendix G** of these Guidelines.

3. 202(e) Narrative

Provide a narrative to clarify 202(e) funded budget line- items. (See **Chapter 3, DAP Instructions Section V.A.1.**)

4. Monetization (Foreign Currency) Pipeline Analysis

Use the Monetization (Foreign Currency) Pipeline Analysis in **Appendix E.**

5. Monetization Cost Recovery Calculation and Estimate

Show anticipated sale proceeds against anticipated C&F (Commodity and Freight) and FAS (Freight Along Side) costs and calculate cost recovery percentages.

6. Section 202(e) US Dollar Pipeline Analysis

Use the Section 202(e) US Dollar Pipeline Analysis in **Appendix G.**

B. Commodities

1. Annual Estimate of Requirements (AER)

Attach as an appendix the FY 2001 AER in standard format (which contains 21 lines), with at least the CS's headquarters' signature. Note that all parties must sign three original copies no later than July 31, 2000. **See Chapter 3, DAP Instructions Section V. B.1.** for further information regarding instructions as to whom must sign the AER. A format is provided as **Appendix F and on diskette in the Information Packet.**

2. Commodity Procurement Schedule

In addition, attach the planned commodity procurement schedule for the FY 2001 line 17 tonnage requested in the AER. (See **Chapter 3, DAP Instructions Section V.B.2.**)

3. Supplementary Commodity Chart

If there is more than one objective or technical area, include a supplementary chart. (See **Chapter 3, DAP Instructions Section V.B.4.**)

II. Environmental Compliance Documentation

If the Initial Environmental Examination (IEE) of the DAP was cleared without conditions or a categorical exclusion was granted, the CS should only submit the signed one page Environmental Status Report Facesheet.

In all other situations, the CS should include, as an appendix to the PAA, an Environmental Status Report (ESR) detailing the actions they have undertaken with regards to the previously approved IEE. The Environmental Status Report should indicate whether mitigation plans are on schedule and detail the monitoring and evaluation measures being undertaken by the Cooperating Sponsor. The ESR face sheet must be signed by either the Mission Environmental Officer or the Food for Peace Officer. See **Appendix H** for further information.

For those Cooperating Sponsors who received an FY 2001 deferral on one or more aspects of their program from the BHR Bureau Environmental Officer (BEO), an amended IEE should be included with their FY 2001 PAA to resolve each deferral or indicate that the activity will not be conducted, if that is the case.

Appendix A

Strategy Linkage and Proposal Submission in “Presence” and “Non-presence” Countries

- A. Although not a requirement, USAID welcomes proposals that demonstrate consistency of the activity with the Mission’s strategic plan. CSs are encouraged to participate in planning processes of USAID Missions, as members of expanded strategic objective, strategic support objective and/or special objective (SO) teams. They are also encouraged to participate in the identification of country development problems and the development of information showing the relationship between the use of Title II food aid and improved food security with Mission strategic objectives.
- B. If a USAID Mission determines that the Title II proposed activity does not fit into its strategic objectives, the Mission will be expected to review the proposal and provide comments to BHR/FFP. However, the proposal’s lack of conformance with Mission strategic objectives will not be considered as grounds for disapproval by USAID.
- C. If no USAID Mission is present in the country, then the proposal should be submitted by the CS to the designated USAID “twinned” Mission or U.S. country team for review. In West Africa, CSs should simultaneously submit a copy of the proposal to the Regional Food for Peace Officer for review. If the country is covered by a REDSO or bilateral Mission, the country team is encouraged to incorporate REDSO FFP officers into the review. Following completion of the review, the U.S. diplomatic post's country team (e.g., Chief of Mission and department heads, economic-commercial, political, and agricultural attachés) will provide comments to BHR/FFP. The CS should contact BHR/FFP if it has questions regarding submission.
- D. If a CS is proposing a regional program, the DAP would be submitted to all applicable USAID Missions and field units for review and submission of comments to BHR/FFP.

Appendix B
FY 2001 DAP Review and Approval Criteria

I. DAP Technical Review Criteria

The following criteria are those against which all P.L. 480 Title II cooperating sponsor (CS) Development Activity Proposals (DAPs) will be reviewed, and against which program quality will be judged. DAP Amendments may also be reviewed against some or all of the following criteria, as appropriate.

A. Problem Analysis

Proposal makes a strong case for the chosen location and target population, addressing food insecurity.

1. Country Priorities

The primary measure of need is food insecurity and the potential of the program to have a positive impact on food security. Priority will be given to programs in low income food deficit countries in sub-Saharan Africa and South Asia, although assistance will also be considered for programs in [those] countries with a significant food insecure population, even though the country itself may be relatively food secure.

2. In-country Targeting

Geographical and demographic targeting in-country is justified using appropriate needs assessment techniques. Proposal describes how and why the target population(s) have been selected.

B. Program Objectives and Impacts

1. Objectives and sub-objectives (intermediate results) are clearly and concisely presented and are in accordance with food security objectives as stated in USAID's Food Aid and Food Security Policy paper, especially household nutrition and agricultural productivity.
2. Performance indicators are well conceived and stated. They should a) be objectively measurable, b) include specific measurement units, c) have clear links to program activities, d) address people-level effects and impacts rather than merely inputs and outputs, e) demonstrate gender sensitivity, and f) include Title II Generic Indicators where possible. Appropriate targets are included for all indicators.
3. Activity design presents a convincing case that food security results will be achieved in relation to key causes of food insecurity in the host country and/or address key food security needs of the target community. Interventions being proposed have a

clear and logical relationship to [the proposed] objectives, and are technically sound, so that objectives are realistically achievable during the life of the activity. Sufficient detail is provided on how the activity will be implemented to enable reviewers to judge technical feasibility (The technical questions listed in **the Information Packet** provide examples of the kinds of detail appropriate).

4. The level of anticipated food security impact is measurable at the local household level.
5. Proposal demonstrates prospects for financial and/or institutional sustainability of intended benefits. Measures of sustainability may include: cost recovery, financial commitment of partners to continue activities after cooperating sponsor support is withdrawn, cost share, increased technical/managerial capacity of counterparts (e.g., the strengthening of local government, non-governmental organizations (NGOs) or other partners), and increased local capacity to address food security, including preparing for, and/or mitigating the effects of natural disasters or responding to emergencies.
6. Financial and staff resources are sufficient to achieve the objectives proposed, and are reasonably estimated and allocated.

C. Coordination, Collaboration and Partnership

1. Proposal demonstrates integration and coordination of P.L. 480 Title II program activities with other development interventions in the area. Integration and coordination may include work with the community, local government, USAID Mission, other donors and/or other non-governmental organizations, including Title II program CSs, wherever possible. Special consideration will be given to proposals which reflect CS collaboration in pooling resources to work toward the same food security-enhancing objectives.
2. The proposed activity's potential impact is strengthened by the addition of other resources and support leveraged by the CS. USAID policy is flexible with respect to the use of CSs' and other resources. However, the commitment by the CS of its own and other resources does imply that they are necessary to ensure achievement of results and sustainability of post-activity benefits.

D. Cooperating Sponsor's Capacity

The CS has demonstrated adequate technical, financial and managerial capability to design, implement and monitor the proposed activity (including the number and size of programs managed/proposed). Its use of Title II non-emergency resources complements the CS's strategy for the particular country and/or region. CS headquarters, in-country, or regional personnel also demonstrate an adequate ability to backstop the proposal. The proposal explicitly addresses the types of capacity building that will take place within the CS or counterparts to increase the sustainability of results.

E. Monitoring and Evaluation

Proposal articulates a comprehensive and actionable methodology for monitoring and evaluation, that includes baseline data, (or a plan to collect it soon after activity approval), measurable intermediate results, and procedures to collect, analyze, and incorporate results in modifying the activity based on lessons learned. Where possible, Title II Generic Indicators should be used.

If the Generic Indicators are not used, an explanation for excluding them should be provided, and alternative food security impact-level indicators should be identified and clearly linked to the food security problem being addressed and the activities selected. Targets for all indicators should be established, and the plan should include the revisiting of targets at appropriate points.

F. Program Recommendations

Proposal takes into account recommendations of USAID, as well as findings of recent studies, evaluations, or audits.

G. Title II Commodity Selection

1. Rationale for the selection of types and amounts of commodities for distribution or monetization is sound.
2. Adequate Bellmon Analysis

Bellmon analysis requires adequate storage facilities in country and that the distribution or monetization of commodities will not result in a substantial disincentive to, or interference with domestic production or marketing in country. The disincentive analysis attempts to capture potentially significant effects on marketing and production incentives, and food prices at national and local levels. The analysis is adequate to meet the statutory prohibition that no commodity may be made available under P.L. 480 unless it is determined that adequate storage will be available and distribution will not result in a substantial disincentive to or interference with domestic production or marketing.

H. Monetization Component

1. The proposal demonstrates how monetization of Title II commodities being requested will complement USAID's Food Security Policy Objectives; particularly the mitigation of food insecurity by increasing agricultural production or enhancing household nutrition. The use of monetization proceeds should support or complement the direct distribution of value-added Title II commodities and/or result in benefits directly linked to the reduction of food insecurity.

2. Where monetization proceeds are to be used in support of non-emergency humanitarian assistance activities (i.e., general relief and other child/institutional feeding) and food for education activities they cover only administrative costs related to Title II food distribution, not complementary program activities, e.g., vocation or teacher training. These activities which are strongly encouraged but should be funded by the CS or other sources.
3. DAPs advocating monetization of Title II commodities to generate sales proceeds for purchase of locally-produced food will only be supported in exceptional cases. For example, a program may be supported where inland transportation is either prohibitively priced or so unreliable that it is demonstrably more cost-effective to monetize at a country's port of entry, and use sales proceeds to purchase food closer to distribution sites.
4. The monetization transaction will benefit activities in, and be undertaken in low-income food deficit countries (LIFDCs); or if not feasible, in another LIFDC in the region. If neither are feasible, then in a least-developed country (LDC) in the region.
5. Monetization in the recipient country is preferred over monetization in a “third” country where the food security activities will not be taking place.
6. Monetization activities will be undertaken only where they will not disrupt commercial markets for agricultural commodities. Program levels will be compared with USDA’s established “usual marketing requirements,” (UMR). Sales designed and executed in consultation with the U.S. food export and processing trade are encouraged.
7. Monetization of value-added (i.e. processed, fortified, bagged or refined) commodities, is preferred over monetization of bulk commodities. Monetization of commodities to be used for purposes other than human consumption is not encouraged.
8. Where more than one CS in a country proposes monetization, the monetization activity must be carried out jointly.
9. The designated USAID Mission (or REDSO) has demonstrated the commitment and resources needed for adequate oversight of the Title II monetization activity.

I. Environmental Compliance

Environmental compliance documentation requirements have been completed by the CS.

J. Host Country Food for Peace Program Agreement

A host country Food for Peace Agreement is in place.

II. DAP Approval Criteria

Three areas of analysis will influence the review of DAPs.

B. Technical Quality and Anticipated Impact

Proposals which most convincingly indicate the greatest impact on food security among targeted populations will receive the highest priority.

C. Geographic and Sectoral Focus

Proposals for programs in sub-Saharan Africa and South Asia will receive relatively higher priority over proposals in other geographic regions. Priority will also be given to proposals for programs that focus on improving household nutrition, especially among mothers and children, and on improving agricultural production.

D. Legislative Mandates

Proposals which utilize value-added commodities will receive priority over proposals that utilize commodities not appearing on the value-added commodities listing (See **Appendix J**). Proposals with a higher percentage of direct distribution may be given priority over proposals with a higher percentage of monetization. Proposals for larger programs are more efficient in assisting the Title II program to meet its sub-minimum tonnage requirements for non-emergency programs.

FY 2001 PAA Review and Approval Criteria

I. PAA Technical Review Criteria

The following criteria apply to all FY 2001 Title II PAAs:

A. Successful Activity Implementation

Adequate progress is being made towards achieving results as reported in the CS's Annual Results Report covering FY 1999. There are no significant changes to the program (as defined in the instructions contained in Chapter 5). Significant change is defined as a) a change in the strategic objectives of the project (CS Title II program or sub-program); b) an increase in the total Life of Activity Resource Request (LOA) using the estimated total dollar value of commodity, freight, and Section 202(e) as the indicator for requests; or c) a cumulative increase of 10% or more in any line-item of the comprehensive LOA budget for that particular line item. Food for Peace recognizes that there may be other changes in implementation arrangements which

may require a substantive review of the foundations upon which the DAP was originally approved. Under these circumstances the CS and Food for Peace may mutually decide to consider a DAP Amendment in place of a PAA. CSs are encouraged to consult early with Country Backstop Officers (CBOs) to make this determination. Significant changes must be presented in a DAP Amendment and those aspects reviewed against appropriate DAP criteria.

B. Responsiveness to Concerns and Recommendations

The CS has complied with all requirements and addressed previously raised concerns and recommendations that have been identified in FY 2000 approval documentation, FY 1999 Results Report reviews, or other communications.

C. Financial Plan

The FY 2001 financial plan, including monetization and/or Section 202(e) funding pipeline analysis, is deemed reasonable by the USAID Mission and BHR/FFP. For Title II programs with monetization components, the CS has satisfactorily met financial and management capacity certification requirements as determined by the USAID Mission.

D. AER Analysis

FY 2001 Annual Estimate of Requirements (AER) is correctly calculated, consistent with other commodity usage documents, and does not exceed the commodity resource requirements (line 8) approved for FY 2001 in the original DAP. Any deviations from the previously approved levels for FY 2001 are justified. In addition, the CS has submitted a 12-month FY 2001 procurement plan for requested commodities.

E. Mission Concurrence

The USAID Mission, diplomatic post, “twinned” USAID Mission, and/or Regional Food for Peace Officer [other structure, as appropriate] have concurred with the continuance of the activity, having reviewed it in accordance with the above criteria, and has provided comments.

F. Environmental Compliance

Updating of environmental compliance documentation requirements, as appropriate, has been completed.

II. PAA Approval Criteria

PAAs will be approved based on the above criteria, subject to commodity and funding availability.

Appendix C
DAP Submission Outline

Cover Page

Executive Summary

I. Problem Analysis and Proposed Interventions

II. Activity Objectives and Design

A. Objective/Activity 1

1. Specific Objectives, Rationale and Related Activity Descriptions
2. Performance Indicators and Targets
3. Monitoring and Evaluation Plan
4. Implementation Schedule

B. Objective/Activity 2

1. Specific Objectives, Rationale and Related Activity Descriptions
2. Performance Indicators and Targets
3. Monitoring and Evaluation Plan
4. Implementation Schedule

III. Complementarity

IV. Bellmon Amendment

V. Activity Resource Requirements

A. Financial Plan

B. Commodities

C. Human Resources

VI. Environmental Compliance

VII. Country Agreement

Appendices

A. Budgets (Comprehensive and FY 2001 Detailed)

B. Commodity Request (AER, FY 2001 Commodity Procurement Schedule, LOA Resource Request, Supplementary Commodity Chart)

C. Section 202(e) Request and/or Vehicle Procurement Plan (If Applicable)

D. Initial Environmental Examination

E. Indicator Performance Tracking Table

F. Organizational Chart (Position Titles of CS Staff)

G. Certification Regarding Lobbying Form

H. Agreements, Contracts, Letters

Host Country Food for Peace Program Agreement

MOUs, e.g., Inter-agency Memorandum of Understanding for Joint/Umbrella Monetization Activities

Inland Contract (in English) - If Requesting Reimbursement for Inland Transportation Charges

Letters of support or agreements with relevant parties, e.g. host government, other donors, World Food Program (WFP), NGOs, etc.

I. Bellmon Analysis for FY 2001

Appendix C
DAP Amendment Outline

Cover Page

Executive Summary

I. Progress in Activity Implementation

- A. Follow-up of FY 1999 Title II Review (if applicable)
- B. FY 2000 Activity Completion to Date

II. Lessons Learned and Proposed Program Changes

III. FY 2001 Detailed Implementation Plan

IV. FY 2001 Bellmon Analysis Update

V. Revised Activity Resource Requirements

- A. Financial Plan
- B. Commodities
- C. Human Resources

Appendices

- A. Budgets (Revised Comprehensive, FY 2001 Detailed)
- B. Commodity Request (AER, FY 2001 Commodity Procurement Schedule, Revised LOA Resource Request, Revised Supplementary Commodity Chart)
- C. Section 202(e) Funding Request and/or Vehicle Procurement Plan (If Applicable)
- D. Indicator Performance Tracking Table - Revised
- E. Organizational Chart Update (If Applicable)
- F. Amendment to Initial Environmental Examination
- G. Certification Regarding Lobbying Form
- H. Agreements, Contracts, Letters - as Applicable
- I. Bellmon Analysis or Update for FY 2001

PAA Submission Outline

Cover Page

Program Summary

I. Revised Activity Resource Requirements

- A. Financial Plan
- B. Commodities

II. Environmental Compliance

Appendix D
Title II Indicator Performance Tracking Table

[see next page]

Indicator Performance Tracking Table

Indicator	Base-line	FY "1" Target	FY "1" Achieved	FY "1" % Achieved vs Target	FY "2" Target *	FY "2" Achieved	FY "2" % Achieved vs Target	FY "3" Target *	FY "3" Achieved	FY "3" % Achieved vs Target	FY "4" Target *	FY "4" Achieved	FY "4" % Achieved vs Target	FY "5" Target *	FY "5" Achieved	FY "5" % Achieved vs Target	LOA Target	LOA Achieved
Component 1 Impact Indicator 1																		
Component 1 Impact Indicator 2																		
Component 1 Monitoring Indicator 1																		
Component 1 Monitoring Indicator 2																		
Component 2 Impact Indicator 1																		
Component 2 Impact Indicator 2																		
Component 2 Monitoring Indicator 1																		
Component 2 Monitoring Indicator 2																		

* Targets which have been changed since the original approved DAP should be noted with an asterisk

Note: Annual monitoring indicators should be reported on each year. Impact indicators need only be reported on those years determined by the CS as appropriate by the CS's monitoring and evaluation plans. CSs may adjust indicators or targets as needed over the life of the DAP, for example if they found to be inappropriate or targets set too high or low, although clear explanation should be provided.

Appendix E
Budget Formats

[see next page]

sub-total										
NICRA										
FY x+1 Total Expenses										
FY x+1 Closing Balance										

FY x Opening Balance										
LOA Income - new funds										
LOA income - interest										
Total LOA Income										
Funds Available in LOA										
Expenses										
Personnel										
Office Administration										
Communications										
Supplies/Materials										
Vehicle Exp/Maint										
Procurement										
Travel										
Transportation										
Monitoring/Evaluation										
Training										
etc.										
sub-total										
NICRA										
FY LOA Total Expenses										
FY x+2 Closing Balance										

LOA = life of activity = full DAP period
 Note: consolidated line items above are EXAMPLES, not required categories

Appendix E
Budget Formats

[see next page]

Comprehensive Budget Sample Format (US\$) for DAP Amendments and PAAs

US \$1 = ____ local currency using exchange rate of ____ (date)

Funding Sources

Consolidated Line Items

	Monetiz'n	Monetiz'n	Section	Section	Recipient	Recipient	PVO	PVO	USAID	USAID	Local Gov	Local Gov	Total	Total
	Proceeds	Proceeds	202e Gran	202e Gran	Contrib'n	Contrib'n	Contrib'n	Contrib'n	Mission	Mission				
	Prev. Appr'	Requested												
	FY 2001	FY 2001												
FY 01 Opening Balance														
FY 01 Income - new funds														
FY 01 income - interest														
Total FY 01 Income														
Funds Available in FY 01														
Expenses														
Personnel														
Consultants														
Fringe & Benefits														
Recruitment														
Travel														
Housing														
Training														
Other Direct														
Equipment/Supplies														
Subcontracts														
Evaluation														
sub-total														
NICRA														
FY 01 Total Expenses														
FY 01 Closing Balance														

Consolidated Line Items

	Monetiz'n	Monetiz'n	Section	Section	Recipient	Recipient	PVO	PVO	USAID	USAID	Local Gov	Local Gov	Total	Total
	Proceeds	Proceeds	202e Gran	202e Gran	Contrib'n	Contrib'n	Contrib'n	Contrib'n	Mission	Mission				
	Prev. Appr'	Requested												
	FY 2002	FY 2002												
FY 02 Opening Balance														
FY 02 Income - new funds														
FY 02 income - interest														
Total FY 02 Income														
Funds Available in FY 02														
Expenses														
Personnel														
Consultants														
Fringe & Benefits														
Recruitment														
Travel														
Housing														
Training														
Other Direct														
Equipment/Supplies														
Subcontracts														
Evaluation														
sub-total														
NICRA														
FY 02 Total Expenses														
FY 02 Closing Balance														

Consolidated Line Items

	Monetiz'n	Monetiz'n	Section	Section	Recipient	Recipient	PVO	PVO	USAID	USAID	Local Gov	Local Gov	Total	Total
	Proceeds	Proceeds	202e Gran	202e Gran	Contrib'n	Contrib'n	Contrib'n	Contrib'n	Mission	Mission				
	Prev. Appr'	Requested												
	LOA	LOA												
FY 01 Opening Balance														
LOA Income - new funds														
LOA income - interest														
Total LOA Income														
Funds Available in LOA														
Expenses														
Personnel														
Consultants														
Fringe & Benefits														
Recruitment														
Travel														
Housing														
Training														
Other Direct														
Equipment/Supplies														
Subcontracts														
Evaluation														
sub-total														
NICRA														
FY LOA Total Expenses														
FY LOA Closing Balance														

Notes: Approved levels should reflect the levels approved in DAP or subsequent approval revisions. Columns and row titles should match the funding sources as presented in the original DAP - add or subtract columns as appropriate. Present a table for FY 2001, each remaining year of the DAP, and revised LOA. Explain request differentiation in narrative.

Appendix E
Budget Formats

[see next page]

SALARY INFLATION		1.030	1.092	1.157					
OTHER INFLATION			1.050	1.103					
The following sample budget is intended to show the level of detail expected; not the range of line items typical of a Title II program.									
BUDGET PREPARATION DATE:									
		2000		2001		2002		TOTAL	
SALARIES & FRINGE	Daily Rate	Days	Days	Days	Days	Days	Days		
Country Director	444	6.0	2,741	4.0	1,937	4.0	2,053	14.0	6,731
Deputy Director	370	6.0	2,288	6.0	2,425	6.0	2,570	18.0	7,283
Project Manager	322	89.0	29,511	89.0	31,281	89.0	33,158	267.0	93,950
Procurement Officer	239	20.0	4,929	20.0	5,225	10.0	2,769	50.0	12,923
Program Officer	186	85.0	16,323	85.0	17,302	85.0	18,341	255.0	51,966
MCH Program Officer	171	85.0	14,996	85.0	15,896	85.0	16,850	255.0	47,742
Environmental Specialist	186	25.0	4,788	25.0	5,075	20.0	4,303	70.0	14,166
Project Administrator	165	100.0	17,037	100.0	18,059	100.0	19,142	300.0	54,238
Program Support	112	303.0	35,062	303.0	37,166	303.0	39,396	909.0	111,624
Driver	149	5.0	768	5.0	814	5.0	862	15.0	2,444
Total salaries		724	128,443	722	135,180	707	139,444	2,153	403,067
Staff leave @ 18.5%			23,762		25,008		25,797		74,567
Total salaries & leave			152,205		160,188		165,241		477,634
Fringe benefits @ 30.5%			46,423		48,857		50,399		145,678
TOTAL SALARIES & FRINGE			198,627		209,046		215,640		623,313
DBA INSURANCE		# days							
		0.0		0.0		0.0		0.0	0
		0.0		0.0		0.0		0.0	0
	\$Total								
CONSULTANTS		#	#	#	#	#	#	#	#
Environmental Specialist	479	0.0	0	10.0	5,030	10.0	5,281	20.0	10,311
Monitoring and Evaluation	350	15.0	5,250	20.0	7,350	10.0	3,859	45.0	16,459
Monetization Consultant	144	36.0	5,184	0.0	0	36.0	5,715	72.0	10,899
Mid-term Evaluation Consult	200	0.0	0	10.0	2,100	0.0	0	10.0	2,100
TOTAL CONSULTANTS		51	10,434	40	14,480	56	14,855	147	39,769
CONTRACTED SERVICES									
Mass Media						7,000		7,000	
Dubbing of Videos			500			500		1,000	
TOTAL CONTRACTED SERVICES			500		0	7,500		8,000	
SUBAGREEMENTS									
Women's Health and Family Planning Four			20,530		22,583		24,841		67,954
Additional subagreements to be determined			5,000		8,000		9,046		22,046
TOTAL SUBAGREEMENTS			25,530		30,583		33,887		90,000
TRAVEL & PER DIEM									
International Travel	\$	#	#	#	#	#	#	#	#
RT - Washington/XXXXX	3,800	20	76,000	18	71,820	18	75,411	56	223,231
RT - Washington/XXXXX	2,100	9	18,900	0	0	9	20,837	18	39,737
Local Travel - Domestic Travel	5,000	10	50,000	10	50,000	10	50,000	30	150,000
RT - Washington/Atlanta	1,000	3	3,000	2	2,100	3	3,308	8	8,408
Ground transportation	75	32	2,400	20	1,575	30	2,481	82	6,456
Total travel			165,300		145,495		167,037		477,832
Per diem	\$	#	#	#	#	#	#	#	#
Lusaka (12 day trips)	223	240	53,520	216	50,576	216	53,105	672	157,201
Atlanta/Avg. (14 day trips)	125	126	15,750	0	0	126	17,364	252	33,114
D.C.	151	9	1,359	6	951	9	1,498	24	3,808
En route		29	1,102	18	718	27	1,131	74	2,951
Total per diem			71,731		52,245		73,098		197,074
TOTAL TRAVEL & PER DIEM			237,031		197,740		240,135		674,906
Expatriate Allowances									
Travel to relocate project manager/family			6,000				6,600		12,600
R & R /family					5,000				5,000
Housing Allow (discounted 25% for co-fund)			9,000		9,450		9,900		28,350
Temporary lod (30 days Yr I, 15 days Yr II x \$223 per day)			6,690				3,688		10,378
Shipping household (max. 9,000 lb.)			13,000				14,300		27,300
TOTAL Expatriate Allowances			34,690		14,450		34,488		83,628
SUBCONTRACTS									
TOTAL SUBCONTRACTS			0		0		0		0
Subcontract indirect base -->			0		0		0		0
PROCUREMENT									
TOTAL PROCUREMENT			0		0		0		0
WORKSHOPS									
Training Workshops - Local			17,000		9,000		5,000		31,000
Training Workshops - U.S.			6,000				6,000		12,000
TOTAL WORKSHOPS			23,000		9,000		11,000		43,000
LOCAL OFFICE OPERATING COSTS									
Office operating costs @ \$13,000 per month + 10% increase for inflation in			156,000		171,600		188,760		516,360
TOTAL OFFICE OPERATING COSTS			156,000		171,600		188,760		516,360
Supplies									
Models (9 @ \$150 ea.)			1,350						1,350
Videos (5 @ \$100 ea.)			500		0		0		500
TOTAL Supplies			1,850		0		0		1,850
OTHER DIRECT COSTS									
Vehicles			15,000		15,000		0		30,000
Medex Ins - 2 staff			240		252		264		756
Visas/ Immunizations			2,400		2,268		2,381		7,049
Printing Materials			5,000		10,000		15,000		30,000
Copying & duplicating			5,681		6,314		6,601		18,596
Telephone, fax, telex			14,202		15,784		16,504		46,490
Postage			5,681		6,314		6,601		18,596
Supplies & materials			2,840		3,157		3,301		9,298
Rent			51,590		56,470		58,833		166,893
TOTAL OTHER DIRECT COSTS			102,634		115,559		109,485		327,678
TOTAL DIRECT COSTS			790,297		762,458		855,749		2,408,504
Indirect base -->			790,297		762,458		855,749		2,408,504
INDIRECT COSTS @ 12%	12.0%		94,836		91,495		102,690		289,020
TOTAL COSTS			885,132		853,953		958,439		2,697,524

Appendix E
Foreign Currency (Monetization) Pipeline Analysis Formats

[see next page]

Title II Guidelines for FY 2001 Development Program Proposals

Appendix E

Monetization (Foreign Currency) Pipeline Analysis Format

Note: this analysis form is NOT required at the time of the DAP/PAA submissions. However it will be requested by BHR/FFP at a later date. Monetization Pipeline should also be included in the comprehensive budget.

Additionally, Cooperating Sponsors should be conducting such an analysis internally to determine bridge funding needs between FY 2001 and FY 2002 for on-going programs (lines 5 and 6 below should be roughly equal).

COUNTRY/PVO

ACTIVITY:

	foreign currency	exchange rate	US dollar equivalent
1. Opening balance at 9/30/99 of funds from prior year(s) monetization, including interest			
2. Total actual and anticipated funds to be received from monetization during FY 00 (FY 99 (prior year) APPROVED COMMODITIES) (FY 00 (this year) APPROVED COMMODITIES)			
3. Interest earned and anticipated in FY 00			
4. Total actual + estimated expenditure of monetization funds during FY 00			
5. Anticipated closing balance of monetization funds at 9/30/00			
6. Amount of reserve/bridge funding needed to support program operations until FY 2001 monetization sale(s)			

Note: state cut-off date between actual and anticipated/estimated receipts and expenditures

Appendix F
Commodity Request Formats/AER Standard Format

[insert 'apxaer.xls']

Appendix F
Commodity Procurement Schedule Format

[see next page]

**Appendix F
Commodity Procurement Schedule Format**

**PVO/COUNTRY:
FISCAL YEAR 2001**

AER CATEGORIES/ COMMODITY	TOTAL Line 17 MTs	CALL FORWARD (MTs) 'AT U.S. PORT' DATES												TOTAL (MT)	
		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep		
1															
TOTAL															
2															
TOTAL															
3															
TOTAL															
4															
TOTAL															
5															
TOTAL															
6															
TOTAL															
7															
TOTAL															

- Instructions: 1) Cooperating Sponsors are reminded that this planning schedule is for FY 2001 commodities only. Any commodities provided with FY 2000 funding should NOT be included.
- 2) October and November may be used for bulk commodity planning only. CSs should note that a September call forward would be necessary for "at US port availability".
- 3) All processed commodities can be made "port available" beginning in December. No processed commodities should appear in the October or November planning period, as they would necessitate prior year funding. CSs should note that a September call forward would be necessary for "at US port" availability in December.
- 4) Note that call forward deadlines are about the 4th of each month. Commodities are purchased the following month, and normally are "at port" two months following the purchase. CSs should consider the necessary shipping time to the country in which the DAP/PAA relates. Contact the BHR/FFP country backstop officer for further information.

Appendix F
Commodity Requirement Worksheet Format

[see next page]

Appendix F

**LOA COMMODITY REQUIREMENT WORKSHEET
(by AER category)**

COUNTRY:

COOP. SPONSOR:

AER Category	Commodity	FY01 Line 8	FY02 Line 8	FY03 Line 8	FY04 Line 8	FY05 Line 8
Category 1						
<i>Beneficiaries (n/a for monet.)</i>						
Category 2						
<i>Beneficiaries (n/a for monet.)</i>						
Category 3						
<i>Beneficiaries (n/a for monet.)</i>						
etc.						
<i>Beneficiaries (n/a for monet.)</i>						
<i>Beneficiaries (n/a for monet.)</i>						
<i>Beneficiaries (n/a for monet.)</i>						
TOTAL (MT)						
TOTAL (Beneficiaries)						

LOA = life-of-activity
AER categories = MCH, OCF, SF, FFW, GR, Monetization, etc.

Appendix F
Supplementary Commodity and Section 202(e) Chart

[see next page]

Title II Guidelines for FY 2001 Development Program Proposals

Appendix F

Sample Format - Supplemental Commodity and Section 202(e) Chart

	FY 01		FY 02		FY 03		Total	
	(\$)	(MT)	(\$)	(MT)	(\$)	(MT)	LOA**	LOA**
	Section 202(e) Grant	Commodity Requirement						
<i>Program Objective</i>								
<i>Technical Area *</i>								
Agricultural Productivity (list interventions by objective/technical area)								
Total Agric. Productivity								
Household Nutrition (list interventions by objective/technical area)								
Total Household Nutrition								
Total Resources (\$/MT)								

* Technical areas:

1) health and nutrition, 2) water and sanitation,
3) agriculture, natural resource mgmt. and infrastructure,
4) education, 5) micro-credit, 6) other (state)

**LOA = life of activity = full DAP period

note: child or institutional feeding programs without significant health components should be included in "other"

Appendix G
Section 202(e) Funding Instructions

I. Purpose

The purpose of Section 202(e) of P.L. 480 is to provide direct financial assistance to eligible organizations to cover certain specific costs associated with their efforts to effectively carry out Title II activities.

More specifically, Section 202(e) funding assists eligible organizations in establishing new non-emergency or emergency (including transition) activities under Title II and in meeting specific administrative, management, personnel and internal transportation and distribution costs for carrying out Title II non-emergency or emergency (including transition) activities.

II. Eligible Uses

Eligible use for Section 202(e) funding include:

- A. Direct program costs of a Title II program (e.g., administrative, management, personnel, internal transport, distribution, and storage program implementation costs), only after other sources of funding have been considered and are found inadequate for program operation
- B. Efforts to improve the impact of food aid in addressing food security (e.g., baseline studies, technical assistance, monitoring and evaluation, training)
- C. Improvement and strengthening of program administration and management oversight and monitoring
- D. Dollar costs of development activities partially financed by Title II monetized proceeds
- E. Costs of implementing audit and evaluation recommendations.

Section 202(e) funds shall only cover those costs/activities that require dollar funding. Section 202(e) funds will not be approved for costs that can be covered by foreign currency.

Note: Please see "IV. Proposal Submission" section for specific Section 202(e) parameters.

III. Restrictions

Section 202(e) funding will not be approved for the following types of activities:

- A. Costs that can be financed from other sources, such as Title II monetized proceeds, ITSH, Title II Institutional Support Assistance grants (ISAs), other USAID funding, and other donor contributions;

- B. Costs of development activities that are not supported by Title II resources;
- C. Needs assessments to explore possible new Title II programs (assessments are covered by ISAs).

IV. Proposal Submissions

Section 202(e) funds may be requested in order to support a Title II non-emergency program. Section 202(e) funds are considered an integral part of any Title II program and, therefore, are due at the time a Title II proposal (e.g., Development Activity Proposal [DAP], Previously Approved Activity [PAA] is submitted).

FFP intends to obligate Section 202(e) funding that parallel the life of the corresponding approved DAP. However, Section 202(e) funds are awarded on an annual basis subject to an annual review, the previous year's unexpended pipeline funds, and the availability of new funds. Therefore, FFP requires that each eligible organization request additional Section 202(e) funds for each year of an approved DAP, where appropriate. For future year requests, (i.e., PAA review), please make note of any changes to the activities and/or budget as presented in the approved DAP.

For U.S. organizations, Section 202(e) funding is executed on the condition that funds be administered in accordance with the terms and conditions as set forth in 22 CFR 226 (USAID Regulation 26), entitled "Administration and Assistance Awards to U.S. Non-Governmental Organizations" and applicable standard provisions. Non-U.S. organizations will be required to follow the "Standard Provisions for Non-U.S. Non-Governmental Organizations" as found in ADS 303.

All Section 202(e) requests shall include the following:

A. Introduction

Provide a brief summary of the Title II program that the Section 202(e) funding will support.

B. Budget

Provide a detailed line item budget and a narrative justifying the level of Section 202(e) funding for the life of activity. The narrative and line item budget should specifically address the following items:

1. Salaries/Fringes/Benefits - identify the proposed staff positions. Section 202(e) funds can cover field based expatriate staff, including fringes, benefits, etc., that work full or part time on Title II activities. Section 202(e) funds will not cover local staff salaries, where monetization funding is available to cover this cost. Also, Section 202(e) funds, requested as a direct line- item, will not support HQ based staff.

2. Consultants/Technical Assistance - identify the type of consultancy/technical assistance needed in support of the Title II activities. Section 202(e) funds may cover all required dollar costs for a given consultancy (e.g., expatriate fees, travel, etc.). Section 202(e) funds will not cover local consultancies, where monetization funding is available to cover this cost.
3. Travel (& per diem) - separate between local and international travel. Section 202(e) funds will not cover local travel, where monetization funding is available to cover this cost.

International Travel - for requests which include international travel, indicate the number of trips, number of individuals per trip, destination of country, and estimated date of departure. USAID standard provisions state that international travel is allowable if each trip has received prior budget approval. Please refer to the "International Air Travel and Transportation (December 1995)" standard provision.

4. Training - Only those training activities (e.g. Title II workshops on Environmental Compliance) that directly support Title II activities and are country specific will be considered for Section 202(e) funding. Provide a description of each training event and how it will benefit Title II staff and/or beneficiaries. Also, Section 202(e) funds will not cover training activities/costs that are covered by foreign currency, where monetization funding is available to cover these activities/costs.
5. Supplies/Materials - (individual items below \$5,000) - please indicate the type of supplies/materials requested and how these items will support the Title II program. Section 202(e) funds will not cover supplies and materials that can be covered by foreign currency, where monetization funding is available to cover these costs.
6. Equipment - (individual items above \$5,000) - provide a list of all planned equipment purchases with an individual value of \$5,000 or greater and how these items will support the Title II program.

For a definition of "supplies" and "equipment" please refer to 22 CFR Part 226 (USAID Regulation 26).

7. Internal Transport - For development proposals, FFP recommends that internal transport, distribution, and storage costs be covered by the recipient country government or monetization funding. Section 202(e) will only be considered if the government contribution is inadequate and a monetization program does not exist.
8. Other Direct Costs - Please list other items such as occupancy, utilities, audit, evaluation, vehicle maintenance, etc. that require dollar funding. Section 202(e) funds will not cover such costs that can be covered by foreign currency, where monetization funding is available.

9. Indirect Costs - please include a copy (for DAPs and DAP Amendments only) of your organization's most current Negotiated Indirect Cost Rate Agreement (NICRA) with USAID or cognizant federal office.

C. Motor Vehicle Procurement

1. Provide a justification for the procurement of motor vehicles during the life of the grant period, including number of vehicles and the fiscal year during which the purchase is planned: type of vehicles; planned uses of vehicles; and estimate cost of each vehicle.
2. Provide a history of vehicle procurement including the size and condition of the current vehicle fleet, age of each vehicle, use of vehicles by activity, and plans for maintenance and replacement.

Since motor vehicles are considered restricted goods, the recipient shall not procure such items without the prior budget approval of FFP. Prior budget approval means that motor vehicles have been identified and incorporated in the program description or schedule of the award or amendments to the award; and the costs related to the motor vehicles are incorporated in the approved budget of the award. Where the item has not been incorporated into the award as described above, a separate written authorization from FFP must be provided before the item is procured. Refer to the "USAID Eligibility Rules for Goods and Services (March 1997)" standard provision and ADS 312 "Eligibility of Commodities."

Unless BHR/FFP agrees otherwise in writing, motor vehicles financed under Section 202(e) must be manufactured in the United States. All procurement of non-U.S. vehicles requires a separate justification to be submitted to BHR/FFP and the relevant USAID Mission, and subsequent BHR/FFP approval. Waiver requests to purchase non-U.S. vehicles are to be included in the DAP or DAP Amendment. Each request for non-U.S. vehicles will be reviewed according to the justification why U.S. vehicles are not adequate to carry out Title II activities and must be consistent with the cognizant USAID Mission's vehicle procurement policy/plan. The Mission Contracts Officer and/or Executive Officer (EXO) must advise BHR/FFP of their concurrence with the request, and a copy of the Mission's vehicle procurement policy should be provided to BHR/FFP. Refer to 22 CFR Part 229 "Source, Origin, and Nationality" ADS 310 and 312.

V. Review

Section 202(e) requests are reviewed as an integral part of a Title II DAP, DAP Amendment or PAA. Each Section 202(e) request will be considered further with respect to individual merit, Title II activity priority, previous year's unexpended Section 202(e) pipeline, and the availability of new funding.

USAID Missions and REDSOs, in the absence of Mission presence in country, review Section 202(e) funding requests and make explicit recommendations for appropriate funding levels, including rationale, in the cabled Mission comments.

VI. Evaluation Criteria

A. Section 202(e) requests will be evaluated by:

1. How it relates to the eligible uses, as explained above.
2. How it describes the relationship of the proposed Section 202(e) activities to be funded to the overall Title II program and addresses critical needs of the program.
3. The clarity and completeness of the submission.
4. Prior performance and use of Section 202(e) funds.

Appendix G
Section 202(e) Pipeline Analysis Format

COUNTRY/PVO

ACTIVITY:

1. Opening balance of funds from prior year (FY 1999) Section 202(e) funds			
2. Amount approved for FY 2000			
3. 'Actual expenditures *			
4. 'Projected expenditures *			
5. Total actual plus projected expenditures (Lines 3+4)			
6. Estimated pipeline at 9/30/00 [Lines (1+2)-5]			

* this is the date through which the CS has calculated its actual 202(e) expenditures. The CS is required to fill in this date.

Note: A Section 202(e) pipeline analysis is not required at the time of the DAP, DAP Amendment or PAA submission. However, FFP will request this report during the review process.

Appendix H
Environmental Review and Compliance Information

I. Background on Regulation 216

USAID's Environmental Procedures (known as 22 CFR 216 or Reg. 216) are meant to ensure that (1) the environmental consequences of USAID-funded activities are identified during the design stage, and that these consequences are considered prior to funding approvals and a decision to proceed with activity implementation; and (2) if possible, activities are identified that preserve or restore the natural resource base where the activity is located.

II. Title II Compliance with Regulation 216

Compliance with USAID's Environmental Procedures (known as 22 CFR 216 or Reg. 216) is required of all Title II Development Activities, whether they are supported by food assistance or Section 202(e) funding. All Title II Development Activity Proposals (DAPs) should include an Initial Environmental Examination (IEE) with their proposal. If the Initial Environmental Examination (IEE) of the DAP was cleared without conditions or a categorical exclusion was granted, the CS should only submit the signed one page Environmental Status Report Facesheet in the Environmental Compliance section of the PAA submission.

In all other situations, the CS should include, as an appendix to the PAA, an Environmental Status Report (ESR) detailing the actions they have undertaken with regards to the previously approved IEE. The Environmental Status Report should indicate whether mitigation plans are on schedule and detail the monitoring and evaluation measures being undertaken by the Cooperating Sponsor. The ESR face sheet must be signed by either the Mission Environmental Officer or the Food for Peace Officer. should include an Environmental Status Report detailing the actions they have undertaken with regards to their previously approved Initial Environmental Examination (IEE). This status report should be between 2-10 pages and should indicate if mitigation plans are on schedule and should detail the monitoring and evaluation measures being carried out by the Cooperating Sponsor. However, if a CS's FY 2001 submission contains changes that require a DAP Amendment, an IEE Amendment may need to be submitted with the DAP Amendment. Please see sections A through C below for further details.

Cooperating Sponsors are encouraged to seek Mission review and clearance on DAP IEEs prior to official submission of the DAP to FFP/Washington. The same is true for PAA Environmental Status Reports and IEE Amendments for PAAs or DAP Amendments. Environmental documentation, marked draft, may be submitted informally through the Mission to the Bureau Environmental Officer. If environmental documentation is submitted with the DAP, Amended DAP or PAA without having been cleared by the Mission, the CS should insure that it is clearly labeled as "draft -- not cleared by Mission." All draft Reg. 216 documentation must be returned to the Mission for required clearance and the Mission may request revisions to ensure that Mission objectives, consideration of local conditions and

consistency with environmental documentation of other Sponsors in the same country is achieved.

Furthermore, CSs are encouraged to look beyond compliance and, where relevant, to incorporate sound environmental planning into activity designs to ensure that Title II-supported activities not only do "no harm," but actually improve the natural resource base in the target communities if possible. This approach contributes to more sustainable natural resource management and agricultural activities, and, thus, to enhanced food security.

During FY 2001 there will be field reviews to examine mitigation plans and to assess how they are being monitored and evaluated. This will help BHR/FFP to plan for the necessary training and technical assistance needs of the Cooperating Sponsors.

A. FY 2001 DAP or DAP Amendment Submission

To meet this requirement, all DAP and DAP Amendments for FY 2001 should include an IEE (or an IEE Amendment if a change has occurred from what was submitted in the original IEE), which must be cleared by the Mission Director or his/her designee, then sent to FFP for clearance, and from FFP to the BHR Bureau Environmental Officer (BEO) for final concurrence. Note, however, that if CSs and Missions are interested in getting feedback from the BHR, Geographic BEOs or a Regional Environmental Officer (REO) on a draft IEE prior to formal submission, they are encouraged to submit a copy for informal review to one or both BEOs or to the REO, where they exist. An IEE facesheet should accompany the IEE.

B. FY 2001 PAA Submission

If the Initial Environmental Examination (IEE) of the DAP was cleared without conditions or a categorical exclusion was granted, the CS should only submit the signed one page Environmental Status Report Facesheet in the Environmental Compliance section of the PAA.

In all other situations, the CS should include an Environmental Status Report as an appendix to the PAA, detailing the actions they have undertaken or that need to be taken with regard to the previously approved IEE or EA/PEA where they might exist. In 2- 10 pages or less, the Environmental Status Report should indicate whether steps need to be taken to modify previous environmental documentation and whether conditions are being met (e.g., mitigation plans are on schedule and monitoring and evaluation measures are being undertaken by the Cooperating Sponsor). The CSs should include a matrix, or chart, in the ESR clearly outlining that mitigation plans are being implemented as submitted in previous environmental documentation, (i.e. the IEE). An ESR facesheet is used for IEE Amendments.

C. Deferrals

For those Cooperating Sponsors who received an FY 2000 deferral on one or more aspects of their program from the BHR Bureau Environmental Officer (BEO) an

amended IEE should be included with their FY 2001 proposal to resolve each deferral or indicate that the activity will not be conducted, if that is the case.

III. Clearance Process

The IEE or IEE amendment must first be cleared by the Mission Director or her/his designate. The CS is expected to submit the cleared document with their DAP or DAP Amendment to BHR/FFP. Upon receipt, the IEE or IEE amendment will be forwarded to the BHR/FFP Director for clearance and then onto the BEO for final concurrence.

A statement as to whether the Mission concurs/does not concur with the Cooperating Sponsors Environmental Status Report should be included in the Missions PAA approval/comments cable to BHR/FFP.

IV. IEE Preparation Resources

BHR/FFP, through the assistance of the Africa Bureau, has developed the Environmental Documentation Manual (EDM). This Manual provides guidance on completing the IEE, IEE amendment and Environmental Status Report (ESR). The Manual also covers more in-depth environmental reviews, and defines many of the environmental compliance issues and terms used in these instructions. A much shorter field version of the EDM has also been produced and both guides have been distributed to PVO Headquarters, field staff and USAID Missions. In addition to these documents, both the Mission and Bureau Environmental Officers, and where they exist, Regional Environmental Officers, should be consulted.

Environmental Documentation Manual: For P.L. 480 Title II Cooperating Sponsors Implementing Food-Aided Development Programs (Final Draft November/December 1999).

A Field Guide to USAID Environmental Compliance Procedures (March 5, 1999).

Appendix I
Authority and Statutory Lobbying Restrictions

CSs are reminded that statutory lobbying restrictions and reporting requirements apply to Title II donations to CSs. The requirements of 31 U.S.C. 1352 are that no appropriated funds can be used 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 to receive a federal contract, grant, cooperative agreement or a commitment providing for the United States to insure or guarantee a loan. CSs are required to submit a Certification Regarding Lobbying form with each proposal document (DAP, DAP Amendment and PAA) to certify compliance with these requirements.

Furthermore, 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 a Title II award, a Disclosure Form to Report Lobbying should be completed and submitted. The Inspector General is required by law to evaluate annually and report on compliance. USAID regulations concerning implementation of lobbying restrictions are in 22 CFR 227, which appears in Handbook 13, Appendix 3.b.

These forms are attached and also available on the Information Packet diskette. They should be completed, as applicable, and must accompany each individual proposal submitted to BHR/FFP, including Title II DAPs, DAP Amendments, PAAs, emergency proposals, Section 202(e) grant requests, and institutional support grant requests.

Appendix I
Certification Regarding Lobbying Form

Submitted in connection with submission of proposal initiating USAID/BHR/FFP consideration of P.L. 480 Title II grant request including any or all of the following: commodities; ocean freight; inland freight; internal transportation; storage and handling; Section 202(e); Institutional Support.

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, and officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, 'Disclosure of Lobbying Activities,' in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, Title 31, United States Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure. By signature hereon, the applicant/grantee certifies that the information contained herein is accurate, current, and complete to the best of its knowledge and belief, and that the applicant/grantee is aware of the penalty prescribed in 18 U.S.C. 1001 for making false statements in applications or proposals.

Signature

Typed Name

Organization

Title

Date

Appendix I
DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352

- 1. Type of Federal Action:
 a. contract
 b. grant
 c. cooperative agreement
 d. loan
 e. loan guarantee
 f. loan insurance
- 2. Status of Federal Action:
 a. bid/offer/application
 b. initial award
 c. post-award
- 3. Report Type:
 a. Initial filing
 b. Material change

 For Material Change Only:
 Year quarter
 Date of last report

- 4. Name and Address of Reporting Entity:
 Prime
 Subawardee
 Tier if known:
 Congressional District, if known: _____
- 5. If Reporting Entity in No. 4 is Subawardee, Enter Name and address of Prime:

 Congressional District, if known: _____
- 6. Federal Department/Agency _____

- 7. Federal Program Name/Description:
 CFDA Number, if applicable:

- 8. Federal Action Number, if known: _____
- 9. Award amount, if known:
 \$ _____

- 10. a. Name and Address of Lobbying Entity
 (If individual, last name, first name, MI):
 (attach Continuation Sheet(s) SF-LLL-A, if necessary)
 b. Individuals Performing Services
 (including address if different from No. 10a) (Last name, first, MI): _____
- 11. Amount of Payment: (check all that applies):
 actual
 planned
 \$ _____
- 12. Form of Payment (check all that applies):
 a. cash
 b. in-kind; specify:
 nature _____
 value _____

- 13. Type of Payment: (check all that apply):
 a. Retainer
 b. one-time fee
 c. commission
 d. contingent fee
 e. deferred
 f. other: _____
- 14. Continuous Sheet(s) SF-LLL-A attached
 yes no
- 15. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier shown when this transaction was made of xxxxx lobby. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file this required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Signature _____

Print Name _____

Title _____

Telephone No. _____ Date _____

Authorized for Local Reproduction Standard Form - LLL

Appendix I
DISCLOSURE OF LOBBYING ACTIVITIES CONTINUATION SHEET
0348-0046

Reporting Entity:
Page ____ of ____

*U.S. G.P.O 1990-260-708:00012
Standard Form - LLL-A
Authorized for Local Reproduction

Appendix J
List of Value Added Commodities

[see next page]

August 13, 1999

BUREAU OF HUMANITARIAN RESPONSE / OFFICE OF FOOD FOR PEACE
LIST OF VALUE ADDED COMMODITIES AVAILABLE FROM USDA

Commodities Determined to be Processed, Fortified or Bagged:

Bulgur	Wheat Hard Red Winter Bagged
Corn, Bagged	Wheat Soft White Bagged
Cornmeal	Wheat Hard Durum with BNT Wheat
Corn Soy Blend	Soft Red Winter with BNT Wheat
Instant Corn Soy Milk	North Spring Dark with BNT Wheat
Corn Soy Milk	Hard Red Winter with BNT Wheat
Sorghum, Bagged	Soft White with BNT
Nonfat Dried Milk	Beans, Navy
Rice, Bagged	Com Soy Masa Flour
Rice, Bulk with BNT	Beans, Black
Soy Fortified Bulgur	Beans, Great Northern
Soy Fortified Cornmeal	Beans, Pink
Soy Fortified Rolled Oats	Beans, Kidney
Soy Fortified Sorghum Grits	Peas, Green Split
Vegetable Oil 4L	Peas, Yellow Split
Wheat Flour	Potato Flakes
Wheat Soy Blend	Infant Formula
Beans, Pinto	Whole Dry Milk
Peas, Green	
Vegetable Oil 20L	
Peas, Yellow	
Butter	
Cheese	
Wheat Soy Milk	
Lentils	
Beans, Red	
Fortified Non-Fat Dry Milk	
Butteroil 55gal Drum	
Corn Bulk with BNT	
Sorghum Bulk with BNT	
Wheat Bulk with BNT	
Wheat hard Durum Bagged	
Wheat Soft Red Winter Bagged	
Wheat North Spring Dark Bagged	

BNT= Bags, Needles and Twine

Appendix K
List of Available Information Packets

1. **Computer Diskette** with FY 2001 Guidelines and Formats for Appendices
(Microsoft Office 97)
2. **Legislation and USAID Policy**
 - Regulation 11 and Public Law 480 (as amended through Public Law 104-130, April 9, 1996) *
 - *Food Aid and Food Security Policy Paper*, 1995 *
 - List of LDC/LIFDC Countries, 1997
3. **BHR/FFP Documents on Commodities and Monetization**
 - *P.L. 480 Title II Monetization Field Manual*, November 1999 *
 - *Background Paper and Guide to Addressing Bellmon Amendment Concerns on Potential Food Aid Disincentives and Storage**
 - *Commodity Reference Guide* *
 - *Bellmon Certification Requirements for P.L. 480 Title II Activities* - cable: STATE 086386
 - Supplemental Information on Bellmon Disincentive and Storage Analysis for Proposals
4. **BHR/FFP Reference Materials on Monitoring and Evaluation and Program Reporting**
 - BHR/FFP Strategic Objective 2 Results Framework Summary
 - Reporting Requirements for Title II Development Activities
 - Indicator Definition and Description
 - Indicator Guides
 - Monitoring and Evaluation Plans
 - FFP Evaluation Guides
 - *Performance Indicators for Food Security* (published by CDIE)
 - *Results Report Guidelines*
5. **General Supplemental Information on Title II Development Program Reviews**
 - Technical Questions for DAPs
 - Mission Instructions - cable (draft)
6. **Environmental Compliance Information for Title II Programs**
 - *Environmental Documentation Manual* (October, 1999)
 - *A Field Guide to USAID Environmental Compliance Procedures* (March 5, 1999)
7. **Informational Materials on PAA Approval Delegation of Authority Management of Title II**
 - Checklist for Mission Management of Title II Programs (with examples)
 - Memorandum of Understanding (sample)
 - Enhanced Mission Authority over Title II Programs in Selected Countries - cable (draft)

Note: Information Packet items are available upon request from FAM (tel. 202-544-6972, email: fam@foodaid.org) or BHR/FFP (contact: Gwen Johnson, tel. 202-712-0664, email: gjohnson@usaid.gov).

* available at http://www.info.usaid.gov/hum_response/ffp