

CONTRACT/AGREEMENT DATA SHEET

B 26750

1. M/SER/AAM/A/SUP Action Monitor

DLF  
DIFCA 670

2. Date PIO/T Received in M/SER/AAM/A/SUP

9/28/89

COMPLETE EACH BLOCK FOR BOTH NEW ASSISTANCE/ACQUISITION AND MODIFICATION ACTIONS

1. Contract/Agreement/Number

DHR-5455-A-00-9082-00

4. Contractor/Recipient Name

AT INTERNATIONAL

5. Contractor Acronym

ATI

6. Project Title

APPROPRIATE TECHNOLOGY INTERNATIONAL III

7. Project Number

936-5455

8. Project Officer's Name

~~J. Hutto~~ MELODY BACHA

9. Bureau or USAID Symbol

SET/RD/IED

10. PIO/T Number

936-5455-3-9361600

21. Budget Plan Code DDSA-89-13600-KGI I

APP. 72-1191021.6

ALL. 946-36-099-00-20-91

11. TYPE OF ACTION

A. New Acquisition/Assistance

B. Amendment/Modification

1. New/Revised Scope

2. Funded Extension

3. No Cost Extension

4. Transfer of action from AID/W to Mission/Mission to AID/W

5. Incremental Funding

6. Overhead Rate Adjustment

7. Contract Closeout

8. Other

ENTERED  
NOV 4 1989  
COORS SECTION

22. Country or Region of Performance

WORLDWIDE

23. A. This Action Increases or Decreases TEC by

\$ --

B. Total Estimated Cost of Contractual Document

\$ 15,000,000

24. Amount of Non-Federal Funds Pledged to the Project

- 0 -

C.FPR or FAR

HB13

12. Amount of this PIO/T

OBL U.S. \$ 59,147

25. Effective Date of this Action

9,30,89

13. Amount by this Contract or Amendment  Obligated  Subobligated  Deobligated

U.S. \$ 59,147  
(21,000,000)

26. Estimated Completion/Expiration Date

9,29,94

14. Cumulative Obligation (Life of Contract)

U.S. \$ 100,000

27. Contractor DUNS Number

08-919-9285

15. This Action Funded Through

12/31/89

28. Consultant Type Award

YES  NO

16. Date Contractual Documents Signed by AID Official

9,29,89 ✓

29. Number of Person Months (PASA/RSSA only)

N/A

17. Incrementally Funded Contracts

YES  NO

30. Number of Persons (PASA/RSSA only)

N/A

18. Host Country/Counterpart Institution (University Contracts)

N/A

31. CONTRACT TYPE

A. Fixed Price (specify:  F P

FPRD  FPEPA  FPI)

B. Cost Reimbursement

(specify:  CR  CPFF

CS  CPAF  CPIF)

C. IQC and Requirements Contracts

D. Grant  PASA/RSSA

E. Contracts with Individuals

D

C

20. ADVANCE

A. No Advance

B. Advance Non-FRLC

C. Advance FRLC

32. Negotiator's Typed Name

R. Hogan

33. Negotiator's Signature

R. Hogan

34. Date Signed

9,29,89

35. Contract/Grant Officer's Organization Symbol

W/R

36. Contract/Grant Officer's Signature

EHT

37. Date Signed

9,29,89

<b>CONTRACT/AGREEMENT DATA SHEET</b>		<b>B 26746</b>	1. M/SER/AAM/A/SUP Action Monitor  DLF	2. Date PIO/T Received in M/SER/AAM/A/SUP  9 / 28 / 89
COMPLETE EACH BLOCK FOR BOTH NEW ASSISTANCE/ACQUISITION AND MODIFICATION ACTIONS				
1. Contract/Agreement/Number <b>DHR-5455-A-00-9082-00</b>				
4. Contractor/Recipient Name <del>██</del> <b>AT INTERNATIONAL</b>			5. Contractor Acronym <b>ATI</b>	
6. Project Title <b>APPROPRIATE TECHNOLOGY INTERNATIONAL III</b>			7. Project Number <b>936-5455</b>	
8. Project Officer's Name <del>L. Hoffs</del> <b>MELODY BACHA</b>			9. Bureau or USAID Symbol <b>S&amp;T/RD / EED</b>	
10. PIO/T Number <b>936-5455-3-9361601</b>		21. Budget Plan Code <b>DDNA-89-13600-KGII</b> <b>APP. 72-1191021.3</b> <b>ALL. 943-36-099-00-20-91</b>		
11. TYPE OF ACTION A. New Acquisition/Assistance B. Amendment/Modification 1. New/Revised Scope 2. Funded Extension 3. No Cost Extension 4. Transfer of action from AID/W to Mission/Mission to AID/W 5. Incremental Funding 6. Overhead Rate Adjustment 7. Contract Closeout 8. Other  C.FPR or FAR <b>HR 13</b>		22. Country or Region of Performance <b>WORLDWIDE</b>		
12. Amount of this PIO/T OBL <b>U.S. \$ 40,853</b>		23. A. This Action Increases or Decreases TEC by  \$ <u>                    </u>  B. Total Estimated Cost of Contractual Document <b>\$ 15,000,000</b>		
3. Amount <input checked="" type="checkbox"/> Obligated <input type="checkbox"/> Subobligated <input type="checkbox"/> Deobligated by this Contract or Amendment <b>U.S. \$ 40,853</b> <b>(100,000)</b>		24. Amount of Non-Federal Funds Pledged to the Project  <b>- 0 -</b>		
14. Cumulative Obligation (Life of Contract)  <b>U.S. \$ 100,000</b>		25. Effective Date of this Action  <b>9 / 30 / 89</b>		
15. This Action Funded Through  <b>12 / 31 / 89</b>		26. Estimated Completion/Expiration Date  <b>9 / 29 / 94</b>		
16. Date Contractual Documents Signed by AID Official <b>9 / 29 / 89</b>		27. Contractor DUNS Number  <b>08-919-9285</b>		
17. Incrementally Funded Contracts <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO		28. Consultant Type Award <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		
18. Host Country/Counterpart Institution (University Contracts)  <b>N/A</b>		29. Number of Person Months (PASA/RSSA only)  <b>N/A</b>		
19. Campus Coordinator (University Contracts)  <b>N/A</b>		30. Number of Persons (PASA/RSSA only)  <b>N/A</b>		
20. ADVANCE A. No Advance B. Advance Non-FRLC C. Advance FRLC  <b>C</b>		31. CONTRACT TYPE A. Fixed Price (specify: <input type="checkbox"/> FFP <input type="checkbox"/> FPRD <input type="checkbox"/> FPEPA <input type="checkbox"/> FPIJ B. Cost Reimbursement (specify: <input type="checkbox"/> CR <input type="checkbox"/> CPFF <input type="checkbox"/> CS <input type="checkbox"/> CPAF <input type="checkbox"/> CPIF) C. IQC and Requirements Contracts D. Grant <input checked="" type="checkbox"/> PASA/RSSA E. Contracts with Individuals  <b>D</b>		
32. Negotiator's Typed Name <b>R. Hogan</b>		33. Negotiator's Signature <b>R. Hogan</b>		34. Date Signed <b>9 / 29 / 89</b>
35. Contract/Grant Officer's Organization Symbol <b>W/R</b>		36. Contract/Grant Officer's Signature <b>EHT</b>		37. Date Signed <b>9 / 29 / 89</b>

38. SUBJECT TO STATUTORY REQUIREMENT

- A. Walsh-Healey Act, Manufacturer\*
- B. Walsh-Healey Act, Regular Dealer\*
- C. Service Contract Act  
*(U.S. ONLY - Guards, Maintenance, Laborers)*
- D. Davis-Bacon Act *(Construction)*
- E. Not subject to Walsh-Bacon Act  
*(Most AID Contracts)*

E

\*Equipment, Supplies, Materials, and Commodities

39. Country of Manufacture

N/A

US

40. CURRENCY INDICATOR

- A. U.S. Dollar
- B. Local Currency
- C. Combination
- D. Unfunded

A

41. SUBCONTRACTS

Is there a provision for a subcontract? *(Contracts only)*

YES

NO N/A

42. TYPE OF SERVICE

- A. Training of Participants
- B. Technical Assistance to Host Country  
*(Program, Project related except A&E Services)*
- C. A&E Services
- D. Construction
- E. Research
- F. Technical Services to AID  
*(other than training; usually operating expense)*
- G. Training Service for AID
- H. Equipment, Materials, Supplies, Commodities
- I. Translation Service

E

43. CONTRACT/AGREEMENT SOURCE

- A. U.S. Contractor/Grantee
- B. Non-U.S. Contractor/Grantee
- C. Combination of A & B

A

44. TYPE OF AMERICAN OWNERSHIP

*(U.S. Persons or Firms Only)*

Minority

- A. Asian/Pacific Islander
- B. Black American
- C. American Aleuts or Eskimos
- D. American Indian
- E. Hispanic

G

G. Non-Minority

45. METHOD OF SOLICITATION

- A. Sealed Bid
- B. Competitive Proposal
- C. Combination/Competition
- D. Other Competition
- E. Noncompetitive

E

46. LABOR SURPLUS AREA PREFERENCE

Labor Surplus Area

- A. No Preference
- B. Tie Bid Preference
- C. Total Set Aside
- D. Not a Labor Surplus Area Preference Award

D

47. TYPE OF BUSINESS

- A. Source: Non-U.S. and Used Outside U.S. & Possessions
- B. Source: Non-U.S. and Possessions  
*(Foreign Purchases Used Inside U.S.)*  
*(If U.S. Source, complete C through Q)*
- C. Firm - Profit Making & PSC's

G

Non-Profit Organizations

- D. Private Educational Organizations
- E. Hospitals
- F. Research Institutions, Foundations, and Laboratories
- G. Other

Private Voluntary Organizations

- H. U.S. Registered
- I. U.S. Non-Registered
- J. Foreign

State/Local Government

- K. Educational Institutions
- L. Hospitals
- M. Research Organizations
- N. Other

O. International Agricultural Research Organizations

- P. Public International Organizations
- Q. U.S. Cooperatives

48. Women Owned Business?

YES

NO

49. TYPE OF AWARD

Small Business

- A. Not Set Aside
- B. Partial Set Aside
- C. Total Set Aside

Other Than Small Business

- D. Personal Service Contract
- E. Individual Non-Personal Service Contract
- F. U.S. Government
- G. University
- H. Non-Profit Organizations and PVOs
- I. Large Businesses

H

50. Paying Office:

Payment will be made by

M/FM/PAFD

3

AGENCY FOR INTERNATIONAL DEVELOPMENT  
WASHINGTON, D.C. 20523

SEP 29 1989

Mr. Ton de Wilde  
President  
AT International  
1331 H Street, N.W.  
Washington, D.C. 20005

Subject: Cooperative Agreement No. DHR-5455-A-00-9082-00

Dear Mr. de Wilde:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, and the Federal Grant and Cooperative Agreement Act of 1977, the Agency for International Development (hereinafter referred to as "A.I.D." or "Grantor") hereby grants to AT International (hereinafter referred to as "ATI" or "Recipient") the sum of \$100,000 to provide support for a program to further strengthen ATI's capacity to demonstrate the beneficial impact, utility and cost-effectiveness of development strategies employing commercially viable and economically sustainable appropriate technologies through implementation of projects funded by A.I.D. and other donors, as more fully described in Attachment 2 entitled "Program Description".

This Cooperative Agreement is effective and obligation is made as of the date of this letter and shall apply to commitments made by the Recipient in furtherance of program objectives during the period September 30, 1989, and ending September 29, 1994. Funds disbursed by A.I.D. but uncommitted by the Recipient at the expiration of this period shall be refunded to A.I.D.

The total estimated amount of the program is \$15,000,000 of which \$100,000 is hereby obligated. A.I.D. shall not be liable for reimbursing the recipient for any costs in excess of the obligated amount.

This Cooperative Agreement is made to ATI on condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachment 1, the Schedule; Attachment 2, the Program Description; and Attachment 3, the Standard Provisions.

Please sign all copies of this letter to acknowledge your receipt and acceptance of the terms and conditions under which these funds are granted. Retain one copy for your files and return the original and all remaining copies, including all those stamped "Funds Available", to this office.

Sincerely,

*Edward H. Thomas*

Edward H. Thomas  
Grant Officer  
Chief, Resources Branch  
A.I.D./W Projects Division  
Office of Procurement

Attachments:

1. Schedule
2. Program Description
3. Standard Provisions

ACKNOWLEDGED:

A T INTERNATIONAL

BY: *Joe L. Tucker*

TYPED NAME: Joe L. Tucker

TITLE: Treasurer

DATE: October 17, 1989

Fiscal Data

(see page 3)

Fiscal Data

PIO/T Number	:	9361600
Appropriation No.	:	72-1191021.6
Budget Plan Code	:	DDSA-89-13600-KG11
Allotment No.	:	946-36-099-00-20-91
Amount Obligated	:	\$59,147
Funding Source	:	S&T/RD
PIO/T Number	:	9361601
Appropriation No.	:	72-1191021.3
Budget Plan Code	:	DDNA-89-13600-KG11
Allotment No.	:	943-36-099-00-20-91
Amount Obligated	:	\$40,853
Funding Source	:	S&T/RD
Amount of Grant	:	\$15,000,000
Cumulative Obligation	:	\$100,000
Project Number	:	936-5455
Project Office	:	S&T/RD/EED
DUNS No.	:	08-919-9285
TIN No.	:	52-1079034

PRINTS AVAILABLE

SEP 30 1989

P. J. ... Division  
Office of Financial Management

SCHEDULE

ARTICLE I - PURPOSE AND PROGRAM DESCRIPTION

A. Purpose

The purpose of this Cooperative Agreement is to provide support to further strengthen AT International's (ATI's) capacity to demonstrate the beneficial impact, utility and cost-effectiveness of development strategies employing commercially viable and economically sustainable appropriate technologies through projects funded by A.I.D. and other donors. The project will facilitate the wider adoption of these development strategies by governments and policy-makers through diffusion and replication of the results/findings of demonstration projects aimed at small enterprises.

B. Program Description

The Program Description is set forth in Attachment 2 and is hereby expanded to incorporate by reference ATI's "Proposal for Cooperative Agreement II" submitted on March 1, 1989, and revised on June 2, 1989.

ARTICLE II - PERIOD OF AGREEMENT, FUNDS OBLIGATED, PAYMENT AND ESTIMATED COST

A. Period of Agreement

1. The effective date of this Agreement is September 30, 1989, and the estimated completion date is September 29, 1994.
2. Funds obligated hereunder are available for program expenditures for the estimated period September 30, 1989, to December 31, 1989.

B. Amount of Agreement and Payment

1. The total estimated amount of this Agreement for the period shown in A.1. above is \$15,000,000.
2. A.I.D. hereby obligates the amount of \$100,000 for program expenditures during the period set forth in A.2. above.
3. Payment shall be made to the Recipient in accordance with procedures set forth in Attachment 3 Standard

Provision entitled "Payment - Letter of Credit".

4. Additional funds up to the total amount of the Agreement shown in B.1. above may be obligated by A.I.D. subject to the availability of funds, program priorities at the time, satisfactory progress, and requirements of the Standard Provision of the Agreement entitled "Revision of Grant Budget".

ARTICLE III - AGREEMENT BUDGET

The following is the budget for the Agreement. Revisions to this budget shall be made in accordance with the Standard Provision of this Agreement entitled "Revision of Grant Budget". Within the total funds obligated, the Recipient may adjust line item amounts as reasonably necessary for the performance of work hereunder.

The Recipient agrees to furnish data which the Grant Officer may request on costs expended or accrued under the Agreement in support of the budget information provided herein.

\*\*\*\*\*SEE ATTACHMENT A TO ATTACHMENT 1 - BUDGET\*\*\*\*\*

ARTICLE IV - OVERHEAD RATE

Pursuant to the Optional Standard Provision of this Agreement entitled "Negotiated Indirect Cost Rates - Provisional," a rate or rates shall be established for each of the Recipient's accounting periods which apply to this Agreement. Pending establishment of revised provisional or final indirect cost rates for each of the Recipient's accounting periods which apply to this Agreement, provisional payments on account of allowable indirect costs shall be made on the basis of the following negotiated provisional rate(s) applied to the base(s) which are set forth below:

Type of Rate:	G and A
Rate:	52.74
Base:	Total Direct Costs Excluding Financial Assistance
Period:	From Agreement Award Until Amended

ARTICLE V - SUBSTANTIAL INVOLVEMENT UNDERSTANDINGS

It is anticipated that performance of the program description requires substantial involvement by A.I.D. Specific areas of involvement include, but are not limited to, the following:

- A. Participation in the ATI Project Review and Advisory Committee meetings to add to the substantive discussion of project proposals submitted to the Committee.
- B. Approval of annual workplans.
- C. Approval of standard report formats at the beginning of the Cooperative Agreement to be used throughout the five-year period.
- D. Review subproject agreements and subproject amendments submitted in accordance with the subproject documentation requirement of the Program Description.
- E. Discuss ATI's programs and projects and promote cooperation between A.I.D. missions and other donors in contacts with overseas personnel when on temporary duty trips. Maintain regular contact with central and regional bureau staff to ensure the continuing relevance of the Cooperative Agreement objectives with field priorities. Keep missions and bureaus apprised of important developments in the area of appropriate technology and its implications for A.I.D. programming and project development.

ARTICLE VI - REPORTS AND EVALUATION

- A. Financial Reporting
  - 1. Financial reporting requirements shall be in accordance with the Standard Provision of this Agreement entitled "Payment - Letter of Credit".
  - 2. The original and two copies of all financial reports prepared in accordance with the Standard Provisions shall be submitted to A.I.D., Office of Financial Management, Program Accounting and Finance Division (FM/PAFD), Washington, D.C. 20523.

3. ATI shall provide the S&T/RD PM with quarterly financial status reports to facilitate monitoring of project expenditures under this Cooperative Agreement. These reports will include information relating to the Cooperative Agreement's total budget, total expenditures, commitments, and unexpended balance, by core funds (S&T contribution) and by mission/regional bureau contributions, and funds from other donors.

ATI shall also include information in the quarterly financial status reports relating to specific line-item activities, including amount authorized, outlays, unliquidated obligations, and balances by core funds, mission/regional bureau and non-A.I.D. contributions. Report formats shall be submitted for approval within 30 days of the signing of this Cooperative Agreement. Once formats are approved, reports shall be submitted within 30 days of the close of the quarter covered.

**B. Program Management Reporting**

1. Annual Workplans - Prior to the release of annual core funding allotments, an approved annual workplan shall be required. Such workplans will specify the level of effort required for the various targeted outputs and the mix of personnel and disciplines needed to accomplish each task.

The annual workplan will provide a clear understanding of the overall allocation patterns against expected project outputs, and provide a running assessment of the status of each of the subprojects and their relevance to ATI's congressional mandate and technical scope. Contents of the workplan, at a minimum, will contain:

- a. a brief status report of on-going work;
- b. a program and line-item budget projection;
- c. a schedule of planned activities by category and anticipated level of effort;
- d. an explanation of progress attained against stated objectives and performance targets;

- e. a schedule of planned outputs; and
- f. estimates of revenues/grants received from other donors during the past year and expected to be received during the workplan year.

The workplan should not exceed 25 pages in length, though necessary appendices are permitted.

The exact format and contents will be negotiated and approved by A.I.D. no later than 30 days following the signing of this Cooperative Agreement. Unless the S&T/RD PM otherwise agrees in writing, the first annual workplan will be submitted within sixty days of the signing of this Cooperative Agreement. Annual workplans covering each subsequent calendar year will be submitted on or before October 1 of the previous year.

Unless the S&T/RD PM otherwise agrees in writing, funding for any year will not be provided until the annual workplan for that year is approved. If it appears that the plan will not be approved in time to ensure continuity of funding for ATI, A.I.D., subject to the availability of funds, may provide funds and extend the period governed by the framework of the last previously approved annual workplan until an agreement can be reached.

2. Semi-annual Progress Reports - ATI shall submit to the S&T/RD PM progress reports no later than February 28 and August 31 of each year. At a minimum, the reports shall contain the following information:
  - a. A comparison of actual accomplishments with the goals established in the approved annual workplan for each program or function.
  - b. In cases where established goals were not met for any program or function, an explanation of why they were not met.
  - c. Other pertinent information on each program or function.

Unless the S&T/RD PM otherwise agrees in writing, a discussion is required of the problems encountered and measures being taken to remedy these problems for each subproject encountering important difficulties. Once a subproject is included on this list of problem subprojects, it shall remain on the list until, in the judgement of ATI, the important problems originally discussed in the Semi-annual Progress Report are substantially resolved.

3. Annual Progress Report - For the purposes of this Cooperative Agreement, S&T/RD will consider, until further notice, the Semi-annual Progress Report due by August 31 as satisfying the reporting requirements of the Annual Progress Report. In addition to the items specified for the Semi-annual Progress Report, the Annual Progress Report will provide a brief description of the achievements, progress and problems pertaining to all subprojects which were completed during the year or are still being implemented as of August 31.

4. Subproject Documentation - Unless otherwise agreed to in writing, within ten days of the end of each month, ATI shall provide to the PM a copy of each of the subproject agreements and amendments signed during the month. Standard formats for the subproject agreements and amendments shall remain the same as those used under the ATI II Cooperative Agreement (DAN 5428-A-00-3047).

In the case of subproject amendment documents, only changes in the subproject documents as previously amended need to be provided. ATI shall amend subproject agreements where the subproject purpose and/or outputs have changed substantially, whether or not this results in a change in the amount of financial assistance and/or termination date. Subproject amendments involving rescheduled loans shall state how many times the loan has been previously rescheduled.

5. Other Reports - Prepare and distribute reports to A.I.D. and other donors such as, evaluations of its subprojects and overall program, and technical papers and publications.

C. Evaluation

A system of monitoring and evaluation will be implemented to track and assess ATI's progress in implementing the objective of this Cooperative Agreement. The system is comprised of the following:

1. Continuous Monitoring - The A.I.D. project manager will continuously monitor project activities. The project manager will keep the S&T Bureau informed of progress in each area of project activities, any problems which develop, and corrective actions being taken to resolve them.
2. Annual Workplans - As previously described, the annual workplan will provide information on the progress made in implementing projects during the past year, problems encountered and solutions proposed or taken, and planned activities for the coming year of project implementation.
3. Output Monitoring - For monitoring purposes, specific outputs of this Cooperative Agreement are listed in Section C of the attached Program Description. These include: the number of technologies tested, commercialized and replicated per amount spent on research and development of the technologies; the number of small and microenterprises started and the number which became profitable within the planned time period; the number of jobs created and the number of people whose incomes increased due to ATI's projects and programs. Outputs also include the financial performance targets listed in Annex 1 of the attached Program Description.
4. Internal Monitoring - ATI will continuously monitor project activities via its internal monitoring and evaluation system and keep the S&T/RD PM informed by sharing its evaluation reports and informal communications on progress.
5. External Evaluation - In addition to the on-going internal monitoring and evaluation activities, there will be a formal external evaluation conducted during the five-year period. The external evaluation will focus on two dimensions: (a) the

progress toward achieving stated goals, objectives and targets and any operational problems or constraints affecting achievement; and (b) the status of individual subproject implementation and monitoring, and the quality of outputs produced. The external evaluation will also assess ATI's success in achieving the high-level institutional objectives articulated in Article I.A. above. The evaluation process will consist of an assessment conducted at the mid-point and at the final stages of the five-year period.

ARTICLE VII - SPECIAL PROVISIONS

A. Language Requirements

Work under this Cooperative Agreement will, at a minimum, require French and Spanish language capabilities plus other languages as required in countries where work is performed.

B. Local Cost Financing With U.S. Dollars

Commodities financed by A.I.D. under this Agreement shall have their source and origin in the cooperating country or the United States, except as A.I.D. may otherwise agree to in writing. Except for ocean shipping, the suppliers of commodities or services shall have the cooperating country or the United States as their place of nationality, except as A.I.D. may otherwise agree to in writing.

Each developing country where training or other assistance takes place under the Agreement shall be deemed to be a cooperating country for goods and services required for the activities taking place in that country. This includes the provision of goods and services for cross-training from other ATI participating countries.

C. Consultants

The use of consultants is authorized under this Agreement in accordance with ATI's policies and procedures. Fees paid to consultants and reimbursement hereunder shall be reasonable in accordance with the paragraph of the applicable cost principles entitled "Professional Services Costs", and shall not exceed, without specific approval of the Grant Officer, the maximum daily rate of a Foreign Service 1 (FS-1) Officer.

Note: The daily rate is computed by dividing the annual salary by 260.

D. Management of On-going Activities

Under this Agreement, ATI shall continue to monitor, provide technical assistance to, and evaluate on-going activities which were approved and funded under Cooperative Agreement No. DAN-5428-A-00-3047.

E. Equipment and Supplies

All properties purchased by ATI with A.I.D. funding under Cooperative Agreement No. DAN-5428-A-00-3047 such as equipment, manuscripts, computer software and hardware, books, etc., shall be transferred and used in performance of this Cooperative Agreement.

F. Applicable Cost Principles

1. For the purposes of this Cooperative Agreement, references to the cost principles of OMB Circular A-122 in the Standard Provisions of this Cooperative Agreement shall include the A.I.D. implementation of such Circular, as set forth in Subparts 731.772 (a) of the A.I.D. Acquisition Regulations (AIDAR) (48 CFR Chapter 7).
2. Subordinate agreements and contracts with other U.S. organizations and firms shall be governed by the applicable cost principles which apply to that organization.
3. For subagreements and contracts with institutions which are based on predetermined rates, reimbursements shall be governed only by the specifics expressed in the respective subagreement or contract and its governing provisions.

G. Communications Review Board

All proposed new, non-technical ATI publications and audio visual productions developed by ATI with A.I.D. core funding are subject to Communications Review Board (CRB) review. ATI shall submit the general thematic topics in sufficient detail for review by the Board. These submissions should be made, if possible, at the concept stage. Requests for the reprinting of any non-technical publications must also receive CRB approval.

H. Title to Property

Title to property purchased by ATI under this Cooperative Agreement shall vest in ATI. The Standard Provision of this Agreement entitled "Title to and Use of Property (Recipient Title)" applies. Use, accountability, and disposition of property shall be in accordance with said standard provision.

Property acquired by ATI under Cooperative Agreement DAN-5428-A-00-3047 is transferred to this Cooperative Agreement for use hereunder.

I. Equipment and Other Capital Expenditures

Pursuant to the Standard Provisions of this Agreement entitled "Allowable Costs" and "Revision of Grant Budget", and by extension of OMB Circular A-122, ATI must obtain A.I.D. Grant Officer approval for general purpose equipment (i.e., any article of nonexpendable tangible personal property, the use of which is not limited only to research, medical, scientific or other activities [e.g., office equipment and furnishings, air conditioning equipment, reproduction and other equipment, motor vehicles, and automatic data processing equipment] having a useful life of more than two years and an acquisition cost of \$500 or more per unit); purchase of special purpose equipment (i.e., an article of nonexpendable tangible personal property, which is used only for research, medical, scientific, or other technical activities, and which has a useful life of more than two years and an acquisition cost of \$1,000 or more per unit); and other capital expenditures (i.e., the cost of the asset, including the cost to put it in place).

J. Automation Equipment

In addition to the approvals described in Paragraph I above, ATI must obtain the approval of the Grant Officer for any purchases of automation equipment (i.e., computers, word processors), software, or related services made hereunder, if the total cost of such purchases will exceed \$100,000. The Grant Officer must, in turn, have the concurrence of the A.I.D./W, M/SER/IRM office, before providing any such approvals.

K. Order of Precedence

In the event of any inconsistencies in this Cooperative Agreement, they shall be resolved by applying the following descending order of precedence:

1. Attachment 1 - Schedule
2. Attachment 3 - Standard Provisions
3. Attachment 2 - Program Description

L. Standard Provisions

The Standard Provisions applicable to this Cooperative Agreement are entitled "Mandatory Standard Provisions for U.S. Nongovernmental Grantees" and "Optional Standard Provisions for U.S., Nongovernmental Grantees". These provisions are attached hereto and made a part of this Agreement. The applicable Optional Standard Provisions are denoted by an "X" on the cover page.

LINE ITEM	BUDGET						TOTAL
	09-30-89 to 12-31-89	01-01-90 to 12-31-90	01-01-91 to 12-31-91	01-01-92 to 12-31-92	01-01-93 to 12-31-93	01-01-94 to 09-29-94	
Financial Assistance	\$0	\$8,000	\$265,000	\$252,000	\$225,000	\$262,000	\$1,012,000
Salaries	\$57,000	\$1,411,000	\$1,491,000	\$1,539,000	\$1,593,000	\$1,237,000	\$7,328,000
Fringe Benefits	\$13,000	\$325,000	\$343,000	\$354,000	\$366,000	\$285,000	\$1,686,000
Consultants	\$6,000	\$145,000	\$160,000	\$175,000	\$165,000	\$150,000	\$801,000
Travel & Per Diem	\$6,000	\$300,000	\$315,000	\$331,000	\$347,000	\$365,000	\$1,664,000
Equipment & Supplies	\$3,000	\$13,000	\$8,000	\$6,000	\$3,000	\$4,000	\$37,000
Overseas Operating Expenses	\$0	\$78,000	\$86,000	\$95,000	\$104,000	\$114,000	\$477,000
Other Direct Costs	\$15,000	\$620,000	\$332,000	\$248,000	\$197,000	\$583,000	\$1,995,000
<b>TOTAL</b>	<b>\$100,000</b>	<b>\$2,900,000</b>	<b>\$3,000,000</b>	<b>\$3,000,000</b>	<b>\$3,000,000</b>	<b>\$3,000,000</b>	<b>\$15,000,000</b>

**COOPERATIVE AGREEMENT****PROGRAM DESCRIPTION****A. Objective**

To further strengthen Appropriate Technology International's (ATI's) capacity to demonstrate the beneficial impact, utility and cost-effectiveness of development strategies employing commercially viable and economically sustainable appropriate technologies through projects funded by A.I.D. and other donors. The project will facilitate the wider adoption of these development strategies by governments and policy-makers through diffusion and replication of the results/findings of demonstration projects aimed at small enterprises.

**B. Program Activities**

Activities programmed for the Appropriate Technology International III (ATI III) Cooperative Agreement take into account ATI's twelve years of experience working in the field of appropriate technology. ATI II, the previous Cooperative Agreement, specialized in the identification, design and support for ATI/Washington-financed subprojects, through the making of sub-grants to local organizations in developing countries almost exclusively from A.I.D. funds.

The fundamental difference between the ATI II and ATI III Cooperative Agreements is the strategy under which ATI will increase its efforts to make its capabilities available to other donors, foreign governments, and A.I.D. missions and bureaus. The ATI III Cooperative Agreement will provide financing and incentives for ATI to reorient its program away from that of an A.I.D. centrally financed, supply-driven sub-grantmaking organization which utilizes A.I.D.'s funds to implement technology subprojects, to a mixed supply- and demand-driven program that leverages A.I.D.'s central funds to attract other donor funding. The basic purpose of the new Cooperative Agreement is to give ATI greater operational flexibility to expand and diversify its project funding base. Success in such an endeavor will be mirrored by a dramatic increase in the number and size of ATI field projects -- to a level far in excess of anything envisioned under a predominantly A.I.D. centrally financed field program.

A.I.D. intends to provide \$3.0 million per year to ATI to carry out the ATI III Program. A.I.D. core funding will be provided principally for one high-level purpose: the leveraging of other donor resources (defined as A.I.D. field mission, multilateral, other bilateral, host country, foundation, or any other donor) into appropriate technology field projects. Annual performance targets for funding received from other donors have been established based on ATI's own calculations of parlaying A.I.D.'s \$15 million (\$3.0 million/year for five years) into a total program in excess of \$39 million to achieve output goals as described in Section C. ATI's performance during the next five years will be measured in terms of its success in meeting these financial and other targets.

Meeting the performance targets will require that ATI utilize the funding provided by this Cooperative Agreement to undertake an intensive effort to market its products, services and its insights about appropriate technology applications. As a result, the functional role of ATI technical and support staff will change significantly. Directors of Regional teams will be expected to take the lead in developing and supervising business with USAID missions under "buy-ins", to seek other contract business and to devote considerable effort to finding other donor funding for ATI's tests and replication of appropriate technologies. Project officers also will have to market ATI's products and services and will be expected to perform work under "buy-ins" and on other contracts that may be funded by A.I.D. bureaus/missions or other donors.

To accomplish this goal, ATI will continue to receive core support from A.I.D. central funds to finance their operational expenses and operate a limited field assistance program. ATI will accept contributions from A.I.D. missions and bureaus in the form of "buy-ins" for provisions of technical services through work orders issued under an Indefinite Quantity Contract that will be negotiated subsequent to this action. In addition, ATI will market its expertise to other international development assistance organizations and OECD country governments in order to leverage A.I.D.'s core funds to extend the impact of ATI's program.

#### Substantive Program Areas

The substantive areas of the ATI III Program will remain the same as the ATI II Program:

- agricultural products processing and the use of agricultural waste;
- local mineral resource technologies;
- equipment and support for small farms; and
- truly unusual opportunities which fall outside of the above categories. (Funding for these projects will be limited to not more than five percent of the funds available for financial assistance in any one fiscal year.)

ATI has developed staff expertise in each of the above areas. ATI staff have the capacity to effectively assist local organizations and small entrepreneurs to develop skills in assessing the market and in developing marketing strategies. A few of the successful technical innovations ATI introduced and commercialized include: a small-scale method for wet coconut processing, small-scale vegetable oil production (especially palm oil, shea nut butter and sunflower seed oil), production of low-cost animal feeds, upgrading traditional lime production, upgrading traditional brick-making through the introduction of low-moisture bricks, and improved distillation methods for small-scale production of cinnamon oil and citronella oil.

ATI will continue to focus its program on the above substantive categories, concentrating on marketing its services and products through subprojects involving a specific technology or technologies rather than more generalized efforts to promote appropriate technology. Also, ATI will target small enterprises, and private organizations working with small enterprises, as implementing organizations for subprojects. The types of support ATI will provide to such subproject implementing organizations will include project identification; technical assistance, particularly in the areas of commercialization and assessment of technologies; financial assistance; and replication of successful innovations.

ATI will continue to be involved with both the development and dissemination of technologies as well as the institutional strengthening of local indigenous organizations. Each of ATI's subprojects will have a product or process (hard technology) at its core. However, ATI's involvement will adequately cover all

aspects of the subproject which are necessary for its success, including institutional and financial support (software). In addition, ATI may be involved in activities related to appropriate technology policy which are specifically related to individual subprojects. However, before initiating contact with Government Agencies about policy changes regarding a particular technology, ATI will notify and seek collaboration from the applicable A.I.D. mission staff.

### Field Operations

Field operations under ATI III will remain the same as ATI II and will include, but need not be limited to, the following activities:

1. IDENTIFICATION OF TECHNICAL AREAS  
Identify those areas within a technical field where there is a pressing need for improved technologies and a potential for commercialization and dissemination.
2. SUBPROJECT DEVELOPMENT  
Assist small enterprises and other indigenous private organizations working in these technical areas to choose, develop, transfer, adapt, commercialize, disseminate and assess specific technologies that are appropriate for local conditions.
3. FINANCIAL ASSISTANCE (Subproject Implementation)  
Provide financial assistance from its own and other donor resources to small enterprises and other indigenous private organizations for subproject development.
4. COMMERCIALIZATION  
Assist small enterprises and indigenous private organization in conducting commercial assessments and provide management and administrative assistance and training.
5. DISSEMINATION  
Assist small enterprises and indigenous private organizations with market analyses, feasibility studies, and management and administrative training related to marketing and disseminating developed technologies.

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6. REPLICATION

Assist in efforts to disseminate technical, marketing, institutional and policy innovations which have been successfully demonstrated in existing or completed subprojects. This activity includes locating other donor financial support for the replication of subprojects. Seek information which will allow the assessment of the potential applicability, usefulness, and marketability of the subproject to geographic or other environments. ATI shall make an effort to identify, during the design and implementation of a demonstration subproject, organizations and individuals with a potential interest in replicating the innovative elements of the subproject, if successful, and to keep them informed of the progress of the subproject during implementation.

Subproject Documentation

Subproject documentation will consist of two types: documentation from ATI to the A.I.D. Project Manager (PM) and/or Office of Procurement, and documentation from the subproject implementing organization to ATI.

ATI Documentation to be Sent to A.I.D.-

Unless otherwise agreed to in writing, within ten days of the end of each month, ATI shall provide to the PM a copy of each of the subproject agreements and amendments signed during the month. Standard formats for the subproject agreements and amendments shall remain the same as those used under the ATI II Cooperative Agreement (DAN 5428-A-00-3047).

In the case of subproject amendment documents, only changes in the subproject documents as previously amended need to be provided. ATI shall amend subproject agreements where the subproject purpose and/or outputs have changed substantially, whether or not this results in a change in the amount of financial assistance and/or termination date. Subproject amendments involving rescheduled loans shall state how many times the loan has been previously rescheduled.

### Implementing Organization Documents to be Sent to ATI-

ATI shall require all implementing organizations or individuals to submit quarterly and annual progress reports using the same format and schedule as was required under the ATI II Cooperative Agreement (DAN 5428-A-00-3047). ATI shall require implementing organizations to keep bank statements, contracts, receipts, and other documentary evidence necessary to substantiate their financial reports.

### Financial Assistance to Subproject Implementing Organizations

#### Capital Contributions to Revolving Loan Funds-

ATI may continue to provide financial assistance to implementing organizations through the making of capital contributions to revolving loan funds. Wherever a capital contribution is made to a revolving loan fund, the subproject agreement will include a provision requiring all principal paid on loans made to be returned to the fund for relending. This provision will also require all interest paid in excess of the operating costs of the fund to be made available for relending.

In addition, ATI shall ensure that each implementing organization which has received a capital contribution to a revolving loan fund or other financial arrangement including, but not limited to, venture capital funds, include as a minimum the same information on all fund activity in its quarterly and final financial reports as was required under the ATI II Cooperative Agreement (DAN 5428-A-00-3047).

#### Capital contributions to Equity Capital Funds-

ATI may continue to provide financial assistance to implementing organizations through the making of capital contributions to equity capital funds. All return of capital dividends received will be returned to the fund for reinvestment. Also, ordinary dividends received in excess of the operating costs of the fund will be made available for reinvestment. Whenever a capital contribution is made to an equity capital fund, the subproject agreement will include the same provisions as was specified for the ATI II Cooperative Agreement (DAN 5428-A-00-3047).

Where a subproject includes both a revolving loan fund and an equity capital fund, the subproject implementing organization will administer the two funds separately, using separate bank accounts, and keeping separate books and records.

**C. Specific Performance Targets and Outputs of the Cooperative Agreement**

Performance Targets

ATI has established annual performance targets for the amount of subproject activities beyond A.I.D.'s core funds that they expect to receive from other donors, foreign governments, and A.I.D. missions/bureaus over the next five years (see Annex 1 attached). In total, ATI expects to receive (through ATI's books either in Washington, D.C. or in its branch offices overseas) over \$39 million in financial assistance for services performed and/or subprojects implemented. Only projects in which ATI is actively involved in the design, or in their management and implementation, will be counted toward meeting the \$39 million goal for the purposes of this Cooperative Agreement. Progress in meeting these targets shall be tracked as part of ATI's on-going internal monitoring and evaluation system and ATI's accounting system, and as part of the external evaluation to be conducted at the mid-point and final stages of the Cooperative Agreement.

Outputs for the purposes of monitoring this Cooperative Agreement include direct outputs: the number of technologies tested, commercialized, and replicated per amount spent on research and development of the technologies; the number of small and microenterprises started and the number which became profitable within the planned time period; the number of jobs created and the number of men and women whose incomes increased due to ATI's projects and programs.

ATI will develop and/or disseminate at least one technology in every project in which it provides or leverages financial assistance. Although it is expected that over the life of the project more than one technology, as defined above, would be incorporated in a single project, at a minimum ATI will disseminate 76 technologies in 76 separate projects with funds that pass directly through ATI's financial records. Of these projects, seventy-five percent of these technologies will be innovative technologies, and twenty-five percent will be already tested technologies (replication).

For the purposes of this program description, innovative subprojects are defined as:

- a completely new product or process;
- a new use for an existing product or process; and
- introduction or adaptation of an existing product or process for use in a new geographic, ecological, topographic or other environment.

In addition to the above, the following outputs are expected during the five-year period:

1. In financial assistance projects, ATI will create one workplace (equivalent to a full-time [eight hours/day] employment) for every \$2,500 granted from A.I.D. core funds and from non-core funds passing directly through ATI's books. Thus, over a five-year period, ATI will create 10,600 workplaces for men and women.
2. For every \$2,500 granted in financial assistance, ATI will increase the incomes of 27 men and women. Thus, over the life of the Cooperative Agreement, ATI will increase the incomes of approximately 291,500 men and women. Targets for the exact amount of income will be established on a project-by-project basis and be reported in the annual workplan and monitored in Annual Program Reports and ATI project evaluations.
3. For every \$12,500 granted in financial assistance, ATI will generate approximately one new enterprise. Five percent of the total will be small enterprises employing 20-25 men and women, and 95 percent will be microenterprises. Thus, over the five-year life of the Cooperative Agreement, ATI will establish 2,578 enterprises; of these, 129 will be small enterprises and 2,449 will be microenterprises.
4. ATI will maintain gender-disaggregated data on all its projects as well as data on the value added by each project. Specific project targets for this output will be established during the first year of the Cooperative Agreement and will be specified thereafter in the Annual Workplan.

5. For every \$50,000 expended on research and development (R&D), ATI will produce one new technology which has been designed or adapted for particular circumstances in a developing country which is ready to use in a demonstration project. A total of 57 such technologies will be developed over the five-year period.
6. For every \$10,000 expended on R&D modifications on proven ATI hard technology packages for replication purposes, ATI will produce a technology package ready for replication in one or more additional sites for a total of 19 such packages over the five-year period.
7. For every \$5,000 expended on technology specific policy analysis, ATI will produce one policy impact assessment related to a specific technology demonstration project for a total of 30 policy impact assessments over the five-year period.
8. For every \$6,000 expended on institution building, at least one on-the-job training course will be provided for 3 to 10 selected staff of ATI subproject organizations for a total of 30 such training courses upgrading the institutional management or technical advisory skills of between 90 and 300 subproject staff over the five-year period.

In addition to the direct outputs produced, ATI's program also will be assessed by the amount of indirect outputs it produces. These include: the amount of funds mobilized to achieve ATI's goal and purpose; the number of "soft technologies" -- venture capital and other financial arrangements -- tested and developed; the impact of subproject-related policy activities; and the number of publications and articles contributed. ATI shall establish targets for these and any other indirect outputs and propose these targets in each Annual Workplan.

#### **D. Management Plan**

##### A.I.D. Involvement

A.I.D. will assign a project manager (PM) from the Bureau for

Science and Technology, Office of Rural Development (S&T/RD) to oversee activities of this Cooperative Agreement. The S&T/RD PM will undertake the following:

1. Review and approve the project's annual workplan and budget in consultation with S&T/RD management.
2. Examine core budgets to assure that activities are consistent with Cooperative Agreement objectives.
3. Discuss ATI's programs and projects and promote cooperation between A.I.D. missions and other donors, in contacts with overseas personnel when on temporary duty trips. Maintain regular contact with central and regional bureau staff to ensure the continuing relevance of the Cooperative Agreement objectives with field priorities. Keep missions and bureaus apprised of important developments in the area of appropriate technology and its implications for A.I.D. programming and project development.
4. Provide professional input via ATI's Project Review and Advisory Committee into the design of activities to ensure that work is consistent with the objectives of the ATI III project.

#### ATI Involvement

ATI shall be responsible for the execution of the activities to meet the objectives of this Cooperative Agreement. This shall include, but not be limited to, the following:

1. Provide institutions working in the field of appropriate technology, governments and donor agencies with information on program, planning and policy strategies to facilitate the dissemination of project results and the application of appropriate technologies in general.
2. Exchange information with appropriate technology groups, universities, research institutions and private voluntary organizations in appropriate technology development programs and projects, and

small- and medium-sized businesses to avoid duplication of effort.

3. Prepare and distribute reports to A.I.D. and other donors, evaluation reports of its subprojects and overall program, and other papers and publications.
4. Maintain a collection of reports, papers and publications on topics related to appropriate technology.
5. Provide information and technical assessments on successful subproject technical, marketing, institutional and policy innovations to interested parties.
6. Replicate technical, marketing, institutional, and policy innovations which have been successfully demonstrated in existing or completed subprojects and evaluate the replication activity.

Close cooperation between ATI and A.I.D. operational units (central bureaus, regional bureaus and field missions) is expected to make an important contribution to achieving the objectives of the Cooperative Agreement. ATI shall keep the S&T/RD PM fully apprised of the status of all field activities undertaken in the context of this Cooperative Agreement as well as important communications with field missions through required reports described below.

#### **E. REQUIRED REPORTS**

The following reports will be required during the five-year time period of ATI III:

##### Annual Workplans

Prior to the release of annual core funding allotments, an approved annual workplan will be required. Such workplans will specify the level of effort required for the various targeted outputs and the mix of personnel and disciplines needed to accomplish each task.

The annual workplan will provide a clear understanding of the overall allocation patterns against expected project outputs, and provide a running assessment of the status of each of the subprojects and their relevance to ATI's congressional mandate and technical scope. Contents of the workplan, at a minimum, will contain:

1. a brief status report of on-going work;
2. a program and line-item budget projection;
3. a schedule of planned activities by category and anticipated level of effort;
4. an explanation of progress attained against stated objectives and performance targets;
5. a schedule of planned outputs; and
6. estimates of revenues/grants expected to be received from other donors during the past year and amounts expected to be received during the workplan year.

The workplan should not exceed 25 pages in length, not counting appendices.

The exact format and contents will be negotiated and approved by A.I.D. no later than 30 days following the signing of this Cooperative Agreement. Unless the S&T/RD PM otherwise agrees in writing, the first annual workplan will be submitted within sixty days of the signing of this Cooperative Agreement. Annual workplans covering each subsequent calendar year will be submitted on or before October 1 of the previous year.

Unless the S&T/RD PM otherwise agrees in writing, funding for any year will not be provided until the annual workplan for that year is approved. If it appears that the plan will not be approved in time to ensure continuity of funding for ATI, A.I.D., subject to the availability of funds, may provide funds and extend the period governed by the framework of the last previously approved annual workplan until an agreement can be reached.

#### Semi-annual Progress Reports

ATI shall submit to S&T/RD PM progress reports no later than February 28 and August 31 of each year. At a minimum, the reports shall contain the following information:

1. A comparison of actual accomplishments with the goals established in the approved annual workplan for each program or function.
2. In cases where established goals were not met for any program or function, an explanation of why they were not met.
3. Other pertinent information on each program or function.

Unless the S&T/RD PM otherwise agrees in writing, a discussion is required of the problems encountered and measures being taken to remedy these problems for each subproject encountering difficulties. Once a subproject is included on this list of problem subprojects, it should remain on the list until, in the judgement of ATI, the important problems originally discussed in the semi-annual progress report are substantially resolved.

#### Annual Progress Report

For the purposes of this CA, the S&T/RD PM will consider, until further notice, the semi-annual progress report due by August 31 as satisfying the reporting requirements of the Annual Progress Report. In addition to the items specified for the semi-annual progress report, the Annual Progress Report will provide a brief description of the achievements, progress and problems of all subprojects which were completed during the year or are still being implemented as of August 31.

#### Financial Reports

ATI shall provide the S&T/RD PM with quarterly financial status reports to facilitate monitoring of project expenditures under this Cooperative Agreement. These reports will include information relating to the Cooperative Agreement's total budget, total expenditures, commitments, and unexpended balance, by core funds (S&T contributions) and mission/regional bureau contributions, and funds from other donors.

ATI shall also include information relating to specific line-item activities, including amount authorized, outlays, unliquidated obligations, and balances by core funds, mission/regional bureau and non-A.I.D. contributions. Report

formats shall be submitted for approval within 30 days of the signing of this Cooperative Agreement. Once formats are approved, reports shall be submitted within 30 days of the close of the quarter covered.

Except as specified above, ATI shall submit a copy of its report formats for approval within 60 days of the signing of this Cooperative Agreement. ATI will be informed of the decision on these formats in a timely manner through an implementation letter.

#### **F. Monitoring and Evaluation**

ATI will continuously monitor project activities via its monitoring and evaluation system and keep the S&T/RD PM informed by sharing its internal evaluation reports plus informal communication on progress. In addition to the on-going internal monitoring and evaluation activities, there will be a formal external evaluation that will measure progress achieved at the mid-point and final stages of the five-year period. The external evaluation will assess ATI's success in achieving the high-level institutional objectives articulated in Section A above, and will focus on two dimensions: 1) the progress toward achieving stated goals, objectives and targets and any operational problems or constraints affecting achievement; and 2) the status of individual subproject implementation and monitoring activities, and the quality and quantity of outputs produced. These two dimensions are further explained as follows:

##### **1. ATI Management and Operations:**

Particular attention will be given to measuring ATI's success in meeting its targeted outputs and the effectiveness of its program. The external evaluation will assess:

- a) ATI's progress in meeting the objectives of this Cooperative Agreement;
- b) the quantity and quality of outputs produced, and the contribution of the outputs to the accomplishment of the Cooperative Agreement's performance targets specified previously in Section C; and

- c) the appropriateness or adequacy of project inputs.

The evaluation will also assess whether major management and technical problems exist and, if so, propose solutions.

2. ATI Field Program:

As part of ATI's internal Monitoring and Evaluation System, baseline data will be gathered (disaggregated by gender) on selected subprojects which will permit measuring the impact of these subprojects on employment, productivity, income, savings and capital stock of the target audiences.

ATI's subproject evaluations will include, but not be limited to, the following items:

- a) description of innovative element(s);
- b) technical assessment of innovative element(s);
- c) profitability assessment of innovative element(s);
- d) replicability of the innovative element(s) of the subproject which was first discussed in the original subproject proposal;
- e) a description of ATI's subproject-specific replication strategy including a time-phased plan for ATI's actions;
- f) lessons learned; and
- g) sustainability.

ATI will make an effort to discover and evaluate replications of the innovative element(s) of successful demonstration subprojects in situations where replication would not be routinely reported to ATI, particularly where replication is spontaneous or results from information dissemination. Once discovered, each replication of ATI's demonstration subprojects will be the subject of a short, simple evaluation. The evaluation will include, but not be limited to, the following:

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- a) description of innovative element(s);
- b) ATI's demonstration subproject title(s) and number(s);
- c) implementing organizations(s);
- d) number of applications of innovative element(s);
- e) location and environment of replication;
- f) replication processes and agents used;
- g) description of techniques used to market innovative element(s);
- h) description of financing methods used for replication; and
- i) narrative description of replication process.

Note: The evaluation framework above assumes that the information required can be obtained with a reasonable expenditure of time and resources.

Results from both the ATI management and field program assessments will, to the extent possible, attempt to measure ATI's contribution to the field of appropriate technology and its program effectiveness. Furthermore, the external evaluation will assess how well ATI is meeting its performance targets of attracting A.I.D. missions/bureau financial support and other donor funding.

## ANNEX I: Targets for Financing (Page 1 of 2)

Targets 1990-1994  
(in Thousand \$)

		Direct					Total	Leveraged					
		Year 1	Year 2	Year 3	Year 4	Year 5		Year 1	Year 2	Year 3	Year 4	Year 5	
Buy-ins under the IQC	S	874	988	988	1,140	1,140	5,130	250	300	150	250	250	1,200
	F	100	100	100	200	200	700		2,000	3,000	1,000	4,000	10,000
	T	974	1,088	1,088	1,340	1,340	5,830	250	2,300	3,150	1,250	4,250	11,200
RFP's/other CA's/ from A.I.D.	S	380	480	532	532	532	2,456	250	250	250	350	350	1,450
	F	250	650	650	1,000	1,000	3,550	1,000	2,000	3,000	3,000	10,000	19,000
	T	630	1,130	1,182	1,532	1,532	6,006	1,250	2,250	3,250	3,350	10,350	20,450
Int.Dev. Assistance Org. UNCDF	S		200	100	100	100	500						0
	F		500		1,000	1,500	3,000		2,000		4,000	4,000	10,000
	T		700	100	1,100	1,600	3,500	0	2,000	0	4,000	4,000	10,000
IFAD	S	75	0	200	300	225	800						0
	F	75	400	500	1,500	1,500	3,975		4,000	5,000	5,000	5,000	19,000
	T	150	400	700	1,800	1,725	4,775	0	4,000	5,000	5,000	5,000	19,000
World Bank	S		200	250	250	250	950						0
	F								25,000		25,000	15,000	65,000
	T	0	200	250	250	250	950	0	25,000	0	25,000	15,000	65,000
Reg. Dev. Banks	S		250	0	250	250	750						0
	F						0		2,000	4,000	4,000	6,000	16,000
	T	0	250	0	250	250	750	0	2,000	4,000	4,000	6,000	16,000
UNIFEM/UNDP/ESCAP/OTHER	S		50	250	100	50	450	25	50	50	50	75	250
	F	150	0	150	200	200	700	750	1,000	750	1,500	1,000	5,000
	T	150	50	400	300	250	1,150	775	1,050	800	1,550	1,075	5,250
Bilateral Donors Netherlands	S	25	100	125	150	100	500						0
	F	225	750	550	1,000	500	3,025	1,000	1,500	1,000	1,500	1,500	6,500
	T	250	850	675	1,150	600	3,525	1,000	1,500	1,000	1,500	1,500	6,500
U.K./SIDA	S		150		100	100	350						0
	F	300		250		250	800		1,000	300	450	450	2,200
	T	300	150	250	100	350	1,150	0	1,000	300	450	450	2,200
Norway	S		0		75	150	225						0
	F		250	250	350	350	1,200		500	1,000	1,000	1,000	3,500
	T	0	250	250	425	500	1,425	0	500	1,000	1,000	1,000	3,500
Canada	S						0	250	275	300	250	250	1,325
	F	75	150	200	150	150	725	250	500	750	250	750	2,500
	T	75	150	200	150	150	725	500	775	1,050	500	1,000	3,825
Italy	S		0	25	0	75	100						0
	F		0	150	150	150	450		350	150	350	450	1,300
	T	0	0	175	150	225	550	0	350	150	350	450	1,300



MANDATORY STANDARD PROVISIONS FOR  
U.S., NON-GOVERNMENTAL GRANTEE<sup>1</sup>

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MANDATORY STANDARD PROVISIONS

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| 6. Disputes                       | 12. Notices                      |

1. ALLOWABLE COSTS (NOVEMBER 1985)

The grantee shall be reimbursed for costs incurred in carrying out the purposes of this grant which are determined by the grant officer to be reasonable, allocable, and allowable in accordance with the terms of this grant, any negotiated advance understanding on particular cost items, and the applicable\* cost principles in effect on the date of this grant.

\* NOTE: For Educational Institutions use OMB Circular A-21; for all other non-profits use OMB Circular A-122; and for profit making firms use FAR 31.2. and AIDAR 731.2.

2. ACCOUNTING, AUDIT, AND RECORDS (JANUARY 1988)

(a) The grantee shall maintain books, records, documents, and other evidence in accordance with the grantee's usual accounting procedures to sufficiently substantiate charges to the grant. The grantee's financial management system shall provide for the following:

(1) Accurate, current, and complete disclosure for each A.I.D.-sponsored project or program in accordance with the reporting requirements of this grant. While A.I.D. requires reporting on an accrual basis, the grantee shall not be required to establish an accrual accounting system but shall develop such accrual data for its reports on the basis of an analysis of the documentation on hand.

<sup>1</sup>When these Standard Provisions are used for cooperative agreements, the following terms apply: "Grantee" means "Recipient," "Grant" means "Cooperative Agreement," and "A.I.D. Grant Officer" means "A.I.D. Agreement Officer."

(2) Records that identify adequately the source and application of funds for A.I.D.-sponsored activities. These records shall contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, outlays, and income.

(3) Effective control over and accountability for all funds, property, and other assets. Grantee shall adequately safeguard all such assets and shall ensure that they are used solely for authorized purposes.

(4) Comparison of actual outlays with budget amounts for each grant. Financial information should be related to performance and unit-cost data whenever appropriate.

(5) Procedures to minimize the time elapsing between the transfer of funds from the U.S. Treasury and the disbursement by the recipient, whenever funds are advanced by the Federal Government.

(6) Procedures for determining the reasonableness, allowability, and allocability of costs in accordance with the provisions of the applicable Federal cost principles and the terms of the grant.

(7) Accounting records that are supported by documentation that at a minimum will identify, segregate, accumulate, and record all costs incurred under a grant and which fully disclose (i) the amount and disposition by the grantee of the proceeds of such assistance, (ii) the total cost of the project or undertaking in connection with which such assistance is given or used, (iii) the amount of that portion of the cost of the project or undertaking supplied by other sources, and (iv) such other records as will facilitate an effective audit.

(8) Examinations in the form of audits or internal audits shall be made by qualified individuals that are sufficiently independent of those that authorize the expenditure of A.I.D. funds to produce unbiased opinions, conclusions, or judgments. They shall meet independence criteria along the lines of Chapter IV, Part B of the U.S. General Accounting Office Publication Standards for Audit of Governmental Organizations, Programs, Activities, and Functions (1981 Revision). These examinations are intended to ascertain the effectiveness of the financial management systems and internal procedures that have been established to meet the terms and conditions of the grant. It is not intended that each grant awarded to the grantee be examined. Generally, examinations should be conducted on an organization-wide basis to determine whether the institution has implemented and utilizes appropriate financial and administrative systems and controls in accordance with the uniform administrative requirements of OMB Circular A-110 and the applicable cost principles specified in the "Allowable Costs" standard provision of this grant, and to test the fiscal integrity of financial transactions, including accuracy and reliability of financial reports submitted to A.I.D. and other Federal agencies under agreements to which the terms of Attachment G of OMB Circular A-110 apply, as well as compliance with the

terms and conditions of the A.I.D. grant. Such tests would include an appropriate sampling of A.I.D. and other Federal grants and agreements. Examinations will be conducted with reasonable frequency, on a continuing basis or at scheduled intervals, usually annually, but not less frequently than every two years. A copy of the audit report shall be furnished to the A.I.D. grant officer who shall make appropriate distribution within the Agency. The frequency of these examinations shall depend upon the nature, size, and the complexity of the activity. These grantee self-examinations do not relieve A.I.D. of its audit responsibilities, but may affect the frequency and scope of such audits.

(9) A systematic method to ensure timely and appropriate resolution of audit findings and recommendations.

(b) The grantee shall preserve and make available such records for examination and audit by A.I.D. and the Comptroller General of the United States, or their authorized representatives:

(1) until the expiration of three years from the date of termination of the grant;

(2) for such longer period, if any, as is required to complete an audit to resolve all questions concerning expenditures unless written approval has been obtained from the grant officer to dispose of the records. A.I.D. follows generally accepted accounting practices in determining that there has been proper accounting and use of grant funds. The grantee agrees to make available any further information requested by A.I.D. with respect to any questions arising as a result of the audit; and

(3) If any litigation, claim, or audit is started before the expiration of the three year period, the records shall be retained until all litigations; claims or audit findings involving the records have been resolved.

(c) The grantee shall require subrecipients to adopt the standards in paragraphs (a) and (b) above except that portion of subparagraph (a) 1 that would require specific financial reporting forms and frequencies in accordance with the payment provisions of the grant.

### 3. REFUNDS (JANUARY 1988)

(a) The grantee shall remit to A.I.D. all interest earned on funds provided by A.I.D. at least quarterly, except that interest amounts up to \$100 per year may be retained by the grantee for administrative expense.

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

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

#### 4. REVISION OF GRANT BUDGET (NOVEMBER 1985)

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

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

(1) Changes in the scope or the objectives of the program and/or revisions in the funding allocated among program objectives.

(2) The need for additional funding.

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

(4) The grantee plans to transfer funds budgeted for indirect costs to absorb increases in direct costs or vice versa.

(5) The grantee intends to contract or subgrant any of the substantive programmatic work under this grant, and such contracts or subgrants were not included in the approved grant budget.

(6) The grantee plans to incur an expenditure which would require advance approval in accordance with the applicable Federal cost principles and was not included in the approved grant budget.

(7) The grantee plans to transfer funds allotted for training allowances to other categories of expense.

(c) When requesting approval for budget revisions, the grantee shall use the budget formats that were used in the application unless a letter request will suffice.

(d) Within 30 calendar days from the date of the receipt of the request for budget revisions, the grant officer shall review the request and notify the grantee whether the budget revisions have been approved. If the revisions are still under consideration at the end of 30 calendar days, the grant officer shall inform the grantee in writing of the date when the grantee may expect the decision. The grant officer shall obtain the project officer's clearance on all such requests prior to communication with the grantee.

(e) If the requested budget revision requires the obligation of additional funding, and, if after notification pursuant to this standard provision, AID determines not to provide additional funds, the AID grant officer will, upon written request of the grantee, terminate this grant pursuant to the standard provision of this grant, entitled "Termination and Suspension."

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

##### 5. TERMINATION AND SUSPENSION (MAY 1986)

(a) For Cause. This grant may be terminated for cause at any time, in whole or in part, by the grant officer upon written notice to the grantee, whenever it is determined that the grantee has failed to comply with the conditions of the grant.

(b) For Convenience. This grant may be terminated for convenience at any time by either party, in whole or in part, if both parties agree that the continuation of the grant would not produce beneficial results commensurate with the further expenditure of funds. Both parties shall agree upon termination conditions, including the effective date and, in the case of partial terminations, the portion to be terminated. The agreement to terminate shall be set forth in a letter from the grant officer to the grantee.

(c) Suspension: Termination for Changed Circumstances. If at any time AID determines that continuation of funding for a program should be suspended or terminated because such assistance is not in the national interest of the United States or that it would be in violation of an applicable law, then AID may, following notice to the grantee, suspend this grant and prohibit the grantee from incurring additional obligations chargeable to this grant other than necessary and proper costs in accordance with the terms of this grant during the period of suspension. If the situation causing the suspension continues for 60 days or more, then AID may terminate this grant on written notice to the grantee and cancel that portion of this grant which has not been disbursed or irrevocably committed to third parties.

(d) Termination Procedures. Upon receipt of and in accordance with a termination notice as specified in either paragraph (a) or (b) above, the grantee shall take immediate action to minimize all expenditures and

obligations financed by this grant and shall cancel such unliquidated obligations whenever possible. Except as provided below, no further reimbursement shall be made after the effective date of termination. The grantee shall within 30 calendar days after the effective date of such termination repay to the Government all unexpended AID funds which are not otherwise obligated by a legally binding transaction applicable to this grant. Should the funds paid by the Government to the grantee prior to the effective date of the termination of this grant be insufficient to cover the grantee's obligations in the legally binding transaction, the grantee may submit to the Government within 90 calendar days after the effective date of such termination a written claim covering such obligations. The grant officer shall determine the amount(s) to be paid by the Government to the grantee under such claim in accordance with the applicable cost principles.

6. DISPUTES (MARCH 1987)

(a) Any dispute under this grant shall be decided by the AID grant officer. The grant officer shall furnish the grantee a written copy of the decision.

(b) Decisions of the AID grant officer shall be final unless, within 30 days of receipt of the decision of the grant officer, the grantee appeals the decision to AID's Associate Assistant to the Administrator for Management. Any appeal made under this provision shall be in writing and addressed to the Associate Assistant to the Administrator for Management, Agency for International Development, Washington, D.C. 20523. A copy of the appeal shall be concurrently furnished to the grant officer.

(c) In order to facilitate review on the record by the Associate Assistant to the Administrator for Management, the grantee shall be given an opportunity to submit written evidence in support of its appeal. No hearing will be provided.

(d) A decision under this provision by the Associate Assistant to the Administrator for Management shall be final.

7. INELIGIBLE COUNTRIES (MAY 1986)

Unless otherwise approved by the AID grant officer, funds will only be expended for assistance to countries eligible for assistance under the Foreign Assistance Act of 1961, as amended, or under acts appropriating funds for foreign assistance.

8. NONDISCRIMINATION (MAY 1986)

(This provision is applicable when work under the grant is performed in the U.S. or when employees are recruited in the U.S.)

No U.S. citizen or legal resident shall be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity funded by this grant on the basis of race, color, national origin, age, handicap, or sex.

9. U.S OFFICIALS NOT TO BENEFIT (NOVEMBER 1985)

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

10. NONLIABILITY (NOVEMBER 1985)

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

11. AMENDMENT (NOVEMBER 1985)

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

12. NOTICES (NOVEMBER 1985)

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

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

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

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

(END OF MANDATORY STANDARD PROVISIONS)

ADDITIONAL STANDARD PROVISIONS FOR  
U.S., NONGOVERNMENTAL GRANTEES

The following standard provisions which have been checked are hereby incorporated into the grant/agreement.

- |   |                   |
|---|-------------------|
| 1. Payment - Letter of Credit                                 | <u>  X  </u>      |
| 2. Payment - Periodic Advance                                 | <u>          </u> |
| 3. Payment - Cost Reimbursement                               | <u>          </u> |
| 4. Air Travel and Transportation                              | <u>  X  </u>      |
| 5. Ocean Shipment of Goods                                    | <u>  X  </u>      |
| 6. Procurement of Goods and Services                          | <u>  X  </u>      |
| 7. AID Eligibility Rules for Goods and Services               | <u>  X  </u>      |
| 8. Subagreements  | <u>  X  </u>      |
| 9. Local Cost Financing                                       | <u>  X  </u>      |
| 10. Patent Rights   | <u>  X  </u>      |
| 11. Publications  | <u>  X  </u>      |
| 12. Negotiated Indirect Cost Rates - Predetermined            | <u>          </u> |
| 13. Negotiated Indirect Cost Rates - Provisional              | <u>  X  </u>      |
| 14. Regulations Governing Employees                           | <u>  X  </u>      |
| 15. Participant Training                                      | <u>          </u> |
| 16. Voluntary Population Planning                             | <u>          </u> |
| 17. Protection of the Individual as a Research Subject        | <u>          </u> |
| 18. Care of Laboratory Animals                                | <u>          </u> |
| 19. Government Furnished Excess Personal Property             | <u>          </u> |
| 20. Title to and Use of Property (Grantee Title)              | <u>  X  </u>      |
| 21. Title to and Care of Property (U.S. Government Title)     | <u>          </u> |
| 22. Title to and Care of Property (Cooperating Country Title) | <u>          </u> |
| 23. Cost Sharing (Matching)                                   | <u>          </u> |
| 24. Use of Pouch Facilities                                   | <u>  X  </u>      |
| 25. Conversion of United States Dollars to Local Currency     | <u>  X  </u>      |

1. Payment - Letter of Credit (NOVEMBER 1985)

(This provision is applicable only when the following conditions are met: (i) the total advances under all the grantee's cost-reimbursement contracts and assistance instrument with AID exceed \$120,000 per annum, (ii) AID has, or expects to have, a continuing relationship with the grantee for at least one year; (iii) the grantee has the ability to maintain procedures that will minimize the time elapsing between the transfer of funds and the disbursement thereof; (iv) the grantee's financial management system meets the standards for fund control and accountability required under the standard provision of this grant, entitled "Accounting, Audit, and Records" and, either (v) the foreign currency portion of the total advance under this grant is less than 50% or (vi) the foreign currency portion of the total advance under this grant is more than 50% but more than one foreign currency country is involved.)

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

(b) As long as the LOC is in effect, the terms and conditions of the LOC and any instructions issued by M/FM/PAFD constitute payment conditions of this grant, superseding and taking precedence over any other provision of this grant concerning payment.

(c) Reporting:

(1) A "Financial Status Report" SF-269, shall be prepared on an accrual basis and submitted quarterly no later than 30 days after the end of the period, in an original and two copies to AID/M/FM/PAFD, Washington, D.C. 20523. If the grantee's accounting records are not normally kept on the accrual basis, the grantee shall not be required to convert its accounting system, but shall develop such accrual information through best estimates based on an analysis of the documentation on hand. The final report must be submitted within 90 days after the conclusion of the grant to M/FM/PAFD. In cases where grants are Mission funded, the Grantee will forward an information copy to the AID Mission accounting station at the same time the original and one copy are mailed to M/FM/PAFD, AID/Washington.

(2) The grantee shall submit an original and one copy of SF-272, "Federal Cash Transactions Report," within 15 working days following the end of each quarter to M/FM/PAFD. Grantees receiving advances totaling more than \$1 million per year shall submit the SF-272 on a monthly basis within 15 working days following the close of the month. Grantees shall report all cash advances in the remarks section of SF-272. Those cash advances in excess of immediate disbursement requirements in the hands of subrecipients or the grantee's field organizations shall be supported by short narrative explanations of actions taken by the grantee to reduce the excess balances.

(d) Revocation of the LOC is at the discretion of the authorized LOC certifying officer of M/FM/PAFD after consultation with the grant officer. Notification of revocation must be in writing and must specify the reason for revocation. M/FM/PAFD shall provide the grant officer a copy of the revocation notice and a recommendation for an alternative method of payment (periodic advance or cost reimbursement) based upon the reasons for the revocation. The grant officer shall immediately amend this agreement to provide for an appropriate alternative method of payment. The recipient may appeal any such revocation to the grant officer.

(END OF STANDARD PROVISION)

4. AIR TRAVEL AND TRANSPORTATION (NOVEMBER 1985)

(This provision is applicable when any costs for air travel or transportation are included in the budget.)

(a) The grantee is required to present to the project officer for written approval an itinerary for each planned international trip financed by this grant, which shows the name of the traveler, purpose of the trip, origin/destination (and intervening stops), and dates of travel, as far in advance of the proposed travel as possible, but in no event at least three weeks before travel is planned to commence. At least one week prior to commencement of approved international travel, the grantee shall notify the cognizant U.S. Mission or Embassy, with a copy to the project officer, of planned travel, identifying the travelers and the dates and times of arrival.

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

(c) All air travel and shipments under this grant are required to be made on U.S. flag air carriers to the extent service by such carriers is available. A U.S. flag air carrier is defined as an air carrier which has a certificate of public convenience and necessity issued by the U.S. Civil Aeronautics Board authorizing operations between the United States and/or its territories and one or more foreign countries.

(d) Use of foreign air carrier service may be deemed necessary if a U.S. flag air carrier otherwise available cannot provide the foreign air transportation needed, or if use of such service will not accomplish the agency's mission. Travel and transportation on non-free world air carriers are not reimbursable under this grant.

(e) U.S. flag air carrier service is considered available even though:

(1) Comparable or a different kind of service can be provided at less cost by a foreign air carrier;

(2) Foreign air carrier service is preferred by or is more convenient for the agency or traveler; or

(3) Service by a foreign air carrier can be paid for in excess foreign currency, unless U.S. flag air carriers decline to accept excess or near excess foreign currencies for transportation payable only out of such monies.

5f) Except as provided in paragraph (b) of this section, U.S. flag air carrier service must be used for all Government-financed commercial foreign air travel if service provided by such carriers is available. In determining availability of a U.S. flag air carrier, the following scheduling principles should be followed unless their application results in the last or first leg of travel to or from the United States being performed by foreign air carrier:

(1) U.S. flag air carrier service available at point of origin should be used to destination or in the absence of direct or through service to the farthest interchange point on a usually traveled route;

(2) Where an origin or interchange point is not served by U.S. flag air carrier, foreign air carrier service should be used only to the nearest interchange point on a usually traveled route to connect with U.S. flag air carrier service; or

(3) Where a U.S. flag air carrier involuntarily reroutes the traveler via a foreign air carrier the foreign air carrier may be used notwithstanding the availability of alternative U.S. flag air carrier service.

(g) For travel between a gateway airport in the United States (the last U.S. airport from which the traveler's flight departs or the first U.S. airport at which the traveler's flight arrives) and a gateway airport abroad (that airport from which the traveler last embarks enroute to the U.S. or at which the traveler first debarks incident to travel from the U.S.), passenger service by U.S. flag air carrier will not be considered available:

(1) Where the gateway airport abroad is the traveler's origin or destination airport, and the use of U.S. flag air carrier service would extend the time in a travel status, including delay at origin and accelerated arrival at destination, by at least 24 hours more than travel by foreign air carrier:

(2) Where the gateway airport abroad is an interchange point, and the use of U.S. flag air carrier service would require the traveler to wait six hours or more to make connections at that point, or delayed departure from or accelerated arrival at the gateway airport in the U.S. would extend the time in a travel status by at least six hours more than travel by foreign air carrier.

(h) For travel between two points outside the U.S. the rules in paragraphs (d) through (f) of this section will be applicable, but passenger service by U.S. flag air carrier will not be considered to be reasonably available:

(1) If travel by foreign air carrier would eliminate two or more aircraft changes enroute;

(2) Where one of the two points abroad is the gateway airport (as defined in paragraph (g) of this section) enroute to or from the United States, if the use of a U.S. flag air carrier would extend the time in a travel status by at least six hours more than travel by foreign air carrier

including accelerated arrival at the overseas destination or delayed departure from the overseas origin as well as delay at the gateway airport or other interchange point abroad; or

(3) Where the travel is not part of a trip to or from the United States, if the use of a U.S. flag air carrier would extend the time in a travel status by at least six hours more than travel by foreign air carrier including delay at origin, delay enroute and accelerated arrival at destination.

(i) When travel under either paragraph (g) or (h) of this section involves three hours or less between origin and destination by a foreign air carrier, U.S. flag air carrier service will not be considered available when it involves twice such travel time or more.

(j) Nothing in the above guidelines shall preclude and no penalty shall attend the use of a foreign air carrier which provides transportation under an air transport agreement between the United States and a foreign government, the terms of which are consistent with the international aviation policy goals set forth at 49 U.S.C. 1502(b) and provide reciprocal rights and benefits.

(k) Where U.S. Government funds are used to reimburse the grantee's use of other than U.S. flag air carriers for international transportation, the grantee will include a certification on vouchers involving such transportation which is essentially as follows:

"CERTIFICATION OF UNAVAILABILITY OF U.S. FLAG AIR CARRIERS. I hereby certify that the transportation service for personnel (and their personal effects) or property by certificated air carrier was unavailable for the following reason(s)." (State appropriate reason(s) as set forth above).

(l) International Travel

(1) As used herein, the term "international travel" means travel to all countries other than those within the home country of the traveler. Travel outside the United States includes travel to the U.S. Trust Territories of the Pacific Islands.

(2) The grantee will be reimbursed for travel and the reasonable cost of subsistence, post differentials and other allowances paid to employees in an international travel status in accordance with the grantee's established policies and practices which are uniformly applied to federally financed and other activities of the grantee. The standard for determining the reasonableness of reimbursement for overseas allowance is the Standardized Regulations (Government Civilians, Foreign Areas), published by the U.S. Department of State, as from time to time amended. The most current subsistence, post differentials, and other allowances may be obtained from the grant officer.

(m) This provision will be included in all subgrants and contracts which require air travel and transportation under this grant.

(END OF STANDARD PROVISION)

5. OCEAN SHIPMENT OF GOODS (MAY 1986)

(This provision is applicable when goods purchased with funds provided under this grant are transported to cooperating countries on ocean vessels.)

(a) At least 50% of the gross tonnage of all goods purchased under this grant and transported to the cooperating countries shall be made on privately owned U.S. flag commercial ocean vessels, to the extent such vessels are available at fair and reasonable rates for such vessels.

(b) At least 50% of the gross freight revenue generated by shipments of goods purchased under this grant and transported to the cooperating countries on dry cargo liners shall be paid to or for the benefit of privately owned U.S. flag commercial ocean vessels to the extent such vessels are available at fair and reasonable rates for such vessels.

(c) When U.S. flag vessels are not available, or their use would result in a significant delay, the grantee may request a determination of non-availability from the AID Transportation Division, Office of Procurement, Washington, D.C. 20523, giving the basis for the request which will relieve the grantee of the requirement to use U.S. flag vessels for the amount of tonnage included in the determination. Shipments made on non-free world ocean vessels are not reimbursable under this grant.

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

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

(e) Shipments by voluntary nonprofit relief agencies (i.e., PVOs) shall be governed by this standard provision and by AID Regulation 2, "Overseas Shipments of Supplies by Voluntary Nonprofit Relief Agencies" (22 CFR Part 202).

(END OF STANDARD PROVISION)

6. PROCUREMENT OF GOODS AND SERVICES (November 1985)

(This provision is applicable when goods or services are procured under the grant.)

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

(a) General Requirements:

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

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

(3) All grantees shall establish procurement procedures that provide for, at a minimum, the following procedural requirements:

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

(ii) Solicitations for goods and services shall be based upon a clear and accurate description of the technical requirements for the material, product or service to be procured. Such a description shall not, in competitive procurements, contain features which unduly restrict competition. "Brand-name or equal" descriptions may be used as a means to define the performance of other salient requirements of a procurement and when so used the specific features of the named brand which must be met by bidders/offers shall be clearly specified.

(iii) Positive efforts shall be made by the recipients to utilize small business and minority-owned business sources of supplies and services. Such efforts should allow these sources the maximum feasible opportunity to compete for contracts utilizing AID funds. To permit AID, in accordance with the small business provisions of the Foreign Assistance Act of 1961, as amended, to give United States small business firms an opportunity to participate in supplying commodities and services procured under this grant, the grantee shall to the maximum extent possible provide the following information to the Office of Small Disadvantaged Business Utilization, AID, Washington, D.C. 20523, at least 45 days prior (except where a shorter time is requested of and granted by the Office of Small and Disadvantaged Business Utilization) to placing any order or contract in excess of \$25,000:

- (A) Brief general description and quantity of goods or services;
- (B) Closing date for receiving quotations, proposals, or bids; and
- (C) Address where solicitations or specifications can be obtained.

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

(v) Contracts shall be made only with responsible contractors who possess the potential ability to perform successfully under the terms and conditions of a proposed procurement. Consideration shall be given to such matters as contractor integrity, record of past performance, financial and technical resources or accessibility to other necessary resources.

(vi) All proposed sole source contracts or where only one bid or proposal is received in which the aggregate expenditure is expected to exceed \$5,000 shall be subject to prior approval by an appropriate official within the grantee's organization.

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

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

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

(ix) A system for contract administration shall be maintained to ensure contractor conformance with terms, conditions and specifications of the contract, and to ensure adequate and timely followup of all purchases.

(b) Each contract shall contain, in addition to provisions to define a sound and complete contract, the following contract provisions, if applicable, as well as any provision within this grant which requires such inclusion of that provision. Whenever a provision is required to be inserted in a contract under this grant, the grantee shall insert a statement in the contract that in all instances where the U.S. Government or AID is mentioned the grantee's name shall be substituted.

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

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

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

(4) All contracts awarded by the grantee or subgrantee to be performed in the United States having a value of more than \$10,000, shall contain a provision requiring compliance with Executive Order 11246, entitled "Equal Employment Opportunity," as amended, and as supplemented in Department of Labor Regulations (41 CFR, Part 60).

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

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

(7) Where applicable, all contracts awarded by the grantee or subgrantees in excess of \$2,000 for construction contracts to be performed in the United States and its territories and in excess of \$2,500 for other contracts that involve the employment of mechanics or laborers, shall include a provision for compliance with sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor Regulations (29 CFR, Part 5). Under section 103 of the Act, each contractor shall be required to compute the wages of every mechanic and laborer on the basis of a standard work day of 8 hours and a standard workweek of 40 hours. Work in excess of the standard workday or workweek is permissible provided that the worker is compensated at a rate of not less than 1 1/2 times the basic rate of pay for all hours worked in excess of 8 hours in any calendar day or 40 hours in the workweek. Section 107 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions that are unsanitary, hazardous, or dangerous to the worker's health and safety as determined under construction safety and health standards promulgated by the Secretary of Labor. These requirements do not apply to the purchases of supplies of materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

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

(9) All negotiated contracts over \$10,000 awarded by the grantee shall include a provision to the effect that the grantee, AID, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers and records of the contractor which are directly pertinent to the specific program for the purpose of making audits, examinations, excerpts and transcriptions.

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

(11) Contracts which require performance outside the United States shall contain a provision requiring Workmen's Compensation Insurance (42 U.S.C. 1651, et seq.). As a general rule, Department of Labor waivers will be obtained for persons employed outside the United States who are not United States citizens or residents provided adequate protection will be given such persons. The grantee should refer questions on this subject to the AID grant officer.

(END OF STANDARD PROVISION)

7. AID ELIGIBILITY RULES FOR GOODS AND SERVICES (NOVEMBER 1985)

(This provision is applicable when goods or services are procured under the grant.)

(a) Ineligible and Restricted Goods and Services: If AID determines that the grantee has procured any of the restricted or ineligible goods and services specified below, or has procured goods and services from unauthorized sources, and has received reimbursement for such purpose without the prior written authorization of the grant officer, the grantee agrees to refund to AID the entire amount of the reimbursement. AID's policy on ineligible and restricted goods and services is contained in Chapter 4 of AID Handbook 1, Supplement B, entitled "Procurement Policies".

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

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

(2) Ineligible Suppliers. Funds provided under this grant shall not be used to procure any goods or services furnished by any firms or individuals whose name appears on the AID Consolidated List of Debarred, Suspended, and Ineligible Awardees under AID Regulation 8, entitled "Debarment, Suspension and Ineligibility" (22 CFR 208). AID will provide the grantee with a copy of this list upon request.

(3) Restricted Goods. The grantee shall not procure any of the following goods and services without the prior written authorization of the grant officer:

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

(b) Source, Origin, and Nationality: The eligibility rules for goods and services are based on source, origin, and nationality and are divided into two categories. One applies when the total procurement during the life of the grant is over \$250,000 and the other applies when the total procurement element during the life of the grant is not over \$250,000. The total procurement element includes procurement of all goods (e.g., equipment, materials, supplies) and services. Guidance on the eligibility of specific goods or services may be obtained from the grant officer. AID policies and definitions on source, origin, and nationality are contained in Chapters 4 and 5 of AID Handbook 1, Supplement B, entitled "Procurement Policies".

(1) When the total procurement element during the life of this grant is valued at \$250,000 or less, the following rules apply:

(i) All goods and services, the costs of which are to be reimbursed under this grant and which will be financed with U. S. dollars, shall be purchased in and shipped from only "Special Free World" countries (i.e., AID Geographic Code 935) in accordance with the following order of preference:

- (A) The United States (AID Geographic code 000),
- (B) The Cooperating Country,
- (C) "Selected Free World" countries (AID Geographic Code 941), and
- (D) "Special Free World" countries (AID Geographic Code 935).

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

- (A) The procurement was of an emergency nature, which would not allow for the delay attendant to soliciting U.S. sources,
- (B) The price differential for procurement from U.S. sources exceeded by 50% or more the delivered price from the non-U.S. source,
- (C) Impelling local political considerations precluded consideration of U.S. sources,
- (D) The goods or services were not available from U.S. sources, or
- (E) Procurement of locally available goods and services, as opposed to procurement of U.S. goods and services, would best promote the objectives of the Foreign Assistance program under the grant.

(2) When the total procurement element exceeds \$250,000, the following rule applies: Except as may be specifically approved or directed in advance by the grant officer, all goods and services, which will be reimbursed under this grant and financed with U. S. dollars, shall be procured in and shipped from the U. S. (Code 000) and from any other countries within the authorized geographic code as specified in the schedule of this grant.

(c) Marine Insurance: The eligibility of marine insurance is determined by the country in which it is placed. Insurance is placed in a country if payment of the insurance premium is made to, and the insurance policy is issued by an insurance company located in that country. Eligible countries for placement are governed by the authorized geographic code, except that if Code 941 is authorized, the Cooperating Country is also eligible. Section 604(d) of the Foreign Assistance Act requires that if a recipient country discriminates by statute, decree, rule, or practice with respect to AID-financed procurement against any marine insurance company authorized to do business in the U. S., then any AID-financed commodity shipped to that country shall be insured against marine risk and the insurance shall be placed in the U. S. with a company or companies authorized to do marine insurance business in the U. S.

(d) Ocean and air transportation shall be in accordance with the applicable provisions contained within this grant.

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

- (1) The United States (AID Geographic Code 000),
- (2) The Cooperating Country,
- (3) "Selected Free World" countries (AID Geographic Code 941), and
- (4) "Special Free World" countries (AID Geographic Code 899).

(f) Special Restrictions on the Procurement of Construction or Engineering Services: Section 604(g) of the Foreign Assistance Act provides that AID funds may not be used for "procurement of construction or engineering services from advanced developing countries, eligible under Geographic Code 941, which have attained a competitive capability in international markets for construction services or engineering services." In order to insure eligibility of a Code 941 contractor for construction or engineering services, the grantee shall obtain the grant officer's prior approval for any such contract.

(END OF STANDARD PROVISION)

8. SUBAGREEMENTS (NOVEMBER 1985)

(This provision is applicable when subgrants or cooperative agreements are financed under the grant.)

(a) Funds provided under this grant shall not be used to support any subrecipient whose name appears on the AID Consolidated List of Debarred, Suspended, or Ineligible Awardees under AID Regulation 8, entitled "Debarment, Suspension and Ineligibility" (22 CFR 208). AID will provide the grantee with a copy of this list upon request.

(b) All subagreements shall as a minimum contain, in addition to provisions to define a sound and complete agreement, the following provisions as well as any that are specifically required by any other provision in this grant. Whenever a provision within this grant is required to be inserted in a subagreement, the grantee shall insert a statement in the subagreement that in all instances where the U.S. Government is mentioned, the grantee's name will be substituted.

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

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

(3) Subagreements, the principal purpose of which is to create, develop or improve products, processes or methods; or for exploration into fields that directly concern public health, safety or welfare; or subagreements in the field of science or technology in which there has been little significant experience outside of work funded by Federal assistance, shall contain a notice to the effect that matters regarding rights to inventions and materials generated under the subagreement are subject to the regulations contained in the provisions of this grant. The subrecipient shall be advised as to the source of additional information regarding these matters.

(4) All subagreements over \$10,000 issued by recipients shall include a provision to the effect that the recipient, AID, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers and records of the subrecipient which are directly pertinent to the specific program for the purpose of making audits, examinations, excerpts and transcriptions.

(END OF STANDARD PROVISION)

9. LOCAL COST FINANCING (MAY 1986)

(This provision applies only when local costs are authorized by the grant, and must be used with the standard provision entitled "Procurement of Goods and Services.")

(a) Costs qualifying as local costs are eligible for financing under the grant in accordance with the terms of this standard provision. Local costs are defined as (1) indigenous goods, (2) imported shelf items, and (3) services provided by suppliers meeting the requirements contained in subparagraph (b). Indigenous goods are those that have been mined, grown or produced in the cooperating country through manufacture, processing or assembly. In the case of produced goods containing imported components, to qualify as indigenous a commercially recognized new commodity must result that is substantially different in basic characteristics or in purpose or utility from its components. Imported shelf items are goods that are normally imported and kept in stock, in the form in which imported, for sale to meet a general demand in the country for the item.

Imported shelf items are eligible in unlimited quantities if they have their origin in a country included in AID Geographic Code 941. Imported shelf items having their origin in any country included in Code 899 but not in Code 941 are eligible if the price of one unit does not exceed \$5,000. For goods sold by units of quantities; e.g., tons, barrels, etc., the unit to which the local currency equivalent of \$5,000 is applied that which is customarily used in quoting prices. The total amount of imported shelf items purchased from countries included in Code 899 but not in Code 941 may not exceed \$25,000 or 10% of the total local costs financed by AID for the grant, whichever is higher; however, in no case may the total amount of such purchases exceed \$250,000 without first obtaining a specific geographic source waiver. Imported shelf items produced in or imported from countries not included in Geographic Code 899 are ineligible for AID financing.

(b) To qualify as local costs, goods and services must also meet the following additional requirements:

- (1) They must be paid for in local currency.
- (2) They must not be specifically imported for this grant.
- (3) The supplier must be located in the cooperating country and must be of cooperating country nationality as defined in AID Handbook 1B, Chapter 5.
- (4) Any component from a country not included in AID geographic code 935 renders a commodity ineligible for financing.

(c) Ineligible Goods and Services: Under no circumstances shall the grantee procure any of the following under this grant:

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

(d) Ineligible Suppliers: Funds provided under this grant shall not be used to procure any goods or services furnished by any firm or individual whose name appears on AID's Consolidated List of Debarred, Suspended, or Ineligible Awardees (AID Regulation 8, (22 CFR 208)). AID will provide the grantee with this list upon request.

(e) Restricted Goods: The grantee shall not procure any of the following goods and services without the prior written authorization of the grant officer:

- (1) Agricultural commodities,
- (2) Motor vehicles,
- (3) Pharmaceuticals,
- (4) Pesticides,
- (5) Rubber compounding chemicals and plasticizers,
- (6) Used equipment,
- (7) U.S. Government-owned excess property, or
- (8) Fertilizer.

(f) If AID determines that the grantee has procured any of the restricted or ineligible goods and services specified in subparagraphs (c) through (e) above, or has received reimbursement for such purpose without the prior written authorization of the grant officer, the grantee agrees to refund to AID the entire amount of the reimbursement.

(END OF STANDARD PROVISION)

10. PATENT RIGHTS (NOVEMBER 1985)

(This provision is applicable whenever patentable processes or practices are financed by the grant.)

(a) Definitions.

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

(2) Subject invention means any invention of the recipient conceived or first actually reduced to practice in the performance of work under this agreement.

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

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

(5) Small business firm means a domestic small business concern as defined at Section 2 of Public Law 85-536 (15 U.S.C. 632) and implementing regulations of the Administrator of the Small Business Administration. For the purpose of this clause, the size standards for small business concerns involved in Government procurement and subcontracting at 13 CFR 121.3-8 and 13 CFR 121.3-12, respectively, shall be used.

(6) Nonprofit organization means a domestic university or other institution of higher education or an organization of the type described in Section 501(c)(3) of the Internal Revenue Code of 1954 (26 U.S.C. 501(c)) and exempt from taxation under Section 501(a) of the Internal Revenue Code (26 U.S.C. 501(a)) or any domestic nonprofit scientific or any educational organization qualified under a state nonprofit organization statute.

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

(c) Invention Disclosure, Election of Title, and Filing of Patent Applications by Recipient:

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

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

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

(4) Requests for extension of the time for disclosure to AID, election, and filing may, at the discretion of AID, be granted.

(d) Conditions When the Government May Obtain Title: The recipient shall convey to AID upon written request, title to any subject invention:

(1) If the recipient fails to disclose or elect the subject invention within the times specified in (c) above, or elects not to retain title. AID may only request title within sixty days after learning of the recipient's failure to report or elect within the specified times.

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

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

(e) Minimum Rights to Recipient:

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

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

(3) Before revocation or modification of the license, AID shall furnish the recipient written notice of its intention to revoke or modify the license, and the recipient shall be allowed thirty days (or such other time as may be authorized by AID for good cause shown by the recipient) after the notice to show cause why the license should not be revoked or modified. The recipient has the right to appeal, in accordance with applicable agency licensing regulations (if any) and the Federal Property Management Regulations concerning the licensing of Government-owned inventions, any decision concerning the revocation or modification of its license.

(f) Recipient Action to Protect the Government's Interest:

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

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

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

(4) The recipient agrees to include, within the specification of any United States patent application and any patent issuing thereon covering a subject invention, the following statement: "This invention was made with Government support under (identify the agreement awarded by AID). The Government has certain rights in this invention."

(g) Subagreements and Contracts: The recipient shall include this standard provision suitably modified to identify the parties, in all subagreements and contracts, regardless of tier, for experimental, developmental, or research work to be performed by a small business firm or nonprofit organization. The subrecipient or contractor shall retain all rights provided for the recipient in this standard provision, and the recipient shall not, as part of the consideration for awarding the contract or subagreement, obtain rights in the contractor's or subrecipient's subject inventions.

(h) Reporting Utilization of Subject Inventions: The recipient agrees to submit on request periodic reports no more frequently than annually on the utilization of a subject invention or on efforts at obtaining such utilization that are being made by the recipient or its licensees or assignees. Such reports shall include information regarding the status of development, date of first commercial sale or use, gross royalties received by the recipient, and such other data and information as AID may reasonably specify. The recipient also agrees to provide additional reports as may be requested by AID in connection with any march-in proceedings undertaken by AID in accordance with paragraph (j) of this provision. To the extent data or information supplied under this section is considered by the recipient, its licensee or assignee to be privileged and confidential and is so marked, AID agrees that, to the extent permitted by law, it shall not disclose such information to persons outside the Government.

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

(j) March-in Rights: The recipient agrees that with respect to any subject invention in which it has acquired title, AID has the right to require the recipient, an assignee or exclusive licensee of a subject invention to grant a non-exclusive, partially exclusive, or exclusive license in any field of use to a responsible applicant or applicants, upon terms that are reasonable under the circumstances, and if the recipient, assignee, or exclusive licensee refuses such a request, AID has the right to grant such a license itself if AID determines that:

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

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

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

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

(k) Special Provisions for Agreements with Nonprofit Organizations: If the recipient is a nonprofit organization, it agrees that:

(1) Rights to a subject invention in the United States may not be assigned without the approval of AID, except where such assignment is made to an organization which has as one of its primary functions the management of inventions and which is not, itself, engaged in or does not hold a substantial interest in other organizations engaged in the manufacture or sale of products or the use of processes that might utilize the invention or be in competition with embodiments of the invention provided that such assignee shall be subject to the same provisions as the recipient.

(2) The recipient may not grant exclusive licenses under the United States patents or patent applications in subject inventions to persons other than small business firms for a period in excess of the earlier of:

(i) Five years from first commercial sale or use of the invention;

or

(ii) Eight years from the date of the exclusive license excepting that time before regulatory agencies necessary to obtain premarket clearance, unless on a case-by-case basis, AID approves a longer exclusive license. If exclusive field of use licenses are granted, commercial sale or use in one field of use shall not be deemed commercial sale or use as to other fields of use and a first commercial sale or use with respect to a product of the invention shall not be deemed to end the exclusive period to different subsequent products covered by the invention.

(3) The recipient shall share royalties collected on a subject invention with the inventor; and

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

(1) Communications: Communications concerning this provision shall be addressed to the grant officer at the address shown in this agreement.

(END OF STANDARD PROVISION)

11. PUBLICATIONS (NOVEMBER 1985)

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

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

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

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

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

(END OF STANDARD PROVISION)

13. NEGOTIATED INDIRECT COST RATES - PROVISIONAL (MAY 1986)

(This provision is applicable to any organization which does not have predetermined indirect cost rate(s); however, it shall also be included when the NEGOTIATED INDIRECT COST RATES - PREDETERMINED standard provision is used.)

(a) A provisional indirect cost rate(s) shall be established for each of the grantee's accounting periods during the term of this grant. Pending establishment of a final rate(s), the parties have agreed that provisional payments on account of allowable indirect costs shall be at the rate(s), on the base(s), and for the periods shown in the schedule of this grant.

(b) Not later than 90 days after the close of the grantee's fiscal year, the grantee shall submit to the cognizant Government Audit Activity in accordance with O/B Circular A-68 proposed final indirect cost rate(s) and supporting cost data. In the event AID is the cognizant agency or no cognizant agency has been designated, the grantee shall submit a copy of the proposed final indirect cost rate(s) and supporting cost data to the AID Inspector General, Washington, D.C. 20523, and to the Overhead and Special Costs - Contract Closeout Branch, Office of Procurement, Washington, D.C. 20523. The proposed rate(s) shall be based on the grantee's actual cost experience during that fiscal year. Negotiations of final indirect cost rate(s) shall begin as soon as practical after receipt of the grantee's proposal.

(c) Allowability of costs and acceptability of cost allocation methods shall be determined in accordance with the applicable cost principles in effect on the date of this grant.

(d) The results of each negotiation shall be set forth in a written indirect cost rate agreement executed by both parties. Such agreement shall specify (1) the agreed upon final rate(s), (2) the base(s) to which the rate(s) apply, and (3) the period for which the rate(s) apply. The indirect cost rate agreement shall not change any monetary ceiling, grant obligation, or specific cost allowance or disallowance provided for in this grant.

(e) Pending establishment of final indirect cost rate(s) for any period, the grantee shall be reimbursed either at negotiated provisional rate(s) as provided above or at billing rate(s) acceptable to the grant officer, subject to appropriate adjustment when the final rate(s) for that period are established. To prevent substantial over or under payment, the provisional or billing rate(s) may, at the request of either party, be revised by mutual agreement, either retroactively or prospectively. Any such revision of negotiated provisional rate(s) provided in this standard provision shall be set forth in a modification to this grant.

(f) Any failure by the parties to agree on final rate(s) under this standard provision shall be considered a dispute within the meaning of the standard provision of this grant entitled "Disputes" and shall be disposed of in accordance therewith.

(END OF STANDARD PROVISION)

14. REGULATIONS GOVERNING EMPLOYEES (NOVEMBER 1985)

(The following applies to the grantee's employees who are not citizens of the cooperating country.)

(a) The grantee's employees shall maintain private status and may not rely on local U.S. Government offices or facilities for support while under this grant.

(b) The sale of personal property or automobiles by grantee employees and their dependents in the foreign country to which they are assigned shall be subject to the same limitations and prohibitions which apply to direct-hire AID personnel employed by the Mission except as this may conflict with host government regulations.

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

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

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

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

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

(END OF STANDARD PROVISION)

20. TITLE TO AND USE OF PROPERTY (GRANTEE TITLE) (NOVEMBER 1985)

(This provision is applicable when the Government vests title to property in the grantee only.)

Title to all property financed under this grant shall vest in the grantee, subject to the following conditions:

(a) The grantee shall not charge for any depreciation, amortization, or use of any property, title to which remains in the grantee under this provision under this grant or any other U.S. Government agreement, subagreement, contract, or subcontract.

(b) The grantee agrees to use and maintain the property for the purpose of the grant in accordance with the requirements of paragraphs (c), (d), (e), and (f) below.

(c) Real Property:

(1) Real property means land, including land improvements, structures and appurtenances thereto, but excluding movable machinery and equipment.

(2) Use of Real Property:

(i) The grantee shall use the real property for the authorized purpose of the project, as long as it is needed.

(ii) The grantee shall obtain approval from AID for the use of real property in other projects when the grantee determines that the property is no longer needed for the purpose of the original program. Use in other programs shall be limited to those under other federally sponsored programs (i.e., grants or other agreements) that have purposes consistent with those authorized for support by AID.

(3) Disposition of Real Property: When the real property is no longer needed as provided in (2) above, the grantee shall request disposition instructions from AID or its successor Federal sponsoring agency. AID or the successor Federal sponsoring agency shall observe the following rules in the disposition instructions:

(i) The grantee may be permitted to retain title after it compensates the Federal Government in an amount computed by applying the Federal percentage of participation in the cost of the original program to the fair market value of the property.

(ii) The grantee may be directed to sell the property under guidelines provided by the Federal sponsoring agency and pay the Federal Government an amount computed by applying the Federal percentage of participation in the cost of the original program to the proceeds from sale (after deducting actual and reasonable selling and fix-up expenses, if any,

from the sales proceeds). When the grantee is authorized or required to sell the property, proper sales procedures shall be established that provide for competition to the extent practicable and result in the highest possible return.

(iii) The grantee may be directed to transfer title to the property to the Federal Government provided that in such cases the grantee shall be entitled to compensation computed by applying the grantee's percentage of participation in the cost of the program to the current fair market value of the property.

(d) Nonexpendable Property:

(1) Nonexpendable personal property means tangible personal property having a useful life of more than two years and an acquisition cost of \$500 or more per unit.

(2) Use of Nonexpendable Personal Property:

(i) The grantee shall use the property in the program for which it was acquired as long as needed, whether or not the program continues to be supported by Federal funds. When no longer needed for the original program, the grantee shall use the property in connection with its other federally sponsored activities in the following order of priority:

(A) Activities sponsored by AID.

(B) Activities sponsored by other Federal agencies.

(ii) Shared use - During the time that nonexempt nonexpendable personal property is held for use on the program for which it was acquired the grantee shall make it available for use on other programs if such other use will not interfere with the work on the program for which the property was originally acquired. First preference for such other use shall be given to other programs sponsored by AID; second preference shall be given to programs sponsored by other Federal agencies. User charges should be considered if appropriate.

(3) Disposition Of Nonexpendable Personal Property - With A Unit Acquisition Cost Of Less Than \$1,000: The grantee may use the property for other activities without reimbursement to the Federal Government or sell the property and retain the proceeds.

(4) Disposition Of Nonexpendable Personal Property With A Unit Acquisition Cost Of \$1,000 Or More:

(i) The grantee agrees to report such items to the grant officer from time to time as they are acquired and to maintain a control system which will permit their ready identification and location.

(ii) The grantee may retain the property for other uses provided that compensation is made to AID or its successor. The amount of compensation shall be computed by applying the percentage of Federal participation in the cost of the original program to the current fair market value of the property. If the grantee has no need for the property and the property has further use value, the grantee shall request disposition instructions from AID.

(iii) AID shall determine whether the property can be used to meet AID requirements. If no requirement exists within AID the availability of the property shall be reported to the General Services Administration by AID to determine whether a requirement for the property exists in other Federal agencies. AID shall issue instructions to the recipient no later than 120 days after the grantee's request and the following procedures shall govern:

(A) If so instructed or if disposition instructions are not issued within 120 calendar days after the grantee's request, the grantee shall sell the property and reimburse AID an amount computed by applying to the sales proceeds that percentage of Federal participation in the cost of the original program. However, the grantee shall be permitted to deduct and retain from the Federal share \$100 or ten percent of the proceeds, whichever is greater, for the grantee's selling and handling expenses.

(B) If the grantee is instructed to ship the property elsewhere, the grantee shall be reimbursed by the benefiting Federal agency with an amount which is computed by applying the percentage of the recipient's participation in the cost of the original grant program to the current fair market value of the property, plus any reasonable shipping or interim storage costs incurred.

(C) If the grantee is instructed to otherwise dispose of the property, the grantee shall be reimbursed by AID for such costs incurred in its disposition.

(e) Expendable Personal Property:

(1) Expendable personal property means all tangible personal property other than nonexpendable property.

(2) The grantee shall use the expendable personal property for the authorized purpose of the grant program, as long as it is needed.

(3) If there is a residual inventory of such property exceeding \$1,000 in total aggregate fair market value, upon termination or completion of the grant and the property is not needed for any other federally sponsored program, the grantee shall retain the property for use on nonfederally sponsored activities, or sell it, but must in either case, compensate the Federal Government for its share. The amount of compensation shall be computed in the same manner as nonexpendable personal property.

(f) The grantee's property management standards for nonexpendable personal property shall include the following procedural requirements:

(1) Property records shall be maintained accurately and shall include:

(i) A description of the property.

(ii) Manufacturer's serial number, model number, Federal stock number, national stock number, or other identification number.

(iii) Source of the property, including grant or other agreement number.

(iv) Whether title vests in the grantee or the Federal Government.

(v) Acquisition date and cost.

(vi) Percentage (at the end of the budget year) of Federal participation in the cost of the project or program for which the property was acquired.

(vii) Location, use, and condition of the property and the date the information was reported.

(viii) Unit acquisition cost.

(ix) Ultimate disposition data, including date of disposal and sales price or the method used to determine current fair market value where the grantee compensates AID for its share.

(2) A physical inventory of property shall be taken and the results reconciled with the property records at least once every two years. Any differences between quantities determined by the physical inspection and those shown in the accounting records shall be investigated to determine the causes of the difference. The grantee shall in connection with the inventory, verify the existence, current utilization, and continued need for the property. The inventory listing shall be retained as documentation in accordance with the standard provision of this grant entitled "Accounting, Audit, and Records."

(3) A control system shall be in effect to insure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft of nonexpendable property shall be investigated and fully documented.

Adequate maintenance procedures shall be implemented to keep the property in good condition.

(5) Where the grantee is authorized or required to sell the property, proper sales procedures shall be established which would provide for competition to the extent practicable and result in the highest possible return.

(END OF STANDARD PROVISION)

24. USE OF POUCH FACILITIES (NOVEMBER 1985)

(This provision is applicable when activities under the grant will take place outside of the United States.)

(a) Use of diplomatic pouch is controlled by the Department of State. The Department of State has authorized the use of pouch facilities for AID grantees and their employees as a general policy, as detailed in items (1) through (6) below. However, the final decision regarding use of pouch facilities rest with the Embassy or AID Mission. In consideration of the use of pouch facilities, the grantee and its employees agree to indemnify and hold harmless, the Department of State and AID for loss or damage occurring in pouch transmission:

(1) Grantees and their employees are authorized use of the pouch for transmission and receipt of up to a maximum of two pounds per shipment of correspondence and documents needed in the administration of assistance programs.

(2) U.S. citizen employees are authorized use of the pouch for personal mail up to a maximum of one pound per shipment (but see (a)(3) below).

(3) Merchandise, parcels, magazines, or newspapers are not considered to be personal mail for purposes of this standard provision and are not authorized to be sent or received by pouch.

(4) Official and personal mail pursuant to (a)(1) and (2) above sent by pouch should be addressed as follows:

Name of individual or organization (followed by  
letter symbol "G")  
Name of post (USAID/\_\_\_\_\_)  
Agency for International Development  
Washington, D.C. 20523

(5) Mail sent via the diplomatic pouch may not be in violation of U.S. Postal laws and may not contain material ineligible for pouch transmission.

(6) AID grantee personnel are not authorized use of military postal facilities (APO/FPO). This is an Adjutant General's decision based on existing laws and regulations governing military postal facilities and is being enforced worldwide. Posts having access to APO/FPO facilities and using such for diplomatic pouch dispatch, may, however, accept the grantee's official and personal mail for pouch, provided of course, adequate postage is affixed.

(b) The grantee shall be responsible for advising its employees of this authorization, these guidelines, and limitations on use of pouch facilities.

(c) Specific additional guidance on grantee use of pouch facilities in accordance with this standard provision is available from the Post Communication Center at the Embassy or AID Mission.

(END OF STANDARD PROVISION)

25. CONVERSION OF UNITED STATES DOLLARS TO LOCAL CURRENCY (NOVEMBER 1925)

(This provision is applicable when activities under the grant will take place outside of the United States.)

Upon arrival in the Cooperating Country, and from time to time as appropriate, the grantee's chief of party shall consult with the Mission Director who shall provide, in writing, the procedure the grantee and its employees shall follow in the conversion of United States dollars to local currency. This may include, but is not limited to, the conversion of currency through the cognizant United States Disbursing Officer or Mission Controller, as appropriate.

(END OF STANDARD PROVISION)

UNITED STATES INTERNATIONAL  
DEVELOPMENT COOPERATION AGENCY  
AGENCY FOR  
INTERNATIONAL DEVELOPMENT

PROJECT IMPLEMENTATION  
ORDER/TECHNICAL  
SERVICES

1. Country  
WORLDWIDE

Page 1 of Page

2. PIOT No. 9361601

3. Originator  
Appropriation No.

4. Project/Agency No. and Title 936-5455

Appropriate Technology International III  
(DOC. #0001)

DISTRIBUTION

5. Acquisition Symbol

72-1191021.3

6. Alternate Symbol and Charge

DDNA-89-13600-KC11; 943-36-099-00-

7. Obligation Status

Administrative Reservation

Implementing Document

8. Project Authorized Completion Date

9/30/95

9. Authorized Agent

A.I.D.

10. This PIOT is in the name of the PIOT/AG

PAF signed by SAA/ST

11. Date August 15, 1989

11a. Type of Action and Governing AID Number

AID Contract (MS 14)

PASA/RESA (MS 12)

AID Grant (MS 13)

Other

11b. Contract/Grant/PASA/RESA Reference Number (if this is an Amendment)

TBD

12. Estimated Financing (A dollar amount in support of column (2) is entered in column (4).)

Monetary AID Funding	A. Dollar	(1) Previous Total	(2) Increase	(3) Decrease	(4) Total to Date
					40,853
	B. U.S.-Owned Lateral Currency		4		4

13. Mission Reference

14a. Instructions to Authorized Agent

M/SER/OP/W/R is requested to negotiate a non-competitive cooperative agreement (CA) with Appropriate Technology International (ATI). The term of the CA is from the date of execution through September 30, 1994. The CA will be used to implement ATI's program (Att. 1, SOW). A.I.D./S&T funding for the CA through 1994 is estimated at \$15,000,000.

This PIOT provides incremental S&T funding to the CA in the amount of \$ ~~40,853~~ in FY 1989 to pay for start up activities.

\$ 40,853

FUNDS RESERVED BY

*[Signature]*

14b. Address of Vendor Filing Office

A.I.D./FM/PAD, Washington, D.C.

POSTED

9/27/89

15. Classification—Agency uses terms of the contract, reference number and date for all contracts, PAFD

The project officer assigned to the contract is in the department of work and is identified by number

873-4485

The date of work has been the date of the initiating and awarding agency is

S&T/RD, Eric Chetwynd (Acting) 9/1/89

S&T/RD/EED, Michael Farbman

Date 31 Aug 89

S&T/RD, Lavern Hollis

Date 8/15/89

S&T/PO, Craig Noren

Cloria Crain  
M/FM/PAD

16. For the contracting country: The terms and conditions set forth herein are hereby agreed to

17. For the agency for International Development

Signature Elizabeth P. Roche Date 9/27/89

Title S&T/PO, Elizabeth Roche

UNITED STATES INTERNATIONAL  
DEVELOPMENT COOPERATION AGENCY  
AGENCY FOR  
INTERNATIONAL DEVELOPMENT

PROJECT IMPLEMENTATION  
ORDER/TECHNICAL  
SERVICES

1. Cooperating Country

Page 1 of Pages

2. PIQ/T No. 936/600

3.  Original  
Amendment No. \_\_\_\_\_

4. Project Activity No. and Title  
936-5455

Appropriate Technology International III  
(Doc #0005)

DISTRIBUTION

5. Acquisition Symbol  
72-1191021.6

6. Allocation Symbol and Charge  
DDSA-89-13600-KG11; 946-36-099-00-20-91

7. Obligation Status

Administrative Reservation

Implementing Department

8. Project Authorized Completion Date  
(Mo., Day, Yr) 9/30/95

9. Authorizing Agent  
A.I.D.

10. This PIQ/T is in full compliance with PRO/AG  
PAF signed by SAA/ST Date August 15, 1989

11a. Type of Action and Governing AID Numbers

AID Contract  
(P-1 14)

PASA/RSEA  
(MS 12)

AID Grant  
(MS 12)

Other

11b. Contract/Grant/PASA/RSEA  
Reference Number (if this is an  
Amendment)  
TBD

12. Estimated Financing (A detailed budget in support of activity (2) is attached to contract no. \_\_\_\_\_)

Minimum AID Financing	A. Dollars	(1) Previous Total	(2) Increase	(3) Decrease	(4) Total to Date
			59,147		59,147
	B. U.S.-Owned Local Currency				

13. Mission  
Reference

14a. Instructions to Authorizing Agent

This PIQ/T is issued in conjunction with PIQ/T No. 936/601 to provide  
incremental FY89 PSER Funds to pay for start up activities of the new CA.

All other terms of PIQ/T No. \_\_\_\_\_ remain unchanged.

FUNDS RESERVED BY

*JOS*

POSTED 9/15/89

M/FM/PAFD

14b. Address of Vendor Paying Office

A.I.D./FM/PAD, Washington, DC

15. Certificates—Include valid name, office symbol, telephone number and date for all certificates.

A. The contract officer certifies that the work is being  
in the execution of work (to be completed) assigned

S&T/RD/EED *Melody Bacha*  
Melody Bacha

Phone No. 875-4485

Date

B. The contract officer certifies that the work is being  
of the following and (to be completed) assigned

S&T/RD, Eric Chetwynd (Acting)

Date

9/25/89

C. S&T/RD/EED, Michael Farman  
S&T/RD, Lavern Hollis

Date 25/09/89

9/22/89

D. Funds for the services requested are available

Gloria Craig  
M/FM/PAFD

E. S&T/PO, Craig Noren

16. For the cooperating country: The terms and conditions set forth herein  
and hereby agreed to

Signature \_\_\_\_\_ Date \_\_\_\_\_

17. For the Agency for International Development

Signature *Elizabeth P. Roche* Date 9/27/89

S&T/PO, Elizabeth Roche