

PDFCV846



AGENCY FOR INTERNATIONAL DEVELOPMENT
UNITED STATES A.I.D. MISSION TO GUATEMALA



USAID/GUATEMALA or
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APO AA 34024

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F

September 26, 1991

CARE INTERNATIONAL IN GUATEMALA
15 Av. 3-66, Zona 13
Guatemala City, Guatemala 01013

Subject: Grant Agreement No. 520-0408-G-00-1307-00

Gentlemen:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "A.I.D." or USAID) hereby grants to Care International in Guatemala (hereinafter referred to as the "Grantee" or "Care"), the sum of Five Hundred Thousand Dollars (\$500,000), to extend the potable water systems sanitation and health education programs to an additional ten communities in the northwestern highland region of Guatemala, as more fully described in Attachment 1 entitled "Schedule" and Attachment 2 entitled "Program Description".

Notwithstanding the amount indicated above, the Recipient acknowledges that the U.S. dollar amount that is presently obligated for this Grant is \$300,000 as shown in Exhibit A hereof. Until such time as the obligation is increased by amendment to this Grant, the obligation is limited to the amount provided for in the Exhibit A, under the column First Obligation.

This Agreement is effective and obligation is made as of the date of this letter and shall apply to commitments made by the Grantee in furtherance of program objectives during the period beginning with the effective date and ending June 30, 1993.

This Agreement is made to the Grantee on the condition that the funds will be administered in accordance with the terms and conditions set forth in Attachment 1, entitled "Schedule," Attachment 2, entitled "Program Description," and Attachment 3, entitled "Standard Provisions for US Non-Governmental Grantees," which have been agreed to by your organization.

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520-0408-G-00-1307-00
September 26, 1991

Please sign the original and five (5) copies of this letter to acknowledge your receipt of this Agreement and return the original and four (4) copies to the USAID/Guatemala, Attention: Regional Contracts Office.

Sincerely,

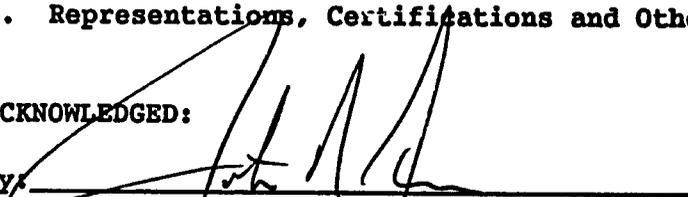


Donna Gray
Deputy Grant Officer

Attachments:

1. Schedule
2. Program Description
3. Standard Provisions, US Non-Governmental Grantees.
4. Representations, Certifications and Other Statements

ACKNOWLEDGED:

By:  _____

Title: Country Director

Date: 30-Sep-91

Appropriation No.:	71-1111021
Budget Plan Code:	LDHA-91-25520-KG13
PIO/T No.:	520-0408-3-10119
Project No.:	520-0408
Total Estimated Amount:	\$500,000
Total Obligated Amount:	\$300,000

6057G
/ag

**ASSURANCE OF COMPLIANCE WITH LAWS AND REGULATIONS
GOVERNING NONDISCRIMINATION IN FEDERALLY ASSISTED PROGRAMS**

CARE Guatemala (hereinafter called the
"Applicant")

(Name of Applicant)

hereby assures that no person in the United States shall, on the bases set forth below, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under, any problem of activity receiving financial assistance from AID, and that with respect to the grant for which application is being made, it will comply with the requirements of:

- (1) Title VI of the Civil Rights Act of 1964 (Pub. L.88-362, 42 U.S.C. 2000-d) which prohibits discrimination on the basis of race, color or national origin, in programs and activities receiving Federal financial assistance.
- (2) Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination on the basis of handicap in programs and activities receiving Federal financial assistance,
- (3) The Age Discrimination Act of 1975, as amended (Pub L. 95-478), which prohibits discrimination based on age in the delivery of services and benefits supported with Federal funds,
- (4) Title IX of the Education Amendments of 1972 (20 U.S.C. 1681, et. seq.) which prohibits discrimination on the basis of sex in education programs and activities receiving Federal financial assistance (whether or not the programs or activities are offered or sponsored by an educational institution); and
- (5) AID regulations implementing the above nondiscrimination laws, set forth in Chapter II of Title 22 of the Code of Federal Regulations.

If the Applicant is an institution of higher education, the Assurances given herein extend to admission practices and to all other practices relating to the treatment of students or clients of the institution, or relating to the opportunity to participate in the provision of services or other benefits to such individuals, and shall be applicable to the entire institution unless the Applicant establishes to the satisfaction of the AID Administrator that the institution's practices in designated parts or programs of the institution will in no way affect its practices in the program of the institution for which financial assistance is sought, or the beneficiaries of or participants in such program.

This assurance is given in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property, discounts, or other Federal financial assistance extended after the date hereof to the Applicant by the Agency, including installment payments after such date on account of applications for Federal financial assistance which were approved before such date. The Applicant recognizes and agrees that such Federal financial assistance will be extended in reliance on the representations and agreements made in this Assurance, and that the United States shall have the right to seek judicial enforcement of this Assurance. This Assurance is binding on the Applicant, its successors, transferees, and assignees, and the person or persons whose signature appear below are authorized to sign this Assurance on behalf of the Applicant.

CARE Guatemala
Applicant

BY (Signature) [Handwritten Signature] TITLE Country Director

TYPED NAME Justin R. Jackson DATE 30-Sep-91

SCHEDULE

A. Purpose of the Grant:

The purpose of this Grant is assist CARE extend the potable water systems, sanitation and health education programs begun under an earlier CARE project, Water, Women and Health, to an additional ten communities in the northwestern highland region of Guatemala. CARE will also continue to provide health education and training for health promoters in ten of the communities which received potable water systems under the previous project.

The goal of the activity is to reduce by 30% the prevalence of diarrheal disease among the 5,000 persons living in the ten target communities by June 1993.

In this project, CARE will be placing increased emphasis on two important elements of water system/sanitation activities - health education and maintenance and operation of the water system. CARE will spend up to 18 months after the construction of a community water system training health promoters and water system managers. In addition, CARE will be providing instruction in improved conservation and use of water, as well as water source preservation and management.

B. Period of Grant:

The effective date of this Grant is September 23, 1991. The expiration date of this Grant is June 30, 1993.

C. Amount of Agreement and Payment:

1. The total estimated amount of this Agreement for the period shown in Paragraph B. above is \$500,000.

2. AID hereby obligates the amount of \$300,000 for program expenditures during the period set forth in Paragraph B. above.

3. AID anticipates adding additional funds to this Agreement in amounts not to exceed \$200,000 for a total AID contribution of \$500,000. Any increment is subject to the availability of funds and mutual agreement of the parties at the time to proceed. Until such time as the obligation is increased by amendment to this Grant, AID's total obligation is limited to the amount shown in the previous paragraph (No. C.2).

4. Payment shall be made to the Grantee in accordance with procedures set forth in Attachment 3, Optional Standard Provision No. 1, entitled "Payment - Letter of Credit".

D. Financial Plan:

The Financial Plan for this Agreement is shown as Exhibit A to Attachment No. 1. Revisions to this Plan shall be made in accordance with Standard Provision No. 4 of this Agreement entitled "Revision of Grant Budget".

The Financial Plan is illustrative in nature. The Grantee can adjust individual cost lines by a factor not to exceed 15%. Any adjustment exceeding 15% or any increase in the total Grant amount requires the prior written approval of the Regional Grants Officer.

No compensation for personnel will be reimbursed unless their use under this agreement has the advance written approval of the Contracting Officer.

E. Special Provisions

1. The Grant Officer's Technical Representative (GOTR) for the performance of this Grant is Ms. Lynn Gorton, Acting Chief of the Office of Health and Education or her designee. This individual shall have the following authority:

a) Certification of work performed on all vouchers submitted.

b) Necessary clarifications of, or minor, non-cost-related adjustments to the program description in Attachment 2.

c) Approval of all reports, plans, timetables or other such technical submissions required under the Program Description.

2. Salaries or compensation of short and long-term Specialists require prior written approval by the Regional Grant Officer.

F. Authorized Geographic Code

The authorized Geographic Code for procurement of goods and services shall be in accordance with Provision 6 of the Optional Standard Provisions.

G. Cost Sharing

The Grantee will be held accountable for providing the counterpart funds agreed to in this Grant, which total \$401,000. This counterpart represents a 80% match by Grantee of the AID contribution to this Grant. If the Grantee does not match AID funds at the rate of 80%, AID will disallow costs proportionately. The counterpart contributions to this Grant will be documented by quarterly reports and verified by independent audits of the Grantee's programs.

H. Local Costs

Local costs are authorized pursuant to Standard Provision No. 8, "Local Cost Financing".

USAID FUNDING

By Line Items -----	EXPENDITURES			1st. OBLI- GATION -----
	1st. YEAR -----	2nd. YEAR -----	TOTAL -----	
1 INTERNATIONAL PERSONNEL	23,600	34,612	58,212	26,000
2 NATIONAL PERSONNEL	40,536	57,153	97,689	43,450
3 VEHICLES	30,000	0	30,000	30,000
4 OPERATIONS	31,740	61,316	93,056	54,818
5 MATERIALS AND EQUIPMENT	92,874	51,448	144,322	95,000
6 TECHNICAL ASSISTANCE	10,315	2,500	12,815	10,400
7 ADMINISTRATION	11,837	15,032	26,869	18,110
8 CARE USA HQ	19,272	17,765	37,037	22,222
TOTAL			500,000 =====	300,000 =====
By Components -----				
1 INFRASTRUCTURE			236,048	141,629
2 HEALTH EDUCATION			128,085	76,851
3 EVALUATIONS AND AUDITS			29,000	17,400
4 MANAGEMENT AND ADMIN.			106,867	64,120
TOTAL			500,000 =====	300,000 =====

PROGRAM DESCRIPTION
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CARE INTERNATIONAL IN GUATEMALA.

RURAL WATER AND HEALTH PROJECT

1991-1993

RURAL WATER AND HEALTH PROJECT

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I. EXECUTIVE SUMMARY

A. Introduction

This is a proposal to seek funding for a two year water and environmental sanitation project, "Rural Water and Health" (RWH), for the northwestern region of Guatemala. This proposed project will build upon the USAID-funded "Water, Women and Health" (WWH) Project (#520-0336) which was initiated in 1985 and will be completed in October 1991.

The proposed Rural Water and Health Project, has re-defined goals and a revised strategy which will improve and expand coverage. This project will begin in October 1991 and be completed in June 1993. The RWH Project will complete the transition -which began in 1989- from a purely infrastructural project focusing on the provision of water systems and latrines to a sustainable health endeavor. The heart of the RWH Project strategy will be an Operational Research, or experimental, approach. The RWH Project will take proven technologies and methodologies from other, similar, projects in Guatemala and the region and carefully adapt them to the 22 RWH communities. This strategy will fully involve the target population. In addition the counterpart, USAID and other CARE and non-CARE projects will be consulted in advance on approaches to be adapted by the RWH Project. Lessons learned will be documented for the benefit of future health projects in Guatemala (and possibly the region) in the form of practical written guidelines for project managers.

The RWH Project will coordinate its strategy with the USAID-funded Guatemala Highlands Water and Sanitation Project strategy. Two priority areas of cooperation will be:

- Partial payment of the installation costs of the water systems by communities on a pilot basis.
- Site selection and system construction based upon environmental impact considerations recommended by the Dames and Moore Study¹, as accepted by USAID/Guatemala.

CARE's counterparts in the RWH Project will continue to be the Ministry of Public Health (MPH)/Unidad Ejecutora de Proyectos Acueductos Rurales (UNEPAR) and participant communities. The project will work in ten new communities. In addition it will continue to work in the twelve communities which will have been completed under WWH in October 1991, for a total coverage of 22 communities.

The Problem To Be Addressed By The Project

Over 1,000 Guatemalans die every month as a result of severe diarrhea caused by a lack of access to sufficient, clean, water and because of poor sanitary conditions and practices. The

¹"Environmental Assessment: Highlands Water and Sanitation Project." Dames & Moore. January 1991.

RURAL WATER AND HEALTH PROJECT

death rate due to diarrhea is higher in Guatemala than in any other country in Central America. It is over ten times the diarrheal death rate in the United States of America. Nearly two-thirds of these fatalities are children under five years old. Most of the victims of diarrhea tend to be members of the indigenous population who live in absolute poverty in rural Guatemala.²

The high infant mortality rate results in:

- Families having more children to compensate for children who die prematurely.
- Greater mortality at delivery of women weakened by sequential (unspaced) deliveries.
- Less resistant children being born who succumb more readily to dehydration resulting from diarrhea.
- Children who survive their early years often suffering permanently from mental and physical impairments.³

With \$1,500,000 in support from USAID, the CARE-Guatemala WWH Project has been working in concert with UNEPAR in responding to this critical problem since 1985, with favorable results.⁴ In addition, encouraged by the impact of the USAID-funded project, CARE-Germany in 1989 provided DM 1.4 million (approximately US\$ 900,000) over four years for the "Water, Community and Health Project" (WCH) in 30 communities in the northern and eastern regions of Guatemala, utilizing aid funds provided by the German Government. The German-funded WCH Project is modeled on WWH and effectively permits UNEPAR and CARE to more than double their coverage. Changes incorporated in the RWH Project design will be reflected in the WCH Project to ensure consistency in approach in the 52 communities (both projects combined) where UNEPAR and CARE are or will be working.

B. Goals

The goals and strategies of the original WWH Project have been strengthened in RWH to better address the need for greater coverage, impact and sustainability. By providing access to pure water, promoting sound health and sanitation practices and involving communities fully in resolving their own health problems, the RWH Project, will help counter and prevent the devastating effects of diarrheal diseases in the targeted rural population of Guatemala.

Final Goal

By June 1993 twenty-two rural communities in the Occidente Region of Guatemala, with a combined population of approximately 11,000 people, properly and independently utilize and maintain potable water systems, latrines and a health promotion program which positively impacts on the health status of their communities.

²UNICEF. The State of the World's Children 1991, Oxford University Press, Oxfordshire, UK, 1991.

³For example the percentage of Guatemalan children 2-6 years old suffering from moderate to severe stunting is approximately 60%. The expected spread of cholera -a lethal diarrheal disease- to Guatemala will make this already serious situation even worse. Reference: "National Plan for the Promotion of Potable Water and Health for Rural Guatemala 1991-1995." Guatemala, August, 1990. MOH.

⁴See the report of the recent evaluation of the two year old Health Education Component, carried out by DataPro in May 1991. Copies available at USAID/Guatemala.

RURAL WATER AND HEALTH PROJECT

Intermediate Goal #1

80% of households practice personal and domestic hygiene measures to prevent diarrheal diseases, including cholera -by June 1993.

Intermediate Goal #2

80% of members of community use and maintain appropriate latrines -by June 1993. (Latrine use by children five years old and under will be given special emphasis in the RWH Project.)

Intermediate Goal #3

60% of mothers practice appropriate oral rehydration therapy to reduce the severity of diarrheal episodes of their children -by June 1993.

Intermediate Goal #4

10 potable water systems provide a minimum of 60 liters of clean water per person/day, and a minimum of 800 appropriate latrines constructed -by April 1993. (The target is 1,000 latrines, however an acceptable range for planning purposes is 800-1,000 latrines.)

Intermediate Goal #5

22 communities will be independently capable of administering, operating, and maintaining their water systems and independently conducting health education in their communities -by June 1993.

(Note that this intermediate goal includes ten new sites and twelve sites completed as of October 1991. Follow-up activities in the previously completed sites will ensure greater long term sustainability by June 1993.)

C. Strategy

The Rural Water and Health Project will have the following strategy.

1. Communities are pre-selected based upon specific criteria.
2. CARE staff work in the pre-selected communities for three months, focusing on carrying out baseline surveys⁵ and community organization activities.

⁵The baseline surveys will provide essential information related to project indicators and environmental impact. At mid-project and towards the end of the project evaluations will compare progress against baseline status.

RURAL WATER AND HEALTH PROJECT

During this organization phase the pre-selected communities must demonstrate a strong commitment to improving their overall circumstances. They must incorporate women health promoters on the traditionally all-male water committees. In addition they must show a minimal ability to carry out the project in partnership with the government counterpart, UNEPAR, and CARE, before being finally selected.

3. Construction of the potable water system and latrines is initiated in the ten new communities. UNEPAR and the communities take the lead, with CARE providing technical assistance and training. Completion of the construction phase, on average, will take about one year in each community.

4. At the same time the construction phase is initiated in the ten new communities, CARE begins an intensive training and motivation program which will result in at least 80% of the 22 old and new communities being able to manage their own environmental health and sanitation by the end of the two year project. Although families as a whole are involved in this process, the focus is on empowering women and in improving their overall situation through the involvement of female extensionists, female promoters, and by forming and working with women's groups.

As a result of pursuing the strategy outlined above, most participants' practices regarding individual, family and community health and sanitation will have been significantly improved and the rate of child morbidity and mortality due to gastrointestinal diseases will be on the decline on a long term basis. Concrete advancements in the status of women in the communities will be expected. In addition improved leadership, management and problem solving capabilities will enable the RWH communities to continue their own development agenda after UNEPAR and CARE have gone.

D. Financial Plan

To implement the RWH as designed will require inputs valued at a minimum of \$902,000 over the two year project implementation period. CARE-Guatemala is seeking \$500,000 from USAID. UNEPAR, participant communities and CARE will provide a match of \$401,000 (55% of the total). This includes \$40,000 from UNEPAR and \$50,000 from CARE in cash, with the remainder being in-kind contributions.

Rural Water and Health Project Proposed Budget Summary

	D.1. BREAKDOWN BY DONOR	YEAR 1 US\$	YEAR 2 US\$	TOTAL	% TOTAL
1	USAID	\$260,174	\$239,827	\$500,000	55%
2	CARE-USA	\$20,000	\$30,000	\$50,000	6%
3	UNEPAR	\$20,000	\$20,000	\$40,000	4%
4	UNEPAR IN-KIND	\$68,394	\$86,793	\$155,187	17%
5	COMMUNITY IN-KIND	\$43,500	\$112,500	\$156,000	17%
	TOTAL	\$412,068	\$489,120	\$901,187	100%

continued next page.....

RURAL WATER AND HEALTH PROJECT

	D.2. BREAKDOWN BY MAJOR LINE ITEMS	YEAR 1 US\$	YEAR 2 US\$	TOTAL	% TOTAL
1	International Personnel	\$23,600	\$34,613	\$58,213	6%
2	National Personnel	\$40,536	\$57,153	\$97,689	11%
3	Vehicles	\$30,000	\$0	\$30,000	3%
4	Operations	\$31,740	\$61,316	\$93,056	10%
5	Materials & Equipment	\$92,874	\$51,448	\$144,322	16%
6	Technical Assistance	\$10,315	\$2,500	\$12,815	1%
7	Administration	\$11,837	\$15,032	\$26,869	3%
8	CARE-USA HQ	\$19,272	\$17,765	\$37,037	4%
SUBTOTAL		\$260,174	\$239,827	\$500,000	55%
9	Counterpart Institutions	\$151,894	\$249,293	\$401,187	45%
GRAND TOTAL		\$412,068	\$489,120	\$901,187	100%

PH 11 July 1991

RURAL WATER AND HEALTH PROJECT

II. PROJECT OVERVIEW

A. Setting

Guatemala is a country of 9,400,000 people, occupying approximately 41,000 square miles in the seismically active zone of the Central American isthmus. Just under 60% of the population live in rural areas; the remaining 40% live in towns and cities. The country is geographically, politically and ethnically diverse, and represents a broad range of climates, languages and political views.

Cultures are strongly contrasted not only between the indigenous (Indian), and Spanish-descended (Ladino) populations, but also between the different Indian groups. The indigenous population comprises about 45% of the total and there are approximately 22 linguistically separate Mayan languages. Although there is a trend to adopt Spanish as a second language, many indigenous women and children are monolingual.

The Mayan population is largely excluded from the mainstream economic and political life of Guatemala and the large majority make their living as subsistence farmers in the agriculturally marginal central and western highlands regions of the country. The evident disparities of life style and economic circumstances have been a significant contributing factor to periodic outbreaks of violence that are a characteristic of Guatemalan life. This was demonstrated by the civil strife between 1978 and 1985. At present the country is relatively peaceful.

The second consecutive civilian government in 21 years is headed by President Serrano who took office in December 1990. He leads the conservative Solidarity Action Movement party. His administration has been faced with severe problems, many arising from the fact that the state treasury was exhausted at the beginning of his term. Despite these issues President Serrano has maintained a commitment to helping the rural poor of Guatemala.

Guatemala is as diverse agriculturally as it is geographically and a broad range of both tropical and temperate crops can be produced, making it potentially one of the richest countries in the region. (The primary export crops are sugar and coffee.) Most people make a living from the resources in their immediate environment, farming often small plots of very marginal land. However historical circumstances have resulted in skewed landownership patterns, and two-thirds of Guatemalan farmers own or occupy less than one hectare of land (one hectare = approximately 2.4 acres).

Subsistence farmers are increasingly unable to meet their basic needs of food and firewood from on-farm activities. To illustrate, from 1976 to 1988 the poorest 40% of the population received only 14% of the national income. Approximately 7,000,000 people living in the rural areas (74% of the rural population) live below the official absolute poverty level. Highly concentrated in this group of people is the indigenous population. These circumstances have had a significant negative effect on the population's health.

B. History and Development

CARE's health sector has been working to provide water systems for domestic use to poor rural communities all over Guatemala since 1965. In cooperation with the Government of Guatemala (GOG), CARE built its first 17 water systems between 1965 and 1966. In 1966 CARE signed an agreement with Accion Conjunta, at that time part of the Ministry of Public Health. This partnership lasted until 1971 and formed the basis for how CARE's water and health projects were to be organized in the future. CARE provided the materials and logistical support, the counterpart produced the technical plans, the skilled labor and overall supervision, and the community contributed unskilled labor and local materials. This

RURAL WATER AND HEALTH PROJECT

system of organization evolved further in 1975, when, with financial assistance from USAID, CARE included the promotion and construction of latrines in its water projects. It was not until 1989 that health education was successfully included in the project strategy.

CARE's counterpart from 1985 to 1987 was the Ministry of Development. In 1987 CARE signed an agreement with the Rural Potable Water Projects Unit ("UNEPAR"), a semi-autonomous organization under the Ministry of Health, because of UNEPAR's better water system designs and construction supervision record UNEPAR has remained CARE's official copartner since 1987 and will continue as the Government counterpart for this new two year initiative

Due to lack of resources and experience, the Ministry of Development and then UNEPAR experienced a number of difficulties in implementing the health education component of the project. Consequently, with the acquiescence of UNEPAR, since 1989 CARE has overseen the health education component. This critical segment of the project focuses on changing prevalent poor sanitation and hygiene practices which contribute to the high rate of diarrheal diseases.

CARE is currently completing a six year project, Water Women and Health, with \$1.5 million in financial assistance from USAID. By October 1991 this project will have completed the construction of 59 water systems and nearly 6,000 latrines in rural communities in the western highlands of Guatemala. These water systems serve approximately 32,000 people at an average direct input cost of \$30 per person, or \$1.50 per person-year over the average 20 year design life of the system.

A four year sister project, Water, Community and Health, funded by CARE-Germany with DM1.4 million (approximately US\$800,000) in German government aid funds was initiated in 1989. When completed in 1992, 30 water systems and 3,000 latrines will have been constructed serving approximately 15,000 people in the northern and eastern areas of Guatemala.

In May/June 1991 an external evaluation of the two-year old WWH Health Education Component was conducted by the local consulting firm, DataPro, selected by CARE upon approval from USAID. Recommendations from the preliminary evaluation report were broken down into Project Strategy, Coordination, Training, Health Education Strategy, and Information Systems. A summary of the recommendations follows.

WWH Health Component Evaluation Summary Recommendations

I. Project Strategy

A. Planning

1. Attempt to select sites where CARE already has a presence.
2. Include an initial community organization phase.
3. Include a follow-up phase.
4. Evaluate communities after they have had water and latrines for one year.

B. Objectives

1. Establish specific objectives for each population group, community and time-frame.

RURAL WATER AND HEALTH PROJECT

2. Develop formative objectives to facilitate feedback for field personnel (example: training objectives for promoters).

C. Personnel

Recruit a male extensionist and an additional rotating extensionist to serve as a substitute in case of resignations, illness and/or vacations.

II. Coordination

1. Coordinate with MOH and other projects in Guatemala involved in water and health projects in Guatemala.
2. Visit other water and health projects in the region.

III. Training

A. Selection and Training of Extensionists

1. Update selection criteria and processes.
2. Provide additional supervision and support in the field.
3. Provide additional training in educational techniques, parasites, birth spacing, first aid, and how to take care of their own health in the field.
4. Establish an orientation plan for new extensionists.

B. Selection and Training of Promoters

1. All recommendations for extensionists also apply to the promoters. Additional recommendations follow
2. Establish a pilot incentive system for promoters.
3. Develop a strategy for the gradual takeover of responsibilities by the water committee and the health promoters

IV. Health Education Strategy

1. Explore possible points of resistance to changes in behavior and revise educational materials accordingly.
2. Add new health messages to the present ones.⁶
3. Use "Child-Child" training guide from UNICEF in developing a health education program for children.

⁶The DataPro evaluators felt that since the project will spend a minimum of eighteen months in project communities, additional health messages could be absorbed by the participants. Alert to the danger of overloading participants with too many messages, CARE will modify existing messages and add new ones on a project-wide basis only after successfully carrying out trial runs in selected communities.

RURAL WATER AND HEALTH PROJECT

4. Establish a health orientation strategy for men.
5. Test educational materials that women can bring home.
6. Resolve problem of lack of latrines use by children under five years old.

V. Information System

1. In general, the project's information system needs to be streamlined/re-structured.
2. Objectives must be fine-tuned to better measure impact at the community level.
3. All reporting requirements, from field to CARE HQ to donor, should be reviewed in terms of:
 - Types of information to be collected and analyzed.
 - Purpose.
 - Audience.
 - Frequency.
 - Format.
4. Formats should be field-tested before being adopted for use. Periodic reviews of the information system, involving all levels of staff as appropriate, should result in updating of the system as necessary.
5. Establish an information database from which, with the addition of management's analysis, the required reports can be generated
6. Define progress indicators which will permit better feedback to field staff, promoters and the communities in general on the degree of accomplishment of project goals
7. Include the water committee and the promoters in a community-based project monitoring system.

The staff of the WWH Project believe that the DataPro evaluation accurately points out areas which can and will be strengthened in the RWH Project. In addition, based upon DataPro's generally positive evaluation of the WWH Health Component there is ample justification for CARE to continue its water and health programming efforts in Guatemala. DataPro's recommendations, as well as recommendations received from USAID, CARE-USA headquarters and CARE-Guatemala staff have been incorporated in this re-design of the present project. Additional comments received on this proposal will also be incorporated into the final design/proposal.

C. Problem Statement

Over 1,000 Guatemalans die every month as a result of severe diarrhea caused by their lack of access to sufficient clean water, and because of poor sanitary conditions and practices (Once the cholera pandemic strikes Guatemala this already high mortality rate is expected to soar even higher because of these same conditions). While dehydration and death are the most common outcomes associated with diarrhea, the largest effect of this disease is child malnutrition which is the foundation for excessive morbidity and mortality among young children. In terms of malnutrition indicators the Occidente, or northwest shows the highest percentages of children whose weight (14%) and height (50%) for age are -three or more standard deviations below the median of the NCHS/WHO/CDC reference population.

RURAL WATER AND HEALTH PROJECT

Thus the central problem which the RWH Project will address is the high mortality rate in children five years old and under due to diarrheal diseases. Although RWH will do so directly by promoting ORT, its central focus will be on attacking the principle causes of diarrheal diseases.

The principal causes of the high prevalence of diarrheal diseases are classified as those related to human behavior and those resulting from deficiencies in the system/environment where people live.

Behavior-related causes of diarrheal diseases are:

1. Inappropriate feeding practices of young children, especially in terms of exclusive breast feeding during the first six months of life.
2. Untimely introduction and use of inappropriate weaning foods.
3. Poor personal and domestic hygiene practices leading to water and food contamination, even in those cases where water is clean.
4. Unsafe disposal of human waste, especially of young children, and of garbage, which results in a highly contaminated family environment.

Causes of diarrheal diseases related with the system are:

1. Water sources are contaminated, located far away from people and/or produce insufficient water.
2. There are no facilities for safe disposal of human waste.
3. Lack of opportunities/resources for communities to develop strong/effective organizations capable of independently addressing community water-health related problems.

Rural communities without water systems obtain their water from rivers or natural springs. Women, traditionally charged with all domestic duties, often have to walk considerable distances to collect small quantities of water from these sources. These trips, generally undertaken several times a day, can use up large amounts of time and energy which could be spent more productively. Distances to water are often increased due to the seasonal drying up of some water sources. Furthermore, water often is contaminated by human and animal waste and other pollutants.

This polluted water is used for drinking and cooking and is subsequently ingested by people who become ill, normally resulting in diarrhea, vomiting, loss of appetite and the inability to absorb and maintain the required nutrients and body fluids. In small children this situation can become serious if not treated quickly.

The inappropriate disposal of human waste is another contributor to the high prevalence of diarrheal diseases. Most farm families do not use latrines and are unaware that particularly flies, but also domestic animals, spread fecal pathogens to food and water in the home via exposed human faeces. These bacteria are then ingested, and within hours or days irritate the intestinal lining, which results in diarrhea. The bacteria are subsequently conveyed in the excreta and, helped by vectors such as flies, chickens, and unwashed hands, infect other persons or reinfect the same person. This fecal-oral transmission route continues relentlessly unless the cycle is interrupted by a combination of positive interventions such as those to be taken by the RWH Project. In the absence of such actions, the result, for young children in particular, is more often than not, death due to severe dehydration resulting from diarrhea.

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Although for adults the problem may be less serious physically, weakened by diarrhea they become less productive and less able to care for their families. Thus the high incidence of diarrhea significantly contributes to the low quality of life experienced in most of the rural communities in Guatemala.

Babies from birth to six months old who are not breast-fed are extremely likely to succumb to diarrheal diseases as a result of ingesting contaminated water and food. For them the best possible protection is mother's milk. From four months of age sanitarly prepared weaning foods need to be introduced to continue this insurance policy.

Even with access to water and latrines it is unlikely that in the long run diarrheal and other diseases will decline significantly unless communities learn to identify, prioritize and resolve their own water and health-related problems on a sustainable basis. Long-standing disparities between the rich and poor, educated and uneducated, language differences, and dealing with a complex central bureaucracy have resulted in a generally passive, fatalistic rural population. For this reason, following initial organization and motivation efforts, the RWH Project will only work with communities which will work with UNEPAR and CARE in equal partnership and which demonstrate a potential to take over their own development once UNEPAR and CARE leave.

D. Needs Assessment

Guatemala Ministry of Health officials reported an increase in diarrhea cases from 109,000 in 1989 to 132,000 in 1990 (a 21% increase). For the project implementation region, the Occidente, a study conducted by INCAP in 1987 found that among children under five, the prevalence of diarrhea in the two weeks prior to the survey was 14%. The study also found that this prevalence sharply increases in younger children (it is 30% among children 6-11 months old), pointing out the strong role played by the lack of exclusive breast-feeding and appropriate weaning practices as causes of this high prevalence.

On a regional scale, the death rate in the general population due to diarrhea is higher in Guatemala than in any other country in Central America. It is over ten times the diarrheal death rate in the U.S.A. Nearly two-thirds of these fatalities are children under five years old. Most of the victims of diarrhea tend to be Indians who live in absolute poverty in rural Guatemala.

Only Paraguay (8% of the rural population) is in worse shape than Guatemala (14% of the rural population) in terms of access to safe water in the rural areas of the Americas. Neighbors Honduras (45%), El Salvador (40%), and Mexico (47%), are on average three times better off than Guatemalans when it comes to access to safe water in rural areas. Rural North Americans (95% access) are nearly seven times better off than rural Guatemalans.

The most recent figures from the Ministry of Public Health in Guatemala highlight the health risk facing young children under five. Of all registered deaths in 1986, 39% were of children under the age of five. Furthermore, statistics show that of the ten principle causes of death, mortality from intestinal diseases was the most prevalent, and 63% of all deaths from intestinal diseases were children under the age of five. UNICEF estimates that the under five mortality rate in Guatemala in 1989 was 97/1000, the third highest prevalence in Latin America (after Peru and Honduras) and eight times the rate in the USA.

Although more serious in Guatemala, these circumstances are by no means limited to Guatemala. Studies carried out in Nicaragua, Costa Rica, Honduras and Belize concluded that diarrhea is the primary cause of infant mortality in those countries as well. The World Bank reports that diseases related or associated with low quality water are among the three principle causes of morbidity and mortality in the developing world. There is no doubt but that there is a direct correlation between poor quality

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drinking water and the incidence of gastrointestinal diseases and the subsequent life-threatening risk for children under five years of age.

A CARE diagnostic in late 1988 demonstrated, on a small scale, the health risks confronting rural Guatemalans. Selected inhabitants in ten communities confirmed that rivers, ponds and springs were the primary sources of water for most families. It also confirmed that the large majority of families do not dispose of human waste in a hygienic manner.

It was evident that even those families with latrines do not properly maintain them, and that in all probability they were not adequately used. Of the 92 latrines visited, 90% were in medium to poor condition. 87% of all the families interviewed did not dispose of their rubbish in a hygienic manner. Parents were asked to identify the most common diseases affecting their children. Fifty-five percent reported that their children had suffered from diarrhea.

The installation of water systems in rural communities is a Government priority. One of the recently articulated goals of the Ministry of Health is to increase water and sanitation coverage by 50% in rural Guatemala. The Ministry has created two separate institutions to provide water services to the people of Guatemala: UNEPAR and Sanamiento Ambiental. The Ministry of Development is also involved in providing water systems to the rural population of Guatemala, as are a number of local and international organizations such as Agua del Pueblo, CARE and UNICEF.

Given the correlation between water and health, CARE continues to be committed to the delivery of clean water systems to the rural poor. Over the last 24 years, CARE Guatemala has almost constantly been engaged in this activity and it has become an integral part of the CARE-Guatemala health program. CARE has assisted in the construction of over 200 water systems with more than 13,000 connections, serving over 130,000 people. Moreover, CARE's mission in Guatemala plans to integrate, wherever possible, water programs with other health related activities to provide prolonged and sustainable health coverage in selected communities.

Increasing the availability of water does not automatically reduce the incidence of disease or improve health. However, there is evidence to suggest that water quantity can improve the health status of a community.⁷ The following section will not only deal with the strategy concerning the more obvious quantitative aspects of the project, but will also address the qualitative goals concerning behavioral change and sustainability.

Addressing the health problems related to the lack of water quantity and quality in rural Guatemalan villages is the central focus of the project, and the construction of water systems is one component of that focus. Equally important has been the establishment of an educational program with specific health messages designed to encourage a change in prevalent domestic practices contributing to the poor health status of community members.

⁷Water Supply and Diarrhea: Guatemala Revisited. USAID, August 1989. —

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III. DESCRIPTION OF PROJECT

A. Goals

Final Goal

By June 1993 twenty-two rural communities in the Occidente Region of Guatemala, with a combined population of approximately 11,000 people, properly and independently utilize and maintain potable water systems, latrines and a health promotion program which positively impacts on the health status of their communities.

Indicators

- a. %⁸ of children under three with diarrhea in the last two weeks.
- b. % of children under two with inadequate weight for age.
- c. Prevalence of diarrheal disease among 11,000 villagers living in 22 communities of the Occidente Region of Guatemala reduced by 30% by June 1993.

Intermediate Goal #1

80% of households practice personal and domestic hygiene measures to prevent diarrheal diseases, including cholera -by June 1993.

Indicators

- a. % of family caretakers (male, female, older children) can cite at least three measure to prevent diarrheal disease
- b. % of participant mothers exclusively breast-feed children during the first six months of life
- c. % of households protect food and drinking water
- d. % of households have sanitary compounds (no human/animal faeces, trash)
- e. % of households recycle, burn or bury their trash/garbage
- f. % of households use grey water drainage systems

Intermediate Goal #2

80% of members of community use and maintain appropriate latrines -by June 1993. (Latrine use by children five years old and under will be given special emphasis in the RWH Project.)

Indicators

- a. % of family caretakers can explain why/how latrine use improves health

⁸Indicator percentages will be determined as a result of a baseline survey to be conducted within three months of project startup. Concrete targets have been established by the project at the Final and Intermediate Goal levels. In addition, Indicator "c" of the Final Goal, states a specific, measurable target related to a reduction in the prevalence of diarrheal disease as a result of the project.

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- b. % of households have an appropriate latrine
- c. % of participants older than five years use a latrine on a routine basis
- d. % of participants five years old or younger use a (appropriately adapted) latrine on a routine basis
- e. % of households properly maintain their latrine (odor-free, fly-free) and properly utilize latrine-produced compost

Intermediate Goal #3

60% of mothers practice appropriate oral rehydration therapy to reduce the severity of diarrheal episodes of their children -by June 1993.

Indicators

- a. % of family caretakers can explain the appropriate management of diarrheal disease cases
- b. % of family caretakers can correctly demonstrate how to prepare oral rehydration solutions (ORS)
- c. % of mothers report properly feeding a family member during and after the last diarrheal episode
- d. % of communities with a functioning ORS Depot

Intermediate Goal #4

10 potable water systems providing a minimum of 60 liters of clean water per person/day, and a *minimum* of 800 appropriate latrines constructed -by April 1993. (The target is 1,000 latrines, however an acceptable range for planning purposes is 800-1,000 latrines.)

Indicators

- a. number of communities with new water systems which provide a minimum average of 60 liters of clean water per person/day
- b. number of water systems with a capability of providing a minimum of 60 liters of clean water per person/day for a projected 50% population increase by year 2012.
- c. number of families have appropriate latrines constructed and in use

Intermediate Goal #5

22 communities will be independently capable of administering, operating, and maintaining their water systems and independently conducting health education in their communities -by June 1993. (Note that this intermediate goal includes ten new sites and twelve sites completed as of October 1991. Follow-up activities in the previously completed sites will ensure greater long term sustainability by June 1993.)

Indicators

- a. % of communities with a water committee trained in administration, operation and maintenance of their water system (including problem solving and action planning skills)
- b. % of water committees correctly use community project monitoring (plan versus actual) system (developed with community)

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- c. Number of water committees whose accounting books are in order
- d. % of communities with a minimum of two trained water system maintenance workers (hereinafter. "fonteneros")
- e. % of water committee members can identify the most frequent problems and solutions in the administration, operation and maintenance of a water system
- f. % of water committee with effective collection and use of water user fees (including loans to community members, for example)
- g. % of water committees meet on a (minimum) monthly basis to discuss and resolve water system and community health/sanitation issues
- h. % of communities with a least two women on their water committee
- i. % of water committees correctly utilize administration, operations and maintenance checklist (developed with community)
- j. % of communities with a minimum of one primary and one backup female and male health promoter (four total) who provide educational and referral services
- k. % of promoters correctly utilize health monitoring checklist (developed with community)

B. Strategy

The RWH Project will address the causes of the high prevalence of diarrheal disease, including cholera, to which rural Guatemalans are or, in the case of cholera, will be exposed.

The project strategy will be continuously refined and implemented in partnership with the communities, UNEPAR and CARE and in consultation with the donor.

In general, the project strategy will be characterized by:

1. Close coordination with CARE-Guatemala's other projects, which focus on health, agriculture and natural resources, and small enterprise activity development.
2. The utilization of an Operations Research/Community Management approach which will result in greater sustainability and participation at the community level and will provide UNEPAR, the donor, CARE and other organizations engaged in water/sanitation projects with information with which to improve ongoing and future water/sanitation projects.
3. Incorporation of a modest watershed management outreach capability in conjunction with water source preservation. This is necessary due to the rapid deforestation of the watersheds which store the water used by the potable water systems.
4. The water system and latrines will be seen as a medium for development and not (only) as an end in themselves.
5. Efforts will be made to design, build and promote "state of the art" appropriate water systems and latrines with emphasis on lowering costs, while providing greater usage.

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6. Stress will be made on interventions which result in more efficient use and improved conservation of water, including "grey" water (for vegetable gardens, for example), and construction of simple drainage systems

7. A post-construction phase (lasting up to one year in old sites) will consolidate community capability to administer and maintain the water and sanitation system by providing support to the health promoters and the water system maintenance workers ("fonteneros") until they are able to stand on their own

8. Greater long term project sustainability will be sought through a stronger community development approach, including emphasis on group dynamics, non-formal education techniques, training of trainers and a locally managed monitoring and evaluation system

The strategy will be four-pronged, focusing on:

1. Site selection.
2. Community organization and motivation.
- 3 The construction of gravity-fed potable water systems and latrines.
4. Providing health/hygiene education for participants.

These chief elements of the strategy are explained, following.

1. Site selection -3 months*

*During final three months of present WWH Project.

Pre-selection of potential sites will be undertaken by both UNEPAR and CARE during the final three months of the present project. Both organizations receive requests from communities needing assistance to construct potable water systems. CARE passes on those requests it has received to UNEPAR, UNEPAR then confirms the existence of an adequate supply of water (water quality will also be tested), checks the legal status of the water source, and helps the community to form and legalize a water committee. UNEPAR and CARE then organize a meeting at the regional level, (Quetzaltenango), and together make an initial list of potential sites from which CARE will make a final selection.

2. Baseline Survey, Community Organization and Motivation -3 months

Within three months of project startup, a baseline survey will be carried in each pre-selected community. Each baseline survey will consist of four components:

- a Environmental Impact Assessment⁹
- b Socioeconomic Status
- c. Basic Health Status

⁹The Rural Water and Health Project will utilize the guidelines recommended for site selection and project execution set forth in the Dames & Moore Environmental Assessment -as approved by USAID/Guatemala- which was done in November 1990 for the USAID-funded Highlands Water and Sanitation Project. This strategy makes sense given that execution of the Highlands Water and Sanitation Project and the Rural Water and Health Project will take place in close geographical proximity

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d. Current Knowledge, Attitudes and Practices

Information collected during the baseline will be utilized to establish the more detailed project indicators listed earlier and will be used for comparison purposes at the mid-point and at the conclusion of project activities. The community, represented by the water committee, must be an equal partner with UNEPAR and CARE in all aspects of project implementation. The water committee will play a central role in the project and will form the nucleus of the management system.

The project will help the committees define their function as managers of the water system and the health education activities. Each member of the committee will be oriented to several critical aspects of the committee's responsibilities, including the collection of user fees, troubleshooting system breakdowns, organizing repairs, and holding community meetings. Included in the committee's orientation will be the support of the health promoters and identification, resolution and prevention of health issues, including a special emphasis on cholera. A major accomplishment of the WWH Project has been that female promoters are represented on a number of village water committees and health issues are now considered a permanent Committee responsibility. CARE will continue to promote with UNEPAR and the local authorities responsible for the legalization process, the inclusion of female as well as male health promoters on the committee, responsible for the continuation of health education activities after UNEPAR and CARE leave.

Although the selection of communities is a process and does not ultimately depend on a single visit, the initial selection is determined by the following set of criteria:

- a. The project can be implemented without adversely affecting the immediate or downstream environments. (See Ames & Moore "Environmental Assessment of the Highlands Water and Sanitation Project." January 1991.)
- b. Appropriate environmental conditions in general and topographical conditions in particular exist for the implementation of a potable water system and latrine program that can be financially and technically maintained for a minimum period of twenty years. This includes the condition (particularly tree cover) of the micro-watershed/catchment area for the water source. Areas which are severely eroded/deforested, in danger of becoming so, or with no management plan for protection will usually be rejected. With respect to latrines, soil conditions and potential contamination of ground water will determine whether pit latrines or above-ground compost privies will be utilized in the site.
- c. Possible linkages with other CARE health projects and MOH facilities.
- d. Possible linkages with CARE agroforestry project sites for water source protection.
- e. Accessibility of the community.
- f. No existing and functioning water system.
- g. Community should be located in a rural area.
- h. Community should be willing to have at least two female and two male representatives responsible for all health education activities.

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i. Population size should be between 250 and 2,000.

j. Average direct, or construction, cost per-capita should not exceed \$35 (\$175 per house connection). This does not include associated costs such as designs and skilled labor provided by the counterpart, UNEPAR. Nor does it include the cost of the health and water system operations education components of the project. Budget details are available in the Appendixes.

k. There should exist a water source of adequate size and quality. Attempts will be made to select sites which have been shown over two dry seasons to produce average minimum consistent flows of 0.75 liters per second to one liter per second. The current and projected population size also enters into the water quantity equation. Water quality will be tested also, however because most water sources are springs in rural areas, normally water quality problems do not arise.

l. Local building materials available (sand, rock and gravel).

m. Local labor available.

n. An ability and willingness in potential pilot communities to pay a monthly cost-recovery fee over and above the standard maintenance fee. The objective is to determine if part of the cost of installing the water system can be recuperated, with the proceeds being cycled into water system construction in other communities. An increased sense of ownership of -and responsibility for- the water system is expected to result. In addition, if the pilot cost-recovery strategy is successful, organizations such as CARE will be able to develop a long term capability to construct water systems with decreasing reliance on outside assistance. The RWH Project will coordinate with CARE's Community Banks Project and the MOH Highlands Water and Sanitation Project in developing an appropriate strategy for this exercise. Actual monthly rates, for example, will most probably be determined on a community-by-community basis, as a result of baseline socioeconomic information. For further details, please see Appendix K.

CARE-Guatemala presently has a large MCH project distributing food through 550 health centers in every Department of Guatemala. Efforts will be made to select some RWH Project sites within the areas effectively served by these centers and posts. During RWH Project execution, formal relations will be established wherever possible between the water committees and the MOH authorities responsible for the MCH project through CARE personnel in both programs. Priority will be given to linkages which provide sustainable support for the health promoters. Other factors are taken into consideration over a longer period of time, and require a more in depth knowledge of the community. This is why once sites are pre-selected, UNEPAR and CARE will spend three months working with them to see if they meet additional, harder to assess criteria, before embarking on the construction of the water system. These additional criteria are:

a. Demonstrated community capacity for organization; b. Commitment and capability to contribute with physical labor, local materials and micro-activities (for example vegetable gardens) to the project. Several pilot communities will also be expected to help pay directly for their water systems as noted earlier; c. Legal access to the water source without unduly complex pre-conditions from the owners of the water sources; d. Ability and plans to protect their source watershed from deforestation and excessive use of agrochemicals.

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Each community will be made aware in advance of the way the project works and the manner in which communities are finally selected in order to prevent false expectations.

During the first three months in each community UNEPAR and CARE will concentrate on identifying and organizing a Water/Health Committee made up of a minimum of a President, Vice-President, Secretary, two water system maintenance specialists and two to four health promoters (of which at least two must be females).

It is estimated that approximately 25% of the pre-selected communities will not continue beyond the first three months for failure to meet criteria described previously. In the event that more pre-selected communities meet all criteria than can be accepted into the program due to funding limitations, these will be the first communities in line in possible subsequent phases of the project.

3. Construction of Water System and Latrines -12 months

The inaccessibility and often poor quality of existing rural water supplies will be addressed through the construction of ten gravity-fed water systems for a total of approximately 1,000 connections. These systems will deliver a minimum of 60 liters per capita per day, depending on the type of system. The minimum of 60 liters per person-day will be sustainable at a projected doubling of each community's population over the 20 year minimum design life of each system.

Appropriate latrines will be constructed in/near each of the participants' compounds for the hygienic disposal of human waste. By "appropriate latrines" it is meant that the project will cooperate with the donor, community participants, UNEPAR, other NGO's in Guatemala and other CARE missions in the region to carry out operational research on best options for latrines. This is in response to the mixed results experienced by CARE and other organizations in promoting the common pit latrine in the past. (Members of the RWH Project staff will visit CARE-Belize in September/October 1991 to learn from their successful latrine program, for example.)

The project will be a coordinated effort between UNEPAR, CARE and the community. Each partner will have specific responsibility for the various tasks that the project will be undertaking. These responsibilities will be clearly elaborated in the agreement to be negotiated and signed by UNEPAR and CARE.

CARE will be responsible for:

All stated project goals, outputs, and operations; specifically:

- Assuring that sites are chosen based upon the RWH Project selection criteria, including potential environmental impact, as described previously.
- The implementation of the health education component.
- The implementation of the water system Administration, Operations and Management training component. (This responsibility is shared with UNEPAR.)
- The financial administration and disbursement of project funds.
- The purchase of all materials and equipment necessary for the construction of the systems. (All procurement will follow USAID's and CARE's procurement procedures).

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UNEPAR will be responsible for:

- a. The topographical surveys. (CARE will assist UNEPAR, using project funds, to prepare the topographical surveys)
- b. The system designs.
- c. The initial budget for systems in each participating community.
- d. Supervise the construction work at community level.
- e. Assure that the work is completed in a timely fashion. (A trained mason will be posted to each site and will be responsible for all construction work on a day-to-day basis. The mason reports to an Area Supervisor working out of the UNEPAR regional office)

The community will be responsible for:

- a Acquiring the legal right to the water source.
- b. Acquiring the right to lay pipes from the water source to the village.
- c. The provision of sand, rocks and gravel for construction purposes.
- d Providing manual labor (Each beneficiary will be required to put in a certain number of work days.)
- e. Forming a water committee for the management, operation and maintenance of the water system and for health education. This includes assigning and supporting fonteneros and promoters, in consultation with UNEPAR and CARE
- f. In pilot communities, for partial payment of the water system.

Water System

The Water System construction phase follows a logical sequence starting with the topographical survey. CARE's experience has demonstrated that it is often at this point that the counterpart experiences a bottleneck, possibly resulting in considerable delays. In order to avoid this CARE will utilize qualified engineers from the private sector to conduct some of the topographical surveys.

The next stage is the preparation of the design and budget for each system. These are prepared by UNEPAR and submitted to CARE for approval.

Following the reception and approval of the designs and budgets, the purchase of the required materials and accessories can be made following donor's and CARE's procurement procedures. These materials are then transported to the sites, received by the village water committees which are responsible, under CARE supervision, for their storage and for inventory control. A UNEPAR-employed construction supervisor and mason will then arrive to supervise the physical construction of the system, from captation to installation of the yard connections. All aspects of the construction phase will be monitored by an experienced CARE field supervisor.

Participants will be required to dig drainways below their standpipes and fill them with gravel, and, where conditions permit, to channel grey water into vegetable gardens close to the standpipe.

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The period of time generally required for the construction of a system is a product of the topographical characteristics of the location of a community, the distance of the water source from the village, the size of the system, the availability of labor, organization and supervision of the work and a set of criteria CARE uses to measure general complexity. The latest figures available to CARE from sites included in the present project, Water Women and Health, show that, on average, one year is required to complete construction of a typical water system. This includes lag time to compensate for off-season availability of community labor and other potential delays.

As mentioned above, the major constraint effecting a more rapid completion of the water systems is the availability of labor. Men, who generally make up the labor force, have a commitment to government to serve in civil patrols one day per week. At project outset they will also have to contribute another day to the construction of the water system. A minimum of two days per week are therefore not available for farming, attending markets and otherwise looking after their families. Furthermore, men of the communities often migrate seasonally to harvest coffee or sugar cane on the south coast, and are consequently not available as laborers in their communities during those seasons.

Latrines

Latrine construction is an important aspect of CARE's water and sanitation projects, and latrine use one of the more difficult behavioral practices to promote.

Latrines will be built concurrently with other elements of the water system, with the participants responsible for digging the pits and providing most of the materials for covering the latrines, while CARE supplies the roofing and the cement for the floor and bowl.

Traditional pit latrines are not ventilated and are often unpleasant to use. Therefore, once proven successful and affordable through pilot approaches in randomly selected communities, alternative types of latrines (including VIP and compost privies) will be offered to communities.

4. Health/Hygiene Education and Administration, Operation and Maintenance of Water System -18 months

The Health Extension Training Program

CARE will be responsible for the implementation of the health education and water system operation and maintenance components, although the latter will be in especially close collaboration with UNEPAR.

As important as the provision of water and latrines is, basic health education, focusing on sanitation and hygiene practices, is essential if improved health is to be ensured. Reduction in mortality and morbidity due to diarrhea are imperative short term results which the RWH Project will achieve. However long term sustainability of health interventions by the communities themselves -once UNEPAR and CARE leave- is the chief and more challenging aim of the project.

A health training program will be carried out in all participating communities targeting self-selected groups of women, men, and, in coordination with local schools, children. The project will attempt to coordinate training and strategies with MOH health centers and other institutions which may be working in the area.

The delivery of the health education extension component will be in two distinct forms. Small groups of self-selected women will be organized by the agents and the local health promoters. These groups of no

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more than 15 women will attend sessions twice a month at a convenient place and time. The group sessions will be supported by individual home visits designed to evaluate the impact of the session and reinforce the messages. The visits will therefore take place after each session. Each agent and promoter team will deliver a maximum of two group sessions and two home visits per month to members of each group in the communities under their responsibility.

The major messages to be extended are

- a. Cover water and food in the house.
- b. Wash hands:
 - After defecating.
 - Before cooking.
 - Before eating
- c. Use and maintain latrines.
- d. Bathe regularly
- e. Keep domestic animals out of house.
- f. Breast-feed for first six months of infant's life.
- g. Keep homes, compounds, and communities litter free.
- h. Build drains for grey water which can irrigate home vegetable gardens.
- i. Provide persons affected with diarrhea with ORS
- j. Get help for people with diarrhea (One ORT Post will be established in every community.)

It is planned to relate health messages to real problems being faced by each community and individual households as identified by the health extensionists and promoters

It is recognized that oral rehydration is the most complex of the messages to be extended to project participants, and health extensionists and promoters will require additional training and preparation for this phase. The RWH Project will draw on the expertise of CARE's Child Survival Project staff to strengthen WWH's ORT training capabilities and in establishing ORT Posts.

The health extension agents and promoters will be trained to deliver the following messages.

- a. Basics of environmental health and sanitation.
- b. Diarrhea causes, consequences, treatment and prevention.
- c. Dehydration causes, consequences, treatment and prevention.
- d. Importance and methods of breast-feeding.
- e. Importance and methods of proper weaning.

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f. Importance and methods of birth-spacing (pilot basis).

h. The use of appropriate oral rehydration.

To help realize greater sustainability CARE will aim its efforts simultaneously at two levels of the community.

Level 1: Local Health Promoters. CARE will work with communities and MOH health centers to identify female and male health promoters who can serve their communities on a permanent basis.

Level 2: The Community, With Emphasis on Women's Groups. CARE will work to form women's and possibly other focus groups and provide them with a dynamic health education exercise, utilizing the health promoters -under the guidance of the extensionists. Locally available mechanisms will be sought to provide financial or in-kind support for the promoters to help ensure long-term viability of the promoter position in each community. Successful local health promoter models used in other countries in the region will be investigated and applied on a pilot basis as appropriate.

The health education component will encourage community participation, with women and school girls being the central, but not exclusive focus (It is recognized that the men and the families as a whole need to be involved as well if the health situation and the status of women are to be significantly improved.) The continued development of the appropriate training skills in the extension staff is also critical to the successful outcome of the training program. Project management will ensure that all extension agents receive adequate training in participatory educational methods and in the common health/hygiene problems which they will face in the communities.

A total of six female CARE health extension agents will be responsible for implementing the health education component, through local female and male health promoters, in the ten completed communities and in the ten new communities. Five of the six health extension agents will be responsible for the ten new communities, one agent per two communities, thus ensuring that each community will be visited a minimum of twice a month for an average of five to ten days per visit. The sixth agent will focus on follow-up in completed communities. All of the health extension agents report to a supervisor responsible for programming and overseeing their work. (UNEPAR has also contributed two extension/technical agents to the program.)

The extensionists currently in place have completed a minimum of 12 years' formal education. They have demonstrated a good capacity to organize and present health messages in the WWH rural communities and are improving upon their training of promoters. The extensionists are fluent in one or more of the local Mayan languages spoken in the Highland area as particularly women often do not speak Spanish.

A minimum of two five day training workshops designed to teach or reinforce the fundamentals of water related health and development issues will be conducted annually for new as well as old extensionists and promoters. The training workshops for the extensionists, promoters and -importantly- health workers with other institutions such as MOH, will focus on both content and methodology.

The content area includes: sources of contamination, the fecal-oral routes for transmitting diarrheal disease, improved community, domestic and personal hygiene practices, use and maintenance of latrines, hygienic disposal of rubbish, and oral rehydration techniques. Recommendations made in the May/June 1991 evaluation are being included in the training of trainers strategy for the new RWH project. The recently introduced, WWH-produced "Health Extension Manual" and Discussion Guide will be an important resource in most trainings.

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Methodology training will focus on participatory skills, including non-formal education and other extension techniques such as role plays, socio-dramas, demonstrations, puppet shows and group problem solving. Orientation activities will also develop planning skills and help develop the agents' and promoters' abilities to analyze and criticize their own work. All these techniques will become part of a repertoire that the agents and promoters will call upon in the preparation and delivery of the group sessions and home visits that they will be undertaking.

Rural community development principles (as opposed to a purely "health" focus) will form the backbone of the training program and will be explored in the workshops for all levels of project staff. Field follow-up will be built into all training modules to ensure that the modules result in greater staff effectiveness and are modified as necessary. In addition to follow-up in the field, participants will be required to take short tests both before and after each workshop. The results of these tests will help determine the content of each workshop and subsequent training courses.

The Administration, Operation and Maintenance Training Program

On-site, on-the-job, training of at least two community members appointed by the village water committee in the administration, operation and maintenance of the water system and latrines will be required. The selected individuals will work with the UNEPAR supervisor and mason to learn how the system is put together. In addition, selected members of the committee will be required to attend one four day workshop organized by UNEPAR to learn basic bookkeeping and money management skills, and the general elements of water system maintenance. CARE will coordinate with UNEPAR to carry out these workshops with project funds.

The water committees will be oriented and trained by UNEPAR and CARE with respect to their roles and responsibilities before, during and after the water system construction and will be helped to take the necessary steps to legalize their Committees and to obtain legal access rights for the water source, water tanks and pipelines. The "Administration, Operation and Maintenance Manual" and Training Guide recently produced through the WWH Project will continue to be used in water committee orientation sessions.

Water committee members will be oriented regarding the collection and proper management of user fees and how to order and purchase spare parts. They will also learn how to identify and make contact with specialist help should the system need major repairs. Past experience has shown that committees have demonstrated a satisfactory degree of problem solving and decision making ability in organizing community labor and acquiring local materials. These abilities will be used during the topographical survey, the transportation and administration of non-local materials and the management of user fees. Other CARE water and sanitation programs have shown that more decision making on the part of the Committee has increased its feeling of ownership, and ultimately led to improved system administration, operations and maintenance.

The Administration, Operation and Maintenance and Health Education components will be applied intensively in the ten new communities and, on a follow-up basis, in the 10 sites which will have been completed as of October 1991. All formal trainings, workshops, etc., will involve the fonteneros and promoters from both the old and the new communities.

C. Technology Issues

There are four major technologies to be included in the project:

1. Gravity fed water systems.
2. Latrines.

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3. Maintenance of water systems and latrines/fonteneros.
4. Community health activities/promoters.

1. Gravity-fed water systems.

The gravity fed water system is well known to rural Guatemalans, even to those who do not have access to a system themselves. Many such systems have been constructed over the last twenty years in hundreds of rural communities all over the country. It is the simplest, least expensive and easiest system to operate and maintain because it operates without the assistance of mechanical devices.

All community members to receive a water connection will be directly involved in the construction of the system. Each household is required to provide a specified number of days of manual labor. This requirement ensures that the community as a whole learns how the system is constructed and how it functions. Furthermore, the water committee in each community is asked to appoint a minimum of two persons to work as the mason's assistants, and who are taught exactly how the system is constructed and operates. Supervised by the Committee, these persons are subsequently responsible for the day-to-day operation and maintenance of the system. The Committees have overall responsibility for the working of the water system.

2. Latrines.

Latrines are also well known to most rural Guatemalans. The problem has been their lack of adoption and use, which can be linked, in most cases, more to the promotion of an inappropriate technology than to intransigence on the part of poor farmers and their families. The traditional pit latrine is often malodorous and sited some distance from the home, making it difficult to reach at night, in the rain -or when one has diarrhea. Latrines which are attached to the house and/or which are odor-free are popular in other countries. This project will take an operational research approach to latrines by cooperating with communities, UNEPAR, the donor, other NGOs and other CARE health and sanitation projects to come up with one or more appropriate options which project participants can select.

From a health standpoint the project would like to see human waste safely disposed of and, if possible, recycled for agricultural use once it has been rendered harmless through a composting process. Unfortunately a proven and generally accepted latrine technology does not yet exist in Guatemala.

3. Maintenance of water systems and latrines/fonteneros

Maintenance of its own water system is a relatively new concept for communities used to being dependent on "experts" from the outside. However, the following factors help ensure that a sustainable maintenance capability is established along with each water system.

- a. The water systems to date have been gravity fed (no pumps, motors), they are therefore quite inexpensive, simple to use and service.
- b. Male and female participants help build the system and some of them receive training in administration, operation and maintenance from the outset of the project, so they understand how it works and how to fix it.
- c. User fees are collected which cover the costs of most anticipated maintenance and repairs.
- d. Strict rules enforced by the water committee ensure that water use is regulated for domestic purposes only (irrigation of crops is not permitted).

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Latrine maintenance will be sold at both the water committee and the individual household level, although each household will be responsible for the proper maintenance of its latrine. As discussed earlier, a better technology than the common pit latrine will be sought to facilitate greater use and improved maintenance of latrines.

4. Community health activities/promoters

Self-help community health activities utilizing community representatives may be the most challenging new technology in the project. Although this component was introduced in the current WWH Project two years ago, many lessons are still being learned (see May/June 1991 health component evaluation). The concept of health workers with only very basic health skills providing essential services, including referral to health clinics, is not new. China's "Barefoot Doctors" are a well known example.

In Guatemala, the MOH has part-time health workers who work in their communities earning money through the sale of medicines and by giving injections. A similar income generating mechanism will be explored for the RWH Promoters, along with other strategies, to ensure their permanence in their communities. In addition efforts will be made to liaise with MOH and other institutions providing basic health services in order to avoid duplication and provide better, more endurable, coverage.

D. Sustainability

Based upon lessons learned from potable water projects in Guatemala in the past and consequent improvements made in strategy by UNEPAR and CARE, sustainability of the water systems is increasingly a certainty in the communities where CARE works. In the RWH Project strict site selection procedures, a 20-year minimum design life, early community organization, significant community in-kind inputs before and throughout the construction phase, training in administration, operation and maintenance, and the establishment of a user fee for maintenance of the system -all contribute to long term sustainability. A rolling follow-up program in old sites will ensure that even after systems have been completed, CARE will be monitoring performance and providing additional technical assistance and training as required.

CARE has two years of experience promoting health and sanitation education as a component of the WWH Project. Although this component has exceeded most of its original objectives (see May/June evaluation of health component), a number of improvements will be made in the RWH Project to increase impact and sustainability.

Behavior changes encouraged by the project, from regular latrine use to not allowing domestic animals in the house -taken together- will result in improved health. However the only way to ensure that health indicators improve on a continuous, long term basis is to leave each community with an institutional capability to educate, prevent, monitor, and treat/refer for basic illnesses, particularly for the number one killer diarrhea. In response to the need to develop a community-based health capability, the WWH Project utilizes CARE health extensionists who work with community promoters. These promoters are full members of the water committee.

The RWH Project will build upon this model, however much more attention will be focused on identifying suitable promoters early in the project, developing a mechanism for their support by the community in conjunction with, possibly, MOH, and providing more training and practice opportunities for them. In RWH male promoters will be recruited in addition to the current female-only promoters. The health extensionists will receive more of a training-of-trainers orientation so that the promoters can begin practicing their work from the start of the project, assisted and guided by the extensionists. Health messages and delivery methods will be continuously revised with the participation of community members, promoters and extensionists to ensure that they are relevant and interesting to all concerned.

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The follow-up activity in completed sites, mentioned earlier, will be focused especially on the community promoters and water system maintenance personnel. Experimentation will be done to utilize fonteneros and promoters from graduated communities to help new communities. All of these activities are primarily aimed at guaranteeing, in large measure, long term sustainability of the health education component.

E. Constraints

The following are possible constraints to successful achievement of the RWH Project's goals. For each potential constraint there is a potential preventive measure, and, in the worst case, a potential response.

1. The planned linkages between this and other CARE health projects or other organizations working in similar fields may not always be possible. The selection of potential sites for gravity fed water systems depends largely on the topographical characteristics surrounding a community and on the existence of a suitable water source. Potential sites are becoming more limited as more systems are built, and the project could have to look outside the targeted area for suitable communities. Although the project will do whatever it can to select sites with potential links, it is largely outside its scope to ensure that mutually suitable sites will always be found.

> Efforts will continue to be made to base site selection on linkages with other CARE projects. Where this is not possible the project will encourage other CARE projects to site themselves where WWH has worked and where RWH plans to work. This is CARE's clustering approach to development programming.

2. Although communities may be willing to accept women promoters on the water committee the promoters could possibly be discouraged by the male-dominated social structure from playing an active role, becoming largely token representatives.

> To head off this potential problem, the RWH Project will define the role of each promoter with MOH and community leaders and will involve the promoters directly in the management of the health education component in each community. The promoters need to provide a health service which a majority of the community, regardless of gender, considers essential in order for the promoters to receive continuous support. Project strategy will be directed to develop the necessary service-resource linkages in each community. Should problems surface, CARE's post-completion follow-up efforts will attempt to adjudicate them in coordination with the promoters, extensionists, UNEPAR, MOH and local leaders. (Rather than merely resolve problems for these communities, staff will use each situation as a training exercise in problem solving and action planning.)

3. A serious constraint which is increasingly affecting all water projects in Guatemala is the rapid degradation of the water source watersheds and catchment areas through extensive deforestation and agricultural activity. The results can vary, from a gradual decrease in water flow to a complete drying up of the water source. In addition, the effects of pesticide, herbicide and other agrochemical use within the catchment area could be causing pollution of some water sources.

> In order to confront this issue effectively, the RWH Project will:

a. Strive to select project sites which have catchment areas in acceptable condition and where no major actual or potential problems exist with respect to the community's interest/ability to control future use of the catchment area.

b. With assistance from CARE's agroforestry project, expand and strengthen the current policy of planting trees in the immediate catchment area to cover the larger micro-watershed. (UNEPAR

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will have to provide permission to use water from the potable water systems for the requisite tree nurseries.)

c Work with other organizations engaged in development and health projects to lobby the Government of Guatemala at the national and local levels to enforce laws already on the books protecting watersheds in general and springs specifically.

d With CARE's agroforestry and watershed management projects, accelerate education of all levels of students, government officials, land owners and small farmers of the economic benefits and ecological need for conservation of all watersheds. Proven fuel-efficient wood stoves may be promoted as an alternative to traditional stoves and open fires as a means of reducing tree harvesting. In addition RWH will coordinate on siting water and agroforestry projects together wherever possible.

e. The RWH Project will train its staff in basic watershed management theory and practice and will reinforce related messages in the Administration, Operations and Maintenance training.

The above steps will reduce potential constraints related to the degradation of watersheds and catchment areas which the water sources are dependent upon.

Where a water source is already on the decline or has dried up due to deforestation, CARE will endeavor to establish a remedial reforestation program in concert with local authorities -once mechanisms have been implemented to legally protect the catchment area from future degradation (Once a water source has dried up, there is no guarantee that it can be brought back, even through reforestation. This is why emphasis needs to be on prevention.)

IV. MONITORING AND EVALUATION

A. Evaluation/Audit Plan

An internal formative evaluation will be carried out after the first year of operation. Its purpose will be to assess the progress of the project and recommend ways in which the design and implementation can be improved. This evaluation will most probably be carried out by CARE's Regional Technical Advisor for the health sector and an experienced project manager from another, similar, CARE project in the region.

An external financial audit will be carried out by a USAID-contracted firm on a yearly basis. Because all of CARE-Guatemala's USAID-supported projects will be similarly audited, all such projects can contribute to the cost of the annual audit.

The project plans a summative evaluation at the end of the two year project period. This will be organized by CARE and will be paid for from project funds. The evaluation team will most likely be made up of a sanitary engineer responsible for the technical component of the evaluation, a health specialist, and enumerators to collect information. A team leader will be chosen from one of the two professionals who will be responsible for the work of all involved parties and the delivery of the various reports and oral presentations at the different stages of the evaluation process. He/she will also be responsible for coordination between USAID, UNEPAR and CARE.

The form and content of the evaluations and audits (terms of reference) will be a product of a coordinated effort between USAID and CARE.

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B. Baseline Data Collection Plan

An initial diagnostic¹⁰ will be carried out in every pre-selected community to establish the degree to which selection criteria can be met, identify existing community organizations, resources, and issues of priority to each community. Priority will be given to assessing the potential environmental impact of the project. Minimum socioeconomic information will also be gathered. As the RWH Project will measure impact in terms of reducing the incidence of gastrointestinal diseases, the basic health status of the community will also be ascertained. A knowledge, attitudes and practices survey (KAP) will measure prevalent behavioral patterns within each community.

In summary, the baseline data required for each community will consist of four elements:

- a. Environmental Impact Assessment
- b. Socioeconomic Status
- c. Basic Health Status
- d. Current Knowledge, Attitudes and Practices

These surveys will be carried out at the same time, with results being entered into the project computer. The KAP survey will be used as the baseline from which project results will be measured in the final summative evaluation.

Baseline data collection activities will also include short tests to determine the level of knowledge and where further training and practice are needed of each of the field supervisors, extension agents and promoters. These tests will be repeated twice annually to measure progress and fine tune training and supervision activities.

C. Monitoring Plan

All project activities will be clearly related to the five project intermediate goals. Life-of-project planned and actual inputs and outputs will be monitored on a quarterly basis. Progress on Intermediate Goal achievement will be measured twice annually.

Although the framework will be the same, each site will be monitored separately on a quarterly basis in key management areas including cost control, water system construction materials inventory, assignment of promoters and fonteneros and completion status of all components.

A project information matrix will serve as a general guide to project monitoring activities. The matrix is based upon the goals and indicators of the project and establishes at what points information needs to be collected. Categories include Baseline, Monitoring, Mid-Term Evaluation, and Final Evaluation.

The RWH Project will incorporate recommendations made in the May/June 1991 health component evaluation, ensuring that all monitoring and information systems relate to the achievement of the project's goals and are as streamlined as possible. Only data which is essential will be collected. Rapid Appraisal methods will be utilized. Random sampling methods will be carried out when appropriate. All data which is collected will be analyzed and will result in feedback to the field, with the end result being course corrections when indicated.

¹⁰Also see the section on Community Selection Criteria.

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An appropriate "plan versus actual" community-level project monitoring system will be established with each community during the community organization phase. Extensionists and promoters will learn how to prepare their own activity monitoring tools.

Field supervision checklists will be developed and used to focus observations and recommendations along common lines, while allowing room for extemporaneous observations. The emphasis will be on frequent supervisory visits and closely spaced feedback to field staff. Training will be provided to staff in areas requiring reinforcement.

D. External Reporting Requirements

The reporting plan will be based upon CARE's Project Implementation and Analysis report format (PIA) and will be submitted to the donor and CARE headquarters on a quarterly basis. Project field staff will be responsible for collecting the basic information. Project management will be responsible for analyzing the results of the field information and explaining any significant deviations from plan and corrective actions to be taken in the quarterly PIA Narrative.

An end-of-project report will be submitted to the donor and CARE headquarters after the final evaluation has been completed. If special reports are required by the donor, project management will prepare and submit them as necessary.

V. PROJECT MANAGEMENT AND IMPLEMENTATION

A. Schedule of Activities

Start-up activities will commence upon finalization of a contract with the donor. These include the signing of an official agreement between UNEPAR and CARE detailing the responsibilities and tasks of each. This will be followed by a short workshop involving all key counterpart and CARE personnel to review and refine the project strategy. Experience has shown that these workshops help to clarify the roles of the different implementing agencies and enhance the spirit of cooperation.

Concurrently CARE will recruit one additional extensionist. Other project personnel are already in place.

The major start up activities include the following:

1. Startup workshop.
2. Hiring additional staff. (Most staff are already in place from current project.)
3. Pre-selection of 12 -13 sites.
4. Community diagnostic (environmental impact, socioeconomic status, health status, KAP).
5. Topographical surveys of chosen sites.
6. Design of water systems.
7. Staff refresher training.
8. Initial water committee training.

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9. Identification of health promoters.

10. Organization of women's and other groups.

System construction will begin simultaneously with the education component. Actual start up of the construction component in each community may be staggered depending on the completion of the technical designs, and the availability of trained masons. However construction activities should start within a three month time frame in all communities. CARE estimates that it will take an average of 12 months to complete all systems.

The education component will run for up to 18 months in all communities. A part of the project's strategy from outset is to provide continuity through linkages with other CARE projects and MOH facilities. These activities will include the organization of meetings with representatives from other projects and discussions with communities regarding follow-on activities.

During this period the water committees will also be subjected to intensive but informal training, focusing on transferring responsibility for operation and maintenance of the water system and the collection of user and, in the case of several pilot communities, of water system cost recovery fees. These activities will include question and answer sessions on how to solve problems, visits to other communities to discuss common issues with other committee members and contact with specialists, including UNEPAR, who may help in the future with procurement of parts and major repairs to the system.

A life-of-project timeline and detailed Year One implementation plan are available in the Appendixes for further information.

B. Staffing Plan

Although responsibilities for project implementation are shared by UNEPAR, each community and CARE, CARE is accountable for overall project success before the donor. The counterpart relationships are illustrated in the organizational chart following.

Under the supervision of CARE's Director and Assistant Director, the RWH project will be overseen by a Project Manager who will be responsible for all activities. A Project Coordinator will oversee the two field supervisors responsible for the extension and technical components in the field. The Project Coordinator will also organize the logistics of the program from the purchase of materials, their storage and subsequent transport to the field.

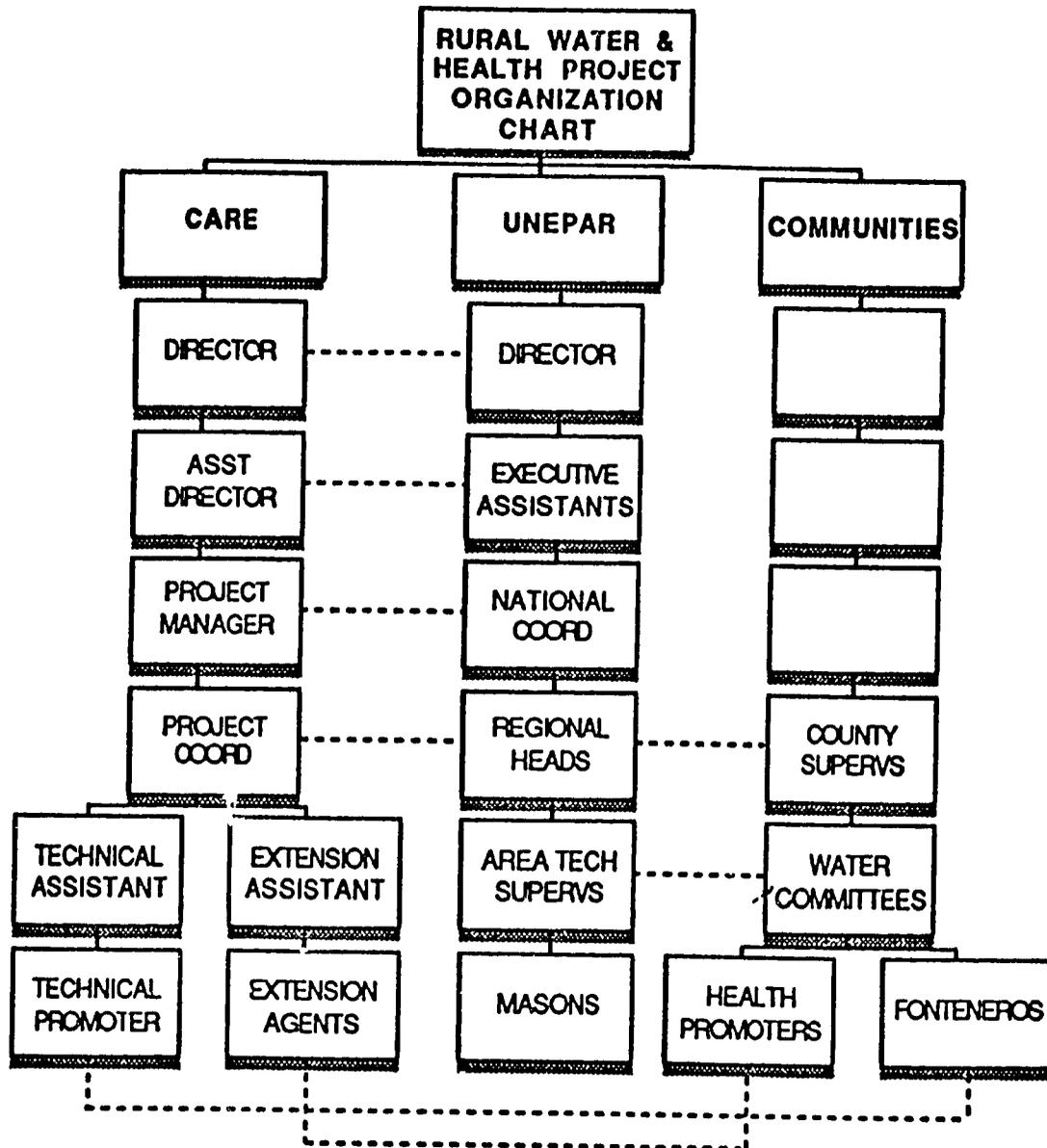
Six extensionists will work directly in the communities on the health education component, each responsible for a maximum of two new communities at any one time. These extensionists will report directly to the field supervisor for the health education component of the program.

Each community will assign and support a minimum of two fonteneros and two health promoters (preferably one female and one male).

The Director of UNEPAR appoints a National Coordinator for all CARE/UNEPAR projects. His/her principle task is to liaise between CARE and the UNEPAR Directors and Regional Chiefs. UNEPAR's regional offices organize all work carried out in communities under their supervision, appointing all trained masons and area supervisors. Along with CARE they monitor the physical progress of water system construction and troubleshoot the frequent minor logistical and technical problems that arise.

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An organization chart showing the primary relationships follows.



C. Technical Assistance Needs

CARE and non-CARE consultants will be utilized periodically throughout the project to assess technical designs and budgets and to assist in the formative and summative evaluations

D. Environmental Impact

The RWH Project will abide by the recommendations accepted USAID/Guatemala for reducing potential negative environmental impact which are presented in the Dames and Moore study, "Environmental Assessment of the Highlands Water and Sanitation Project"¹¹. Because execution of the the Highlands

¹¹ "Environmental Assessment: Highlands Water and Sanitation Project." Dames & Moore, January 1991.

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Water and Sanitation and Rural Water and Health Projects will occur in the same geographical area of Guatemala (the "Occidente," or northwestern area of Guatemala), the USAID-accepted Dames and Moore recommendations apply well to the RWH Project. In summary these recommendations are:

1. *To the extent possible, do not utilize surface water.*
2. *Fence the spring area.*
3. *Design collection and distribution tanks to collect and facilitate disposal of sediment.*
4. *Conduct bacteriological analyses of water sources before design preparation and on a yearly basis thereafter.*
5. *Attempt to avoid wetland areas. If not possible, cover the affected area with native soil material and indigenous vegetation. If water flow is more than adequate, design systems to permit as much of the water flow as possible to flow through the natural drainage course*
6. *Sedimentation runoff during construction should be minimized by utilizing siltation basins, haybale dams, mulching, Jute netting or other appropriate techniques as required.*
7. *When crossing stream beds impacts should be minimized by constructing crossings at right angles to the streams.*
8. *Clearing of trees and vegetation should be kept to a minimum.*
9. *Construction activities should be confined to daylight hours.*
10. *No fill should be placed above the original contours of the sites.*
11. *Projects should be sited to avoid wetlands, flood plains, archeological sites or habitats of endangered species.*
12. *Efforts should be made to perform an assessment and classification of the watershed during the project planning.*
13. *Community promotion to encourage watershed protection and preservation should begin with the community water committees.*
14. *The reforestation of the watersheds should should be undertaken whenever required. This work should include the rational use of pesticides and natural alternatives*
15. *If the watershed area does not belong to the community, legal agreements could be entered into with the property owners to promote protection of the watershed. These could involve outright purchases, long term leases or barter for the concessions on the use of other lands.*
16. *Water supply sources to be used should not require treatment. (Springs should be used.)*
17. *Springs should be tapped at the source.*

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18. *Community pit latrines should be double or triple dry-pit latrines when groundwater conditions are favorable.*
 19. *Household latrines should be single dry-pit latrines when groundwater conditions are favorable.*
 20. *Compost latrines or elevated latrines should be used when groundwater is less than 1.8 meters below ground service during the wet season.*
 21. *If additional composting latrines are installed, a more comprehensive educational program must accompany them.*
 22. *Low cost drainage improvements within the communities to eliminate pools of standing water should be included. In areas where the runoff could become a problem with neighbors or the terrain is flat, an absorption pit could be constructed for the drainwater 12*
-

Most of the recommendations described above have been incorporated into the RWH project strategy, beginning with site selection. Others will be during early planning sessions with UNEPAR and in consultation with USAID. CARE will work with UNEPAR on design, construction and legal considerations and with the communities on watershed management issues.

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APPENDIX 4C
OMB Control No. 0412-0510
Expiration Date: 12/31/89

MANDATORY STANDARD PROVISIONS FOR
U.S., NONGOVERNMENTAL GRANTEE¹

INDEX OF
MANDATORY STANDARD PROVISIONS

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| 3. Refunds | 10. U.S. Officials Not to Benefit |
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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 (SEPTEMBER 1990) *

(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:

¹When these Standard Provisions are used for cooperative agreements, the following terms apply: "Grantee" means "Recipient," "Grant" means "Cooperative Agreement," and "AID Grant Officer" means "AID Agreement Officer."

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(1) Accurate, current, and complete disclosure for each AID-sponsored project or program in accordance with the reporting requirements of this grant. While AID 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.

(2) Records that identify adequately the source and application of funds for AID-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) Audits in accordance with the requirements of OMB Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Institutions." *

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

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(b) The grantee shall preserve and make available such records for examination and audit by AID 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. AID 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 AID 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 (SEPTEMBER 1990)

(a) The grantee shall remit to AID all interest earned on funds provided by AID 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 AID but not disbursed to the grantee at the time the grant expires or is terminated shall revert to AID, except for such funds encumbered by the grantee by a legally binding transaction applicable to this grant. Any funds advanced to but not expended by the grantee 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 AID

(c) AID reserves the right to require refund by the grantee of any amount which AID determines to have been expended for purposes not in accordance with the terms and conditions of this grant, including but not limited to costs which are not allowable in accordance with the applicable Federal cost principles or other terms and conditions of this grant. In the event that a final audit has not been performed prior to the closeout of this grant, AID retains the refund right until all claims which may result from the final audit have been resolved between AID and the grantee. *

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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 AID authorized funds to exceed its needs by more than \$5,000 or five percent of the AID 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.

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(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.

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(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 (November 1989)

(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 Deputy Assistant to the Administrator for Management Services. Any appeal made under this provision shall be in writing and addressed to the Deputy Assistant to the Administrator for Management Services, 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 Deputy Assistant to the Administrator for Management Services, 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 Deputy Assistant to the Administrator for Management Services 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.

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8. DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS (MARCH 1989)

(1) The grantee certifies to the best of its knowledge and belief, that it and its principals:

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

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

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

(2) The grantee agrees that, unless authorized by the Grant Officer, it will not knowingly enter into any subagreements or contracts under this grant with a person or entity that is included on the "Lists of Parties Excluded from Federal Procurement or Nonprocurement Programs". The grantee further agrees to include the following provision in any subagreements or contracts entered into under this grant:

DEBARMENT, SUSPENSION, INELIGIBILITY, AND VOLUNTARY EXCLUSION (MARCH 1989)

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

(3) The policies and procedures applicable to debarment, suspension and ineligibility under AID-financed transactions are set forth in 22 CFR Part 208.

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9. 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.

10. 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.

11. NONLIABILITY (NOVEMBER 1985)

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

12. 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.

13. 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 officer, at the address specified in the grant.

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

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

(END OF MANDATORY STANDARD PROVISIONS)

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**OPTIONAL STANDARD PROVISIONS FOR
U.S., NONGOVERNMENTAL GRANTEES**

The following standard provisions are required to be used when applicable. Applicability statements are contained in the parenthetical statement preceding the standard provision. When a standard provision is determined to be applicable in accordance with the applicability statement, the use of such standard provision is mandatory unless a deviation has been approved in accordance with Paragraph 1E of Chapter 1 of Handbook 13. Each grant is required to have a payment provision. Check off the optional standard provisions which are included in the grant. Only those standard provisions which have been checked off are included physically within this grant.

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

(INCLUDE THIS PAGE IN THE GRANT)

(Appendix Continues on Page 4C-9)

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*M/FM/PAFD is changed to M
PFM/FM/PAFD (CIB 89-6)*

- 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 instruments with A.I.D. exceed \$120,000 per annum, (ii) A.I.D. 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 A.I.D.'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 A.I.D./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 A.I.D. Mission accounting station at the same time the original and one copy are mailed to M/FM/PAFD, A.I.D./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

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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)

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PAYMENT - PERIODIC ADVANCE (JANUARY 1988)

(This provision is applicable when the conditions for use of letter of credit cannot be met (including those pertaining to mixed dollar and local currency advances) and when the grantee meets the requirements of paragraph 1.0.6 of Handbook 13.)

(a) Periodic advances shall be limited to the minimum amounts needed to meet current disbursement needs and shall be scheduled so that the funds are available to the grantee as close as is administratively feasible to the actual disbursements by the grantee for program costs. Cash advances made by the grantee to secondary recipient organizations or the grantee's field organizations shall conform substantially to the same standards of timing and amount as apply to cash advances by A.I.D. to the grantee.

(b) Grantees shall maintain advances in interest bearing accounts. Advances of A.I.D. funds to subgrantees shall be maintained in interest bearing accounts.

(c) Grantees shall submit requests for advances at least monthly on SF-270, "Request for Advance or Reimbursement," in an original and two copies, to the address specified in the Schedule of this grant.

(d) The grantee shall submit one copy of SF-272, "Federal Cash Transactions Report," 15 working days following the end of each quarter to the payment office address specified in the schedule. Grantees receiving advances totaling more than \$1 million per year shall submit SF-272 on a monthly basis within 15 working days following the close of the month. Grantees shall report in the Remarks section of SF-272 the amount of cash advances in excess of thirty days requirement in the hands of subrecipients or the grantee's overseas field organizations and shall provide short narrative explanations of actions taken by the grantee to reduce the excess balances.

(e) A "Financial Status Report," SF-269, shall be prepared on an accrual basis by the grantee and submitted quarterly no later than 30 days after the end of the period in an original and two copies to the payment office specified in the schedule. 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 SF-269 must be submitted to the payment office within 90 days after the conclusion of the grant. *

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

(END OF STANDARD PROVISION)

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PAYMENT - COST REIMBURSEMENT (NOVEMBER 1985)

(This provision is applicable to grants for construction, or to grants where the grantee does not meet the conditions for either a letter of credit or periodic advance payment.)

- (a) At the end of each month of this grant, the grantee shall submit an original and two copies of SF-270, "Request for Advance or Reimbursement," to the payment office address specified in the schedule of this grant.
- (b) A final SF-270, shall be submitted within 60 days after the conclusion of the grant to the payment office.
- (c) The reports will be prepared on a cash basis. However, if the grantee's accounting records are not normally kept on a cash basis, the grantee shall not be required to convert its accounting system to meet this requirement.
- (d) Assignment of Claims (otherwise known as assignment of proceeds) is authorized under this grant and will be processed by the payment office.

(END OF STANDARD PROVISION)

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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 A.I.D.'s option, be funded from U.S.-owned local currency. When A.I.D. intends to exercise this option, A.I.D. 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 A.I.D. 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

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(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.

(f) 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:

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(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.

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(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)

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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 A.I.D. 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 A.I.D. Regulation 2, "Overseas Shipments of Supplies by Voluntary Nonprofit Relief Agencies" (22 CFR Part 202).

(END OF STANDARD PROVISION)

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OMB Approval No. 0412-0510
Expiration Date 12/31/89

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 A.I.D.'s requirements listed below and the standard provision entitled "A.I.D. 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 A.I.D. funds. No employee, officer or agent shall participate in the selection, award or administration of a contract in which A.I.D. funds are used, where, to that individual's knowledge, the individual or the individual's immediate family, partners, or organization in which the individual or the individual's immediate family or partners has a financial interest or with whom that individual is negotiating or has any arrangement concerning prospective employment. The 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:

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(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 A.I.D. funds. To permit A.I.D., in accordance with the small business provisions of the Foreign Assistance Act of 1961, as amended, to give United States small business firms an opportunity to participate in supplying commodities and services procured under this grant, the grantee shall to the maximum extent possible provide the following information to the Office of Small Disadvantaged Business Utilization, A.I.D., Washington, D.C. 20523, 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.

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(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 A.I.D. 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.

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(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 A.I.D.

(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 A.I.D.

(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

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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, A.I.D., the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers and records of the contractor which are directly pertinent to the specific program for the purpose of making audits, examinations, excerpts and transcriptions.

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

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A.I.D. 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 A.I.D. 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 A.I.D. the entire amount of the reimbursement. A.I.D.'s policy on ineligible and restricted goods and services is contained in Chapter 4 of A.I.D. 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 A.I.D. Consolidated List of Debarred, Suspended, and Ineligible Awardees under A.I.D. Regulation 8, entitled "Debarment, Suspension and Ineligibility" (22 CFR 209). A.I.D. 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.

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(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. A.I.D. policies and definitions on source, origin, and nationality are contained in Chapters 4 and 5 of A.I.D. 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., A.I.D. Geographic Code 935) in accordance with the following order of preference:

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

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(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 A.I.D.-financed procurement against any marine insurance company authorized to do business in the U. S., then any A.I.D.-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 A.I.D. 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 (A.I.D. Geographic Code 000),
- (2) The Cooperating Country,
- (3) "Selected Free World" countries (A.I.D. Geographic Code 941), and
- (4) "Special Free World" countries (A.I.D. Geographic Code 899).

(f) Special Restrictions on the Procurement of Construction or Engineering Services: Section 604(g) of the Foreign Assistance Act provides that A.I.D. funds may not be used for "procurement of construction or engineering services from advanced developing countries, eligible under Geographic Code 941, which

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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.

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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 A.I.D. Consolidated List of Debarred, Suspended, or Ineligible Awardees under A.I.D. Regulation 8, entitled "Debarment, Suspension and Ineligibility" (22 CFR 208). A.I.D. 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, A.I.D., the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers and records of the subrecipient which are directly pertinent to the specific program for the purpose of making audits, examinations, excerpts and transcriptions.

(END OF STANDARD PROVISION)

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*** LOCAL COST FINANCING (NOVEMBER 1988)**

(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 items are eligible for financing under the following situations: (1) Imported items available in the cooperating country which otherwise meet the source/origin requirements of the grant may be financed in unlimited quantities, regardless of dollar value, up to the total amount available for local procurement under the terms of the grant agreement. (2) Imported items from Geographic Code 941 countries which are available in the cooperating country can be funded in unlimited quantities, regardless of dollar value, up to the total amount available for local procurement under the terms of the grant. (3) Imported items from any Free World country which are available locally, or imported specifically for the grant, may be financed if the cost of the transaction, excluding the cost of the transportation, does not exceed the local currency equivalent of \$5,000. *

(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) The supplier must be located in the cooperating country and must be of cooperating country nationality as defined in AID Handbook 1B, Chapter 5.

(3) Any component from a country not included in AID geographic code 935 renders a commodity ineligible for financing.

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(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 A.I.D.'s Consolidated List of Debarred, Suspended, or Ineligible Awardees (A.I.D. Regulation 8, (22 CFR 208)). A.I.D. 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 A.I.D. 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 A.I.D. the entire amount of the reimbursement.

(END OF STANDARD PROVISION)

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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:

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(1) The recipient shall disclose each subject invention to A.I.D. within two months after the inventor discloses it in writing to recipient personnel responsible for patent matters. The disclosure to A.I.D. 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 A.I.D. the recipient shall promptly notify A.I.D. of the acceptance of any manuscript describing the invention for publication or of any on sale or public use planned by the recipient.

(2) The recipient shall elect in writing whether or not to retain title to any such invention by notifying A.I.D. 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 A.I.D. 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 A.I.D., election, and filing may, at the discretion of A.I.D., be granted.

(d) Conditions When the Government May Obtain Title: The recipient shall convey to A.I.D. 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. A.I.D. may only request title within sixty days after learning of the recipient's failure to report or elect within the specified times.

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(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 A.I.D. 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 A.I.D. 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 A.I.D. to the extent necessary to achieve expeditious practical application of the subject invention pursuant to an application for an exclusive license submitted in accordance with applicable provisions in 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 A.I.D. 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, A.I.D. 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 A.I.D. 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.

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

(1) The recipient agrees to execute or to have executed and promptly deliver to A.I.D. all instruments necessary to (i) establish or conform the rights the Government has throughout the world in those subject inventions to which the recipient elects to retain title, and (ii) convey title to A.I.D. 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 A.I.D. of any decision not to continue the prosecution of a patent application, pay maintenance fees, or defend in a reexamination or opposition proceeding on a patent, in any country, not less than 30 days before the expiration of the response period required by the relevant patent office.

(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 A.I.D.). 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

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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 A.I.D. may reasonably specify. The recipient also agrees to provide additional reports as may be requested by A.I.D. in connection with any march-in proceedings undertaken by A.I.D. in accordance with paragraph (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, A.I.D. 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 A.I.D. 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, A.I.D. 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, A.I.D. has the right to grant such a license itself if A.I.D. 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.

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(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 A.I.D., 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, A.I.D. 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)

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PUBLICATIONS (NOVEMBER 1985)

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

- (a) If it is the grantee's intention to identify A.I.D.'s contribution to any publication resulting from this grant, the grantee shall consult with A.I.D. on the nature of the acknowledgement prior to publication.
- (b) The grantee shall provide the A.I.D. 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 A.I.D. reserves a royalty-free nonexclusive and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use the work for Government purposes.

(END OF STANDARD PROVISION)

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NEGOTIATED INDIRECT COST RATES - PREDETERMINED (MAY 1986)

(This provision is applicable to organizations whose indirect cost rate(s) under this grant are on a predetermined basis.)

(a) The allowable indirect costs under this grant shall be obtained by applying predetermined indirect cost rate(s) to the base(s) agreed upon by the parties, as specified 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 OMB Circular A-88 a proposed predetermined indirect cost rate(s) and supporting cost data. In the event A.I.D. is the cognizant agency or no cognizant agency has been designated, the grantee shall submit a copy of the proposed predetermined indirect cost rate(s) and supporting cost data to the A.I.D. 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 predetermined 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 provisions of the applicable cost principles in effect on the date of this grant.

(d) Rates for subsequent periods shall be negotiated and the results of each negotiation shall be set forth in a written indirect cost rate agreement executed by both parties. Such agreement shall be automatically incorporated into this grant upon execution and shall specify (1) the agreed upon predetermined rate(s), (2) the base(s) to which the rate(s) apply, (3) the fiscal year (unless the parties agree to a different period) for which the rate(s) apply, and (4) the specific items treated as direct costs or any changes in the items previously agreed to be direct costs. 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 predetermined indirect cost rate(s) for any fiscal year or different period agreed to by the parties, the grantee shall be reimbursed either at the rate(s) fixed for the previous fiscal year or other period or at billing rate(s) acceptable to the A.I.D. grant officer subject to appropriate adjustment when the final rate(s) for the fiscal year or other period are established.

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(f) Any failure by the parties to agree on any predetermined indirect cost rate(s) under this provision shall not be considered a dispute within the meaning of the "Disputes" provision of this grant. If for any fiscal year or other period specified in the grant the parties fail to agree on a predetermined indirect cost rate(s), it is agreed that the allowable indirect costs under this grant shall be obtained by applying negotiated final indirect cost rate(s) in accordance with the terms of the standard provision of this grant entitled "Negotiated Indirect Cost Rates - Provisional".

(END OF STANDARD PROVISION)

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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 OMB Circular A-88 proposed final indirect cost rate(s) and supporting cost data. In the event A.I.D. 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 A.I.D. 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.

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(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)

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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 A.I.D. 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 A.I.D. 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)

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PARTICIPANT TRAINING (MAY 1986)

(This provision is applicable when any participant training is financed under the grant.)

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

(b) **Application of Handbook 10:** Participant training under this grant is to be conducted according to the policies established in A.I.D. Handbook 10, Participant Training, except to the extent that specific exceptions to Handbook 10 have been provided in this grant with the concurrence of the Office of International Training. (Handbook 10 may be obtained by submitting a request to the Office of International Training (S&T/IT), Agency for International Development, Washington, D.C. 20523.) Except for paragraph (h) on orientation, the following paragraphs in this standard provision are not subject to waiver except as specifically stated.

(c) **Participant Training Information System:** All grantees shall ensure that participants trained in the United States or in a third country are included in the Agency's Participant Training Information System.

The grantee shall fill out form A.I.D. 1381-4 entitled "Participant Data" and send it to the addresses indicated on the back of the form. The grantee can obtain a supply of these forms and additional instructions for completing them from the Office of International Training. Data should be submitted prior to the initiation of participant travel. If this is not possible, the forms should be prepared and submitted immediately after arrival of the participant(s). The grantee shall also submit to the Office of International Training a blue copy of the form when subsequent changes in the participant's training program are made and at termination of participant's training program, ensuring that the original participant number (pre-printed on the form) is used.

(d) **Visa Requirements for Training Within The United States:**

(i) Under the authority of Section 635(f) of the Foreign Assistance Act, A.I.D.-sponsored participants are admitted to the United States under the Department of State/USIA Exchange Visitor Program and are issued J-1 visas. The program identification number is G-2-0263.

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(2) J-1 visas are issued by the U.S. Embassy or Consulate for A.I.D.-sponsored participants upon submission by the participant of Form IAP-66A which may be obtained only from the A.I.D. Mission. The Mission retains one copy of the IAP-66A and forwards one copy to A.I.D./S&T/IT.

(3) Holders of J-1 visas are subject to the Immigration and Nationality Act, as amended, and may not apply for an immigrant or an H or L nonimmigrant visa until 2 years' residency is completed in their home country, after completion of training.

(4) Participant passports and visas should normally be valid for six months beyond the duration of the proposed program to allow for program readjustments if necessary. This may not be regarded as an opportunity to encourage program extensions.

(e) Maintenance and Other Allowances: Grantees must observe the maintenance and other allowances for A.I.D.-sponsored participants in the United States and third countries as set forth in Handbook 10. No exceptions or variations are permissible except with the advance concurrence of the Office of International Training.

(f) Health and Accident Coverage (HAC) Program For Training Within The United States: The grantee shall enroll all participants training in the United States in A.I.D.'s HAC Program. HAC Program coverage for an enrolled participant begins at the moment of departure from the host country to the United States until the moment of return to the host country providing, however, that there is not substantial unapproved delay between completion of training under this grant and the return, and that there is no layover at any point to or from the United States except the minimal amount necessary for plane connections.

(1) The HAC Program enables the participant, or the provider of medical services, to submit bills for medical costs resulting from illness and accident to the HAC Claims Office which pays all reasonable and necessary medical charges for covered services not otherwise covered by other insurance programs (see paragraph 6 below), in accordance with the standard coverage established by A.I.D. under the HAC Program.

(2) The grantee shall, as early as possible and no later than the initiation of travel to the United States by each participant financed by A.I.D. under this grant, fill out form A.I.D. 1381-4 entitled "Participant Data" and mail it to the addressees indicated on the back of the form. The grantee can obtain a supply of these forms and instructions for completing them from the Office of International Training at the address indicated in section (b) above.

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(3) Enrollment fees shall be submitted, thirty days prior to the beginning of each new enrollment period. Payments will be made via check made payable to A.I.D. and submitted to:

Agency for International Development
Office of Financial Management
Central Accounting Division-Cashier (FM/CAD)
Washington, D.C. 20523

(i) The enrollment fee shall be accompanied by a letter which lists the names of the participants (identical to that on the Participant Data Form), participant I.D. numbers from the Participant Data Form, period of coverage, fee amount paid, grant number, name of grantee, host country, and the U. S. Government appropriation number as shown on the grant.

(ii) The enrollment fees shall be calculated on the basis of fixed rates per participant per each 30 day period. The enrollment fees may not be prorated for fractional periods of less than 30 days and should cover the current training period for which funds are obligated under the grant. Current rates are found in Handbook 10 Participant Training Notices.

(4) The grantee shall assure that enrollment begins immediately upon the participant's departure for the United States for the purpose of participating in a training program financed or sponsored by A.I.D., and that enrollment continues in full force and effect until the participant returns to his or her country of origin or is released from A.I.D.'s responsibility, whichever occurs first. The grantee shall continue enrollment coverage for participants whose departure is delayed due to medical or other compelling reasons, with the written concurrence of the grant officer.

(5) The grantee shall provide each participant with a copy of the HAC brochure, copies of which are available from S&T/IT at the address indicated in section (b) above.

(6) If the grantee has a mandatory, nonwaivable health and accident insurance program for participants, the costs of such insurance will be allowable under this grant. Any claims eligible under such insurance will not be payable under A.I.D.'s HAC plan or under this grant. However, even though the participant is covered by the grantee's mandatory, nonwaivable health and accident insurance program, the participant must be enrolled in A.I.D.'s HAC Program. In addition, a copy of the mandatory insurance policy must be forwarded to the HAC Claims Office.

(7) Medical costs not covered by the grantee's health service program or mandatory, nonwaivable health and accident insurance program, or A.I.D.'s HAC Program shall not be reimbursable under this grant unless specific written approval from the grant officer has been obtained.

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(g) Participant Counseling For Training Within The United States: Problems involving participants such as serious physical or emotional illness, accident or injury, arrest, death, the voluntary or involuntary early termination of a program, and the refusal of a participant to return to the home country upon completion of the program should be referred to the A.I.D. Participant Counselor at the Office of International Training.

The Counselor can be reached by calling the Office of International Training during workdays and the A.I.D. Duty Officer (202-647-1512) at other times. In referring cases, give the Counselor the name, country, and current location of the participant as well as a brief description of the problem with names and telephone numbers of hospitals, physicians, attorneys, etc. Following verbal referral, the participant's name, home address, and next of kin, and location of training should be sent to the grant officer, who will transmit the information to the S&T/IT Counselor.

(h) Orientation: In addition to the above mandatory requirements for all participants, grantees are strongly encouraged to provide, in collaboration with the Mission training officer, predeparture orientation (see Chapter 13 of Handbook 10) and orientation in Washington at the Washington International Center (see Chapter 18D of Handbook 10). The latter orientation program also provides the opportunity to arrange for home hospitality in Washington and elsewhere in the United States through liaison with the National Council for International Visitors (NCIV). If the Washington orientation is determined not to be feasible, home hospitality can be arranged in most U.S. cities if a request for such is directed to the grant officer, who will transmit the request to NCIV through S&T/IT.

(END OF STANDARD PROVISION)

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VOLUNTARY POPULATION PLANNING (AUGUST 1986)

(This provision is applicable to all grants involving any aspect of voluntary population planning activities.)

(a) Voluntary Participation:

(1) The grantee agrees to take any steps necessary to ensure that funds made available under this grant will not be used to coerce any individual to practice methods of family planning inconsistent with such individual's moral, philosophical, or religious beliefs. Further, the grantee agrees to conduct its activities in a manner which safeguards the rights, health and welfare of all individuals who take part in the program.

(2) Activities which provide family planning services or information to individuals, financed in whole or in part under this agreement, shall provide a broad range of family planning methods and services available in the country in which the activity is conducted or shall provide information to such individuals regarding where such methods and services may be obtained.

(b) Voluntary Participation Requirements For Sterilization Programs:

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

(2) The grantee shall ensure that any surgical sterilization procedures supported in whole or in part by funds from this grant are performed only after the individual has voluntarily gone to the treatment facility and has given informed consent to the sterilization procedure. Informed consent means the voluntary, knowing assent from the individual after being advised of the surgical procedures to be followed, the attendant discomforts and risks, the benefits to be expected, the availability of alternative methods of family planning, the purpose of the operation and its irreversibility, and the option to withdraw consent anytime prior to the operation. An individual's consent is considered voluntary if it is based upon the exercise of free choice and is not obtained by any special inducement or any element of force, fraud, deceit, duress, or other forms of coercion or misrepresentation.

(3) Further, the grantee shall document the patient's informed consent by (i) a written consent document in a language the patient understands and speaks, which explains the basic elements of informed consent, as set out above, and which is signed by the individual and by the attending physician or by the authorized assistant of the attending physician; or (ii) when a patient is unable to read adequately a written certification by the attending physician or by the authorized assistant of the attending physician that the

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basic elements of informed consent above were orally presented to the patient, and that the patient thereafter consented to the performance of the operation. The receipt of the oral explanation shall be acknowledged by the patient's mark on the certification and by the signature or mark of a witness who shall be of the same sex and speak the same language as the patient.

(4) Copies of informed consent forms and certification documents for each voluntary sterilization procedure must be retained by the grantee for a period of three years after performance of the sterilization procedure.

(c) Prohibition on Abortion-Related Activities:

(1) No funds made available under this grant will be used to finance, support, or be attributed to the following activities: (i) procurement or distribution of equipment intended to be used for the purpose of inducing abortions as a method of family planning; (ii) special fees or incentives to women to coerce or motivate them to have abortions; (iii) payments to persons to perform abortions or to solicit persons to undergo abortions; (iv) information, education, training, or communication programs that seek to promote abortion as a method of family planning; and (v) lobbying for abortion.

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

(d) Ineligibility of Foreign Nongovernmental Organizations That Perform or Actively Promote Abortion As A Method of Family Planning:

(1) The recipient agrees that it will not furnish assistance for family planning under this grant to any foreign nongovernmental organization which performs or actively promotes abortion as a method of family planning in A.I.D.-recipient countries or which provides financial support to any other foreign nongovernmental organization that conducts such activities. For purposes of this paragraph (d), a foreign nongovernmental organization is a nongovernmental organization which is not organized under the laws of any State of the United States, the District of Columbia or the Commonwealth of Puerto Rico.

(2) Prior to furnishing funds provided under this grant to another nongovernmental organization organized under the laws of any State of the United States, the District of Columbia, or the Commonwealth of Puerto Rico, the recipient shall obtain the written agreement of such organization that the organization shall not furnish assistance for family planning under this grant to any foreign nongovernmental organization except under the conditions and requirements that are applicable to the recipient as set forth in this paragraph (d).

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(3) The recipient may not furnish assistance for family planning under this grant to a foreign nongovernmental organization (the subrecipient) unless;

- (i) the subrecipient certifies in writing that it does not perform or actively promote abortion as a method of family planning in A.I.D.-recipient countries and does not provide financial support to any other foreign nongovernmental organization that conducts such activities, and

(ii) the recipient obtains the written agreement of the subrecipient containing the undertakings described in subparagraph (4), below.

(4) Prior to furnishing assistance for family planning under this grant to a subrecipient, the subrecipient must agree in writing that:

(i) The subrecipient will not, while receiving assistance under this grant, perform or actively promote abortion as a method of family planning in A.I.D.-recipient countries or provide financial support to other foreign nongovernmental organizations that conduct such activities.

(ii) The recipient and authorized representatives of A.I.D. may, at any reasonable time, (A) inspect the documents and materials maintained or prepared by the subrecipient in the usual course of its operations that describe the family planning activities of the subrecipient, including reports, brochures and service statistics; (B) observe the family planning activity conducted by the subrecipient; (C) consult with family planning personnel of the subrecipient; and (D) obtain a copy of the audited financial statement or report of the subrecipient, if there is one.

(iii) In the event the recipient or A.I.D. has reasonable cause to believe that a subrecipient may have violated its undertaking not to perform or actively promote abortion as a method of family planning, the recipient shall review the family planning program of the subrecipient to determine whether a violation of the undertaking has occurred. The subrecipient shall make available to the recipient such books and records and other information as may be reasonably requested in order to conduct the review. A.I.D. may also review the family planning program of the subrecipient under these circumstances, and A.I.D. shall have access to such books and records and information for inspection upon request.

(iv) The subrecipient shall refund to the recipient the entire amount of assistance for family planning furnished to the subrecipient under this grant in the event it is determined that the certification provided by the subrecipient under subparagraph (3), above, is false.

(v) Assistance for family planning provided to the subrecipient under this grant shall be terminated if the subrecipient violates any undertaking in the agreement required by subparagraphs (3) and (4), and the

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subrecipient shall refund to the recipient the value of any assistance furnished under this grant that is used to perform or actively promote abortion as a method of family planning.

(vi) The subrecipient may furnish assistance for family planning under this grant to another foreign nongovernmental organization (the sub-subrecipient) only if (A) the sub-subrecipient certifies in writing that it does not perform or actively promote abortion as a method of family planning in A.I.D.-recipient countries and does not provide financial support to any other foreign nongovernmental organization that conducts such activities and (B) the subrecipient obtains the written agreement of the sub-subrecipient that contains the same undertakings and obligations to the subrecipient as those provided by the subrecipient to the recipient as described in subparagraphs (4)(i)-(v), above.

(5) Agreements with subrecipients and sub-subrecipients required under subparagraphs (3) and (4) shall contain the definitions set forth in subparagraph (10) of this paragraph (d).

(6) The recipient shall be liable to A.I.D. for a refund for a violation of any requirement of this paragraph (d) only if (i) the recipient knowingly furnishes assistance for family planning to a subrecipient who performs or actively promotes abortion as a method of family planning, or (ii) the certification provided by a subrecipient is false and the recipient failed to make reasonable efforts to verify the validity of the certification prior to furnishing assistance to the subrecipient, or (iii) the recipient knows or has reason to know, by virtue of the monitoring which the recipient is required to perform under the terms of this grant, that a subrecipient has violated any of the undertakings required under subparagraph (4) and the recipient fails to terminate assistance for family planning to the subrecipient, or fails to require the subrecipient to terminate such assistance to a sub-subrecipient which violates any undertaking of the agreement required under subparagraph (4)(vi), above. If the recipient finds, in exercising its monitoring responsibility under this grant, that a subrecipient or sub-subrecipient receives frequent requests for the information described in subparagraph (10)(iii)(A)(II), below, the recipient shall verify that this information is being provided properly in accordance with subparagraph (10)(iii)(A)(II) and shall describe to A.I.D. the reasons for reaching its conclusion.

(7) In submitting a request to A.I.D. for approval of a recipient's decision to furnish assistance for family planning to a subrecipient, the recipient shall include a description of the efforts made by the recipient to verify the validity of the certification provided by the subrecipient. A.I.D. may request the recipient to make additional efforts to verify the validity of the certification. A.I.D. will inform the recipient in writing when A.I.D. is satisfied that reasonable efforts have been made. If A.I.D. concludes that these efforts are reasonable within the meaning of subparagraph (6) above, the

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recipient shall not be liable to A.I.D. for a refund in the event the subrecipient's certification is false unless the recipient knew the certification to be false or misrepresented to A.I.D. the efforts made by the recipient to verify the validity of the certification. -

(8) It is understood that A.I.D. also may make independent inquiries, in the community served by a subrecipient or sub-subrecipient, regarding whether it performs or actively promotes abortion as a method of family planning.

(9) A subrecipient must provide the certification required under subparagraph (3) and a sub-subrecipient must provide the certification required under subparagraph (4)(vi) each time a new agreement is executed with the subrecipient or sub-subrecipient furnishing assistance for family planning under the grant.

(10) The following definitions apply for purposes of this paragraph (d):

(i) Abortion is a method of family planning when it is for the purpose of spacing births. This includes, but is not limited to, abortions performed for the physical or mental health of the mother but does not include abortions performed if the life of the mother would be endangered if the fetus were carried to term or abortions performed following rape or incest (since abortion under these circumstances is not a family planning act).

(ii) To perform abortions means to operate a facility where abortions are performed as a method of family planning. Excluded from this definition are clinics or hospitals which do not include abortion in their family planning programs.

(iii) To actively promote abortion means for an organization to commit resources, financial or other, in a substantial or continuing effort to increase the availability or use of abortion as a method of family planning.

(A) This includes, but is not limited to, the following:

(I) Operating a family planning counseling service that includes, as part of the regular program, providing advice and information regarding the benefits and availability of abortion as a method of family planning;

(II) Providing advice that abortion is an available option in the event other methods of family planning are not used or are not successful or encouraging women to consider abortion (passively responding to a question regarding where a safe, legal abortion may be obtained is not considered active promotion if the question is specifically asked by a woman who is already pregnant, the woman clearly states that she has already decided

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to have a legal abortion, and the family planning counselor reasonably believes that the ethics of the medical profession in the country require a response regarding where it may be obtained safely);

(III) Lobbying a foreign government to legalize or make available abortion as a method of family planning or lobbying such a government to continue the legality of abortion as a method of family planning;

(IV) Conducting a public information campaign in A.I.D.-recipient countries regarding the benefits and/or availability of abortion as a method of family planning.

(B) Excluded from the definition of active promotion of abortion as a method of family planning are referrals for abortion as a result of rape, incest or if the life of the mother would be endangered if the fetus were carried to term.

(C) Action by an individual acting in the individual's capacity shall not be attributed to an organization with which the individual is associated, provided that the organization neither endorses nor provides financial support for the action and takes reasonable steps to ensure that the individual does not improperly represent that the individual is acting on behalf of the organization.

(iv) To furnish assistance to a foreign nongovernmental organization means to provide financial support under this grant to the family planning program of the organization, and includes the transfer of funds made available under this grant or goods or services financed with such funds, but does not include the purchase of goods or services from an organization or the participation of an individual in the general training programs of the recipient, subrecipient or sub-subrecipient.

(v) To control an organization means the possession of the power to direct or cause the direction of the management and policies of an organization.

(11) In determining whether a foreign nongovernmental organization is eligible to be a subrecipient or sub-subrecipient of assistance for family planning under this grant, the action of separate nongovernmental organizations shall not be imputed to the subrecipient or sub-subrecipient, unless, in the judgment of A.I.D., a separate nongovernmental organization is being used as a sham to avoid the restrictions of this paragraph (d). Separate nongovernmental organizations are those that have distinct legal existence in accordance with the laws of the countries in which they are organized. Foreign organizations that are separately organized shall not be considered separate, however, if one is controlled by the other. The recipient may request A.I.D.'s approval to treat as separate the family

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planning activities of two or more organizations, which would not be considered separate under the preceding sentence, if the recipient believes, and provides a written justification to A.I.D. therefor, that the family planning activities of the organizations are sufficiently distinct as to warrant not imputing the activity of one to the other.

(12) Assistance for family planning may be furnished under this grant by a recipient, subrecipient or sub-subrecipient to a foreign government even though the government includes abortion in its family planning program, provided that no assistance may be furnished in support of the abortion activity of the government and any funds transferred to the government shall be placed in a segregated account to ensure that such funds may not be used to support the abortion activity of the government.

(13) The requirements of this paragraph are not applicable to family planning assistance furnished to a foreign nongovernmental organization which is engaged primarily in providing health services if the objective of the assistance is to finance integrated health care services to mothers and children and birth spacing or family planning is one of several health care services being provided by the organization as part of an integrated system of health service delivery.

(e) The grantee shall insert paragraphs (a), (b), (c), and (e) of this provision in all subsequent subagreements and contracts involving family planning or population activities which will be supported in whole or part from funds under this grant. Paragraph (d) shall be inserted in subagreements and sub-subagreements in accordance with the terms of paragraph (d). The term subagreement means subgrants and subcooperative agreements.

(END OF STANDARD PROVISION)

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OMB Control No. 0412-0510
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PROTECTION OF THE INDIVIDUAL AS A RESEARCH SUBJECT (NOVEMBER 1985)

(This provision is applicable when human subjects are involved in research financed by the grant.)

(a) Safeguarding the rights and welfare of human subjects involved in research supported by A.I.D. is the responsibility of the organization to which support is awarded. It is the policy of A.I.D. that no work shall be initiated under any grant for the support of research involving human subjects unless the research is given initial and continuing review and approval by an appropriate committee of the applicant organization. This review shall assure that (1) the rights and welfare of the individuals involved are adequately protected, (2) the methods used to obtain informed consent are adequate and appropriate, and (3) the risks and potential medical benefits of the investigation are assessed.

(b) The organization must provide written assurance to A.I.D. that it will abide by this policy for all research involving human subjects supported by A.I.D. This assurance shall consist of a written statement of compliance with the requirements regarding initial and continuing review of research involving human subjects and a description of the organization's review committee structure, its review procedures, and the facilities and personnel available to protect the health and safety of human subjects. In addition to providing the assurance, the organization must also certify to A.I.D. for each proposal involving human subjects that its committee has reviewed and approved the proposed research before any work may be initiated.

(c) Since the welfare of the subject individual is a matter of concern to A.I.D. as well as to the organization; A.I.D. advisory groups, consultants, and staff may independently review all research involving human subjects, and prohibit research which presents unacceptable hazards. This provision, however, shall not derogate in any manner from the responsibility of the organization set forth herein.

(d) All of the above provisions apply to any research involving human subjects conducted outside of the United States and, in addition, such overseas research will conform to legal and other requirements governing human research in the country where they are conducted.

(e) In addition to the procedures set forth above, studies with unmarketed drugs will be carried out in accordance with provisions applicable in the country where the study is conducted. In the United States, the regulations of the Food and Drug Administration will be followed and evidence of such compliance provided to A.I.D.

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(f) Guidance on procedures to safeguard human subjects involved in research is found in Title 45, Part 46, of the Code of Federal Regulations. Compliance with these procedures, except as modified above, is required.

(END OF STANDARD PROVISION)

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CARE OF LABORATORY ANIMALS (NOVEMBER 1985)

(This provision is applicable when laboratory animals are involved in research financed by the grant.)

(a) Before undertaking performance of any grant involving the use of laboratory animals, the grantee shall register with the Secretary of Agriculture of the United States in accordance with Section 6, Public Law 89-544, Laboratory Animal Welfare Act, August 24, 1966, as amended by Public Law 91-579, Animal Welfare Act of 1970, December 24, 1970. The grantee shall furnish evidence of such registration to the grant officer.

(b) The grantee shall acquire animals used in research under this grant only from dealers licensed by the Secretary of Agriculture, or from exempted sources in accordance with the Public Laws enumerated in (a) above.

(c) In the care of any live animals used or intended for use in the performance of this grant, the grantee shall adhere to the principles enunciated in the Guide for Care and Use of Laboratory Animals prepared by the Institute of Laboratory Animals Resources, National Academy of Sciences - National Research Council, and in the United States Department of Agriculture's (USDA) regulations and standards issued under the Public Laws enumerated in (a) above. In case of conflict between standards, the higher standard shall be used. The grantee's reports on portions of the grant in which animals were used shall contain a certificate stating that the animals were cared for in accordance with the principles enunciated in the Guide for Care and Use of Laboratory Animals prepared by the Institute of Laboratory Animal Resources, NAS-NRC, and/or in the regulations and standards as promulgated by the Agricultural Research Service, USDA, pursuant to the Laboratory Animal Welfare Act of 24 August 1966, as amended (P.L. 89-544 and P.L. 91-579). NOTE: The grantee may request registration of the grantee's facility and a current listing of licensed dealers from the Regional Office of the Animal and Plant Health Inspection Service (APHIS), USDA, for the region in which the grantee's research facility is located. The location of the appropriate APHIS Regional Office as well as information concerning this program may be obtained by contracting the Senior Staff Office, Animal Care Staff, USDA/APHIS, Federal Center Building, Hyattsville, Maryland 20782.

(END OF STANDARD PROVISION)

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GOVERNMENT FURNISHED EXCESS PERSONAL PROPERTY (NOVEMBER 1985)

(This provision applies when personal property is furnished under the grant.)

The policies and procedures of Handbook 16, "Excess Property," and the appropriate provisions of 41 CFR 101-43 apply to the Government furnished excess property under this grant.

(END OF STANDARD PROVISION)

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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 A.I.D. 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 A.I.D.

(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 A.I.D. or its successor Federal sponsoring agency. A.I.D. 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.

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(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 A.I.D.

(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 A.I.D.; second preference shall be given to programs sponsored by other Federal agencies. User charges should be considered if appropriate.

(c) 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.

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(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 A.I.D. 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 A.I.D.

(iii) A.I.D. shall determine whether the property can be used to meet A.I.D. requirements. If no requirement exists within A.I.D. the availability of the property shall be reported to the General Services Administration by A.I.D. to determine whether a requirement for the property exists in other Federal agencies. A.I.D. 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 A.I.D. 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 A.I.D. for such costs incurred in its disposition.

(e) Expendable Personal Property:

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

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(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 A.I.D. 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

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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.

(4) 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)

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TITLE TO AND CARE OF PROPERTY (U.S. GOVERNMENT TITLE) (NOVEMBER 1985)

(This provision is applicable when title to property is vested in the U.S. Government.)

(a) Property, title to which vests in the Government under this grant, whether furnished by the Government or acquired by the grantee, is subject to this provision and is hereinafter collectively referred to as "Government property." Title to Government property shall not be affected by the incorporation or attachment thereof to any property not owned by the Government, nor shall such Government property, or any part thereof, be or become a fixture or lose its identity as personal property by reason of affixation to any real property.

(b) Use of Government Property: Government property shall, unless otherwise provided herein or approved by the grant officer, be used only for the performance of this grant.

(c) Control, Maintenance and Repair of Government Property:

(1) The grantee shall maintain and administer in accordance with sound business practice a program for the maintenance, repair, protection, and preservation of Government property so as to assure its full availability and usefulness for the performance of this grant. The grantee shall take all reasonable steps to comply with all appropriate directions or instructions which the grant officer may prescribe as reasonably necessary for the protection of the Government property.

(2) The grantee shall submit, for review and written approval of the grant officer, a records system for property control and a program for orderly maintenance of Government property; however, if the grantee's property control and maintenance system has been reviewed and approved by another Federal department or agency pursuant to Attachment N of OMB Circular No. A-110, the grantee shall furnish the grant officer proof of such approval in lieu of another approval submission.

(3) Property Control: The property control system shall include but not be limited to the following:

(i) Identification of each item of Government property acquired or furnished under the grant by a serially controlled identification number and by description of item. Each item must be clearly marked "Property of U.S. Government."

(ii) The price of each item of property acquired or furnished under this grant.

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(iii) The location of each item of property acquired or furnished under this grant.

(iv) A record of any usable components which are permanently removed from items of Government property as a result of modification or otherwise.

(v) A record of disposition of each item acquired or furnished under the grant.

(vi) Date of order and receipt of any item acquired or furnished under the grant.

(vii) The official property control records shall be kept in such condition that at any stage of completion of the work under this grant, the status of property acquired or furnished under this grant may be readily ascertained. A report of current status of all items of property acquired or furnished under the grant shall be submitted yearly concurrently with the annual report.

(4) Maintenance Program: The grantee's maintenance program shall be consistent with sound business practice, the terms of the grant, and provide for:

(i) disclosure of need for and the performance of preventive maintenance,

(ii) disclosure and reporting of need for capital type rehabilitation, and

(iii) recording of work accomplished under the program:

(A) Preventive maintenance - Preventive maintenance is maintenance generally performed on a regularly scheduled basis to prevent the occurrence of defects and to detect and correct minor defects before they result in serious consequences.

(B) Records of maintenance - The grantee's maintenance program shall provide for records sufficient to disclose the maintenance actions performed and deficiencies discovered as a result of inspections.

(C) A report of status of maintenance of Government property shall be submitted annually concurrently with the annual report.

(d) Risk of Loss:

(1) The grantee shall not be liable for any loss of or damage to the Government property, or for expenses incidental to such loss or damage except

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that the grantee shall be responsible for any such loss or damage (including expenses incidental thereto):

(i) Which results from willful misconduct or lack of good faith on the part of any of the grantee's directors or officers, or on the part of any of its managers, superintendents, or other equivalent representatives, who have supervision or direction of all or substantially all of the grantee's business, or all or substantially all of the grantee's operation at any one plant, laboratory, or separate location in which this grant is being performed;

(ii) Which results from a failure on the part of the grantee, due to the willful misconduct or lack of good faith on the part of any of its directors, officers, or other representatives mentioned in (i) above:

(A) to maintain and administer, in accordance with sound business practice, the program for maintenance, repair, protection, and preservation of Government property as required by (i) above, or

(B) to take all reasonable steps to comply with any appropriate written directions of the grant officer under (c) above;

(iii) For which the grantee is otherwise responsible under the express terms designated in the schedule of this grant;

(iv) Which results from a risk expressly required to be insured under some other provision of this grant, but only to the extent of the insurance so required to be procured and maintained, or to the extent of insurance actually procured and maintained, whichever is greater; or

(v) Which results from a risk which is in fact covered by insurance or for which the grantee is otherwise reimbursed, but only to the extent of such insurance or reimbursement;

(vi) Provided, that, if more than one of the above exceptions shall be applicable in any case, the grantee's liability under any one exception shall not be limited by any other exception.

(2) The grantee shall not be reimbursed for, and shall not include as an item of overhead, the cost of insurance, or any provision for a reserve, covering the risk of loss of or damage to the Government property, except to the extent that the Government may have required the grantee to carry such insurance under any other provision of this grant.

(3) Upon the happening of loss or destruction of or damage to the Government property, the grantee shall notify the grant officer thereof, shall take all reasonable steps to protect the Government property from further damage, separate the damaged and undamaged Government property, put all the

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Government property in the best possible order, and furnish to the grant officer a statement of:

- (i) The lost, destroyed, or damaged Government property;
- (ii) The time and origin of the loss, destruction, or damage;
- (iii) All known interests in commingled property of which the Government property is a part; and
- (iv) The insurance, if any, covering any part of or interest in such commingled property.

(4) The grantee shall make repairs and renovations of the damaged Government property or take such other action as the grant officer directs.

(5) In the event the grantee is indemnified, reimbursed, or otherwise compensated for any loss or destruction of or damage to the Government property, it shall use the proceeds to repair, renovate or replace the Government property involved, or shall credit such proceeds against the cost of the work covered by the grant, or shall otherwise reimburse the Government, as directed by the grant officer. The grantee shall do nothing to prejudice the Government's right to recover against third parties for any such loss, destruction, or damage, and upon the request of the grant officer, shall, at the Government's expense, furnish to the Government all reasonable assistance and cooperation (including assistance in the prosecution of suits and the execution of instruments or assignments in favor of the Government) in obtaining recovery.

(e) Access: The Government, and any persons designated by it, shall at all reasonable times have access to the premises wherein any Government property is located, for the purpose of inspecting the Government property.

(f) Final Accounting and Disposition of Government Property: Upon completion of this grant, or at such earlier dates as may be fixed by the grant officer, the grantee shall submit, in a form acceptable to the grant officer, inventory schedules covering all items of Government property not consumed in the performance of this grant or not theretofore delivered to the Government, and shall prepare, deliver, or make such other disposition of the Government property as may be directed or authorized by the grant officer.

(g) Communications: All communications issued pursuant to this provision shall be in writing.

(END OF STANDARD PROVISION)

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TITLE TO AND CARE OF PROPERTY (COOPERATING COUNTRY TITLE) (NOVEMBER 1985)

(This provision is applicable to property titled in the name of the cooperating country or such public or private agency as the cooperating country government may designate.)

(a) Except as modified by the schedule of this grant, title to all equipment, materials and supplies, the cost of which is reimbursable to the grantee by A.I.D. or by the cooperating country, shall at all times be in the name of the cooperating country or such public or private agency as the cooperating country may designate, unless title to specified types or classes of equipment is reserved to A.I.D. under provisions set forth in the schedule of this grant. All such property shall be under the custody and control of grantee until the owner of title directs otherwise or completion of work under this grant or its termination, at which time custody and control shall be turned over to the owner of title or disposed of in accordance with its instructions. All performance guarantees and warranties obtained from suppliers shall be taken in the name of the title owner.

(b) The grantee shall maintain and administer in accordance with sound business practice a program for the maintenance, repair, protection, and preservation of Government property so as to assure its full availability and usefulness for the performance of this grant. The grantee shall take all reasonable steps to comply with all appropriate directions or instructions which the grant officer may prescribe as reasonably necessary for the protection of the Government property.

(c) The grantee shall prepare and establish a program, to be approved by the appropriate A.I.D. Mission, for the receipt, use, maintenance, protection, custody and care of equipment, materials and supplies for which it has custodial responsibility, including the establishment of reasonable controls to enforce such program. The grantee shall be guided by the following requirements:

(1) Property Control: The property control system shall include but not be limited to the following:

(i) Identification of each item of cooperating country property acquired or furnished under the grant by a serially controlled identification number and by description of item. Each item must be clearly marked "Property of (insert name of cooperating country)."

(ii) The price of each item of property acquired or furnished under this grant.

(iii) The location of each item of property acquired or furnished under this grant.

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(iv) A record of any usable components which are permanently removed from items of cooperating country property as a result of modification or otherwise.

(v) A record of disposition of each item acquired or furnished under the grant.

(vi) Date of order and receipt of any item acquired or furnished under the grant.

(vii) The official property control records shall be kept in such condition that at any stage of completion of the work under this grant, the status of property acquired or furnished under this grant may be readily ascertained. A report of current status of all items of property acquired or furnished under the grant shall be submitted yearly concurrently with the annual report.

(2) Maintenance Program: The grantee's maintenance program shall be consistent with sound business practice, the terms of the grant, and provide for:

(i) disclosure of need for and the performance of preventive maintenance,

(ii) disclosure and reporting of need for capital type rehabilitation, and

(iii) recording of work accomplished under the program:

(A) Preventive maintenance - Preventive maintenance is maintenance generally performed on a regularly scheduled basis to prevent the occurrence of defects and to detect and correct minor defects before they result in serious consequences.

(B) Records of maintenance - The grantee's maintenance program shall provide for records sufficient to disclose the maintenance actions performed and deficiencies discovered as a result of inspections.

(C) A report of status of maintenance of cooperating country property shall be submitted annually concurrently with the annual report.

(d) Risk of Loss:

(1) The grantee shall not be liable for any loss of or damage to the cooperating country property, or for expenses incidental to such loss or damage except that the grantee shall be responsible for any such loss or damage (including expenses incidental thereto):

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(i) Which results from willful misconduct or lack of good faith on the part of any of the grantee's directors or officers, or on the part of any of its managers, superintendents, or other equivalent representatives, who have supervision or direction of all or substantially all of the grantee's business, or all or substantially all of the grantee's operation at any one plant, laboratory, or separate location in which this grant is being performed;

(ii) Which results from a failure on the part of the grantee, due to the willful misconduct or lack of good faith on the part of any of its directors, officers, or other representatives mentioned in (i) above:

(A) to maintain and administer, in accordance with sound business practice, the program for maintenance, repair, protection, and preservation of cooperating country property as required by (i) above, or

(B) to take all reasonable steps to comply with any appropriate written directions of the grant officer under (b) above;

(iii) For which the grantee is otherwise responsible under the express terms designated in the schedule of this grant;

(iv) Which results from a risk expressly required to be insured under some other provision of this grant, but only to the extent of the insurance so required to be procured and maintained, or to the extent of insurance actually procured and maintained, whichever is greater; or

(v) Which results from a risk which is in fact covered by insurance or for which the grantee is otherwise reimbursed, but only to the extent of such insurance or reimbursement;

(vi) Provided, that, if more than one of the above exceptions shall be applicable in any case, the grantee's liability under any one exception shall not be limited by any other exception.

(2) The grantee shall not be reimbursed for, and shall not include as an item of overhead, the cost of insurance, or any provision for a reserve, covering the risk of loss of or damage to the cooperating country property, except to the extent that A.I.D. may have required the grantee to carry such insurance under any other provision of this grant.

(3) Upon the happening of loss or destruction of or damage to the cooperating country property, the grantee shall notify the grant officer thereof, shall take all reasonable steps to protect the cooperating country property from further damage, separate the damaged and undamaged cooperating country property, put all the cooperating country property in the best possible order, and furnish to the grant officer a statement of:

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- (i) The lost, destroyed, or damaged cooperating country property;
- (ii) The time and origin of the loss, destruction, or damage;
- (iii) All known interests in commingled property of which the cooperating country property is a part; and
- (iv) The insurance, if any, covering any part of or interest in such commingled property.

(4) The grantee shall make repairs and renovations of the damaged cooperating country property or take such other action as the grant officer directs.

(5) In the event the grantee is indemnified, reimbursed, or otherwise compensated for any loss or destruction of or damage to the cooperating country property, it shall use the proceeds to repair, renovate or replace the cooperating country property involved, or shall credit such proceeds against the cost of the work covered by the grant, or shall otherwise reimburse A.I.D., as directed by the grant officer. The grantee shall do nothing to prejudice A.I.D.'s right to recover against third parties for any such loss, destruction, or damage, and upon the request of the grant officer, shall, at the Government's expense, furnish to A.I.D. all reasonable assistance and cooperation (including assistance in the prosecution of suits and the execution of instruments or assignments in favor of the Government) in obtaining recovery.

(e) Access: A.I.D., and any persons designated by it, shall at all reasonable times have access to the premises wherein any cooperating country property is located, for the purpose of inspecting the cooperating country property.

(f) Final Accounting and Disposition of Cooperating Country Property: Within 90 days after completion of this grant, or at such other date as may be fixed by the grant officer, the grantee shall submit to the grant officer an inventory schedule covering all items of equipment, materials and supplies under the grantee's custody, title to which is in the cooperating country or public or private agency designated by the cooperating country, which have not been consumed in the performance of this grant. The grantee shall also indicate what disposition has been made of such property.

(g) Communications: All communications issued pursuant to this provision shall be in writing.

(END OF STANDARD PROVISION)

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COST SHARING (MATCHING) (NOVEMBER 1985)

(This provision is applicable when the recipient is required to cost share or provide a matching share.)

(a) For each year (or funding period) under this grant, the grantee agrees to expend from non-Federal funds an amount at least equal to the percentage of the total expenditures under this grant specified in the schedule of the grant. The schedule of this grant may also contain restrictions on the application of cost sharing (matching) funds. The schedule takes precedence over the terms of this provision.

(b) Eligibility of non-Federal funds applied to satisfy cost sharing (matching) requirements under this grant are set forth below:

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

(2) Project costs financed with cash contributed or donated to the grantee by other non-Federal public agencies (may include public international organizations or foreign governments) and institutions, and private organizations and individuals, and

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

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

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

(2) Are not included as contributions for any other Federally assisted program;

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

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

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

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(6) Are provided for in the approved budget when required by A.I.D.; and

(7) Conform to other provisions of this paragraph.

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

(e) Specific procedures for the grantee in establishing the value of in-kind contributions from non-Federal third parties are set forth below:

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

(i) Rates for volunteer services: Rates for volunteers should be consistent with those paid for similar work in the grantee's organization. In those instances in which the required skills are not found in the grantee's organization, rates should be consistent with those paid for similar work in the labor market in which the grantee competes for the kind of services involved.

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

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

(3) Valuation of donated nonexpendable personal property, buildings, and land or use thereof:

(i) The method used for charging cost sharing or matching for donated nonexpendable personal property, buildings and land may differ according to the purpose of the grant as follows:

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

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(B) If the purpose of the grant is to support activities that require the use of equipment, buildings, or land; depreciation or use charges for equipment and buildings may be made. The full value of equipment or other capital-assets and fair rental charges for land may be allowed provided that A.I.D. has approved the charges.

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

(A) Land and buildings: The value of donated land and buildings may not exceed its fair market value, at the time of donation to the grantee as established by an independent appraiser; and certified by a responsible official of the grantee.

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

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

(D) Borrowed equipment: The value of borrowed equipment shall not exceed its fair rental value.

(f) The following requirements pertain to the grantee's supporting records for in-kind contributions from non-Federal third parties:

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

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

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

(h) If at the end of any year (or funding period) hereunder, the grantee has expended an amount of non-Federal funds less than the agreed upon percentage of total expenditures, the difference may be applied to reduce the amount of A.I.D. funding the following year (or funding period), or, if this grant has expired or been terminated, the difference shall be refunded to A.I.D.

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(i) Failure to meet the cost sharing (matching) requirements set forth in paragraph (a) above shall be considered sufficient reasons for termination of this grant for cause in accordance with paragraph (a) entitled "For Cause" of the standard provision of this grant entitled "Termination and Suspension".

(j) The restrictions on the use of A.I.D. grant funds set forth in the standard provisions of this grant are applicable to expenditures incurred with A.I.D. funds provided under this grant. The grantee will account for the A.I.D. funds in accordance with the standard provision of this grant entitled "Accounting, Audit, and Records".

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

(END OF STANDARD PROVISION)

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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 A.I.D. 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 A.I.D. 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 A.I.D. 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 P.O. Box 96950, Washington, D.C. 20090-69.
AS PER CIR# 90-16.

(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) A.I.D. 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.

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(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 A.I.D. Mission.

(END OF STANDARD PROVISION)

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CONVERSION OF UNITED STATES DOLLARS TO LOCAL CURRENCY (NOVEMBER 1985)

(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)

REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS

A. Review carefully the attached representations, certifications, acknowledgments, forms and notices.

B. Prior to award, and after agreement has been reached on price, the otherwise successful offeror will be required to execute a "Certificate of Current Cost or Pricing Data".

(FAR 52.203-4) CONTINGENT FEE REPRESENTATION
AND AGREEMENT (APR 1984)

(a) Representation

The offeror represents that, except for full-time bona fide employees working solely for the offeror, the offeror--

(Note: The offeror must check the appropriate boxes.)

For interpretation of the representation, including the term "bona fide employee", see subpart 3.4 of the Federal Acquisition Regulation.

(1) / has, / has not employed or retained any person or company to solicit or obtain this contract; and

(2) / has, / has not paid or agreed to pay to any person or company employed or retained to solicit or obtain this contract any commission, percentage, brokerage, or other fee contingent upon or resulting from the award of this contract.

(b) Agreement

The offeror agrees to provide information relating to the above Representation as requested by the Contracting Officer and, when subparagraph (a) (1) or (a) (2) is answered affirmatively, to promptly submit to the Contracting Officer--

(1) A completed Standard Form 119, Statement of Contingent or Other Fees, (SF 119); or

(2) A signed statement indicating that the SF 119 was previously submitted to the same contracting office, including the date and applicable solicitation or contract number, and representing that the prior SF 119 applies to this offer or quotation.

(FAR 52.215-6) - TYPE OF BUSINESS ORGANIZATION
(JUL. 1987)

The offeror or quoter, by checking the applicable box, represents that it operates as a corporation incorporated under the laws of the State of _____, an individual a partnership, a nonprofit organization or a joint venture.

(b) If the offeror or quoter is a foreign entity, it operates as an individual, a partnership, a nonprofit organization, a joint venture, or a corporation, registered for business in _____
Country

(FAR 52.215-11) AUTHORIZED NEGOTIATORS (APR 1984)

The offeror or quoter represents that the following persons are authorized to negotiate on its behalf with the Government in connection with this request for proposals or quotations: (list names, titles, and telephone numbers of the authorized negotiators).

(FAR 52.215-20) PLACE OF PERFORMANCE (APR 1984)

(a) The offeror or quoter, in the performance of any contract resulting from this solicitation, intends, does not intend (check applicable block) to use one or more plants or facilities located at a different address from the address of the offeror or quoter as indicated in this proposal or quotation.

CERTIFICATE OF CURRENT COST OR PRICING DATA

This is to certify that, to the best of my knowledge and belief, the cost or pricing data (as defined in section 15.801 of the Federal Acquisition Regulation (FAR) and required under FAR subsection 15.804-2) submitted, either actually or by specific identification in writing, to the Contracting Officer or to the Contracting Officer's representative in support of _____
_____ * are accurate, complete and current as of _____**.

*Identify the proposal, quotation, request for price adjustment, or other submission involved, giving the appropriate identifying number (e.g., RFP No.).

**Insert the day, month and year when price negotiations were concluded and price agreement was reached.

This certification includes the cost of pricing data supporting any advance agreements and forward pricing rate agreements between the offeror and the Government that are part of the proposal.

Firm _____
Name _____
Title _____
Date of Execution*** _____

(End of Certificate)

(b) If the offeror or quoter checks "intends" in paragraph (a) above, it shall insert in the spaces provided below the required information:

Place of Performance (Street
Address, City County, State
Zip Code)

Name and Address of Owner
and Operator of the Plant or
Facility if Other than
Offeror or Quoter

(FAR 52.219-01) SMALL BUSINESS CONCERN REPRESENTATION (MAY 1986)

(a) Representation

The offeror represents and certifies as part of its offer that it is ____, is not ____, a small business concern and that ____ all, ____ not all end items to be furnished will be manufactured or produced by a small business concern in the United States, its territories or possessions, Puerto Rico, or the Trust Territories of the Pacific Islands.

(b) Definition

"Small business concern," as used in this provision, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria and size standards in this solicitation.

(c) Notice

Under 15 U.S.C. 645(d), any person who misrepresents a firm's status as a small business concern in paragraph (a) of this clause in order to obtain a contract to be awarded under the preference programs established pursuant to

***Insert the day, month, and year of signing, which should be as close as practicable to the date when the price negotiations were concluded and the contract price was agreed to.

sections 8(a), 8(d), 9, or 15 of the Small Business Act or any other provision of Federal law that specifically references section 8(d) for a definition of program eligibility, shall (1) be punished by imposition of a fine, imprisonment, or both; (2) be subject to administrative remedies; and (3) be ineligible for participation in programs conducted under the authority of the Act.

(FAR 52.219-02) SMALL DISADVANTAGED BUSINESS
CONCERN REPRESENTATION (APR 1984)

(a) Representation

The Offeror represents that it _____, is _____ is not a small disadvantaged business concern.

(b) Definitions

"Asian-Pacific Americans", as used in this provision, means United States citizens whose origins are in Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the U.S. Trust Territory of the Pacific Islands (Republic of Palau), the Northern Mariana Islands, Laos, Kampuchea (Cambodia), Taiwan, Burma, Thailand, Malaysia, Indonesia, Singapore, Brunei, Republic of the Marshall Islands, or the Federated States of Micronesia.

"Indian tribe", as used in this provision, means any Indian tribe, band, nation, or other organized group or community of Indians, including any Alaska Native Corporation as defined in 13 CFR 124.100 which is recognized as eligible for the special programs and services provided by the U.S. to Indians because of their status as Indians, or which is recognized as such by the State in which such tribe, band, nation, group, or community resides.

"Native Americans", as used in this provision, means American Indians, Eskimos, Aleuts, and Native Hawaiians.

"Native Hawaiian Organization", as used in this provision, means any community service organization serving Native Hawaiians in, and chartered as a not-for-profit organization by, the State of Hawaii, which is controlled by Native Hawaiians, and whose business activities will principally benefit such Native Hawaiians.

"Small business concern", as used in this provision, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria and size standards in 13 CFR 121.

"Small disadvantaged business concern", as used in this provision, means a small business concern that (a) is at least 51 percent unconditionally owned by one or more individuals who are both socially and economically disadvantaged individuals, or a publicly owned business having at least 51 percent of its stock unconditionally owned by one or more socially and economically disadvantaged individuals and (b) has its management and daily

business controlled by one or more such individuals. This term also means a small business concern that is at least 51 percent unconditionally owned by an economically disadvantaged Indian tribe or Native Hawaiian Organization, or a publicly owned business having at least 51 percent of its stock unconditionally owned by one of these entities which has its management and daily business controlled by members of an economically disadvantaged Indian tribe or Native Hawaiian Organization, and which meets the requirements of 13 CFR 124.

"Subcontinent Asian Americans", as used in this provision, means United States citizens whose origins are in India, Pakistan, Bangladesh, Sri Lanka, Bhutan, or Nepal.

(c) Qualified Groups

The Offeror shall presume that socially and economically disadvantaged individuals include Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Subcontinent Asian Americans, and other individuals found to be qualified by the SBA under 13 CFR 124. The offeror shall presume that socially and economically disadvantaged entities also include Indian tribes and Native Hawaiian Organizations.

Please fill out the respective blank:

- Asian-Pacific American _____
- Indian tribe _____
- Native Americans _____
- Native Hawaiian Organization _____
- Subcontinent Asian American _____
- Black American _____
- Hispanic _____
- Women _____

(FAR 52.219-03) WOMEN-OWNED SMALL BUSINESS REPRESENTATION (APR 1984)

(a) Representation

The Offeror represents that it _____ is _____ is not a women-owned small business concern.

(b) Definitions

"Small business concern", as used in this provision, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria and size standards in 13 CFR 121.

"Women-owned", as used in this provision means a small business that is at least 51 percent owned by a woman or women who are U.S. citizens and who also control and operate the business.

PREVIOUS CONTRACTS AND COMPLIANCE
REPORTS (APR 1984) (FAR 52.222-22)

The offeror represents that--

(a) It ____ has, ____ not participated in a previous contract or subcontract subject either to the Equal Opportunity clause of this solicitation, the clause originally contained in Section 310 of Executive Order No. 10925, or the clause contained in Section 201 of Executive Order No. 11114;

(b) It ____ has, ____ has not, filed all required compliance reports; and

(c) Representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained before contract awards.

AFFIRMATIVE ACTION COMPLIANCE (APR 1984) (FAR 52.222-25)

The offeror represents that (a) it ____ has developed and has on file, ____ has not developed and does not have on file, at each establishment, affirmative action programs required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2), or (b) it ____ has not previously had contracts subject to the written affirmative action programs requirement of the rules and regulations of the Secretary of Labor.

CLEAN AIR AND WATER CERTIFICATION (APR 1984) (FAR 52.223-1)

The Offeror certifies that--

(a) Any facility to be used in the performance of this proposed contract is, ____ not ____ listed on the Environmental Protection Agency List of Violating Facilities;

(b) The Offeror will immediately notify the Contracting Officer, before award, of the receipt of any communication from the Administrator, or a designee, of the Environmental Protection Agency, indicating that any facility that the Offeror proposes to use for the performance of the contract is under consideration to be listed on the EPA List of Violating Facilities; and

(c) The Offeror will include a certification substantially the same as this certification, including this paragraph (c), in every nonexempt subcontract.

ORGANIZATIONAL CONFLICTS OF INTEREST REPRESENTATION

(i) The offeror represents, to the best of its knowledge and belief, that:

The award to it of a contract or the modification of an existing contract does / or does not / involve an organizational conflict of interest.

(ii) The term "organizational conflict of interest" means that a relationship exists whereby an offeror or a contractor (including its chief executives, directors, proposed consultants or subcontractors) has interest which:

(a) May diminish its capacity to give impartial technically sound, objective assistance and advice or may otherwise result in a biased work product, or

(b) May result in an unfair competitive advantage. It does not include the "normal flow or benefits" from the performance of a contract or Agreement.

(iii) The term "contractor" means any person, firm, unincorporated association, joint venture, partnership, corporation or affiliate thereof, which is a party to a contract or Agreement with the United States of America. As used in his definition, the term "affiliate" has the same meaning as provided in FAR 2-1.

(FAR 52.204-3) - TAXPAYER IDENTIFICATION (SEP 1989)

(a) Definitions.

"Common parent," as used in this solicitation provision, means an offeror that corporate entity that owns or controls an affiliated group of corporations that files its Federal income tax returns on a consolidated basis and on which the offeror is a member.

"Corporate status," as used in this solicitation provision, means a designation as to whether the offeror is a corporate entity, an unincorporated entity (e.g., sole proprietorship or partnership), or a corporation providing medical and health care services.

"Taxpayer Identification Number (TIN)," as used in this solicitation provision, means the number required by the IRS to be used by the offeror in reporting income tax and other returns.

(b) The offeror is required to submit the information required in paragraphs (c) through (e) of this solicitation provision in order to comply with reporting requirements of 26 U.S.C. 6041, 6041A, and 6050M and implementing regulations issued by the Internal Revenue Service (IRS). If the

resulting contract is subject to the reporting requirements described in 4.902(a), the failure or refusal by the offeror to furnish the information may result in a 20 percent reduction of payments otherwise due under the contract.

(c) Taxpayer Identification Number (TIN)

TIN has been applied for.

TIN is not required because:

Offeror is a nonresident alien, foreign corporation, or foreign partnership that does not have income effectively connected with the conduct of a trade or business in the U.S. and does not have an office or place of business or a fiscal paying agent in the U.S.;

Offeror is an agency or instrumentality of a foreign government;

Offeror is an agency or instrumentality of a state or local government;

Other. State basis _____

(d) Corporate Status

Corporation providing medical and health care services, or engaged in the billing and collecting of payments for such services;

Other corporate entity;

Not a corporate entity;

Sole proprietorship

Partnership

Hospital or extended care facility described in 26 CFR 501(c)(3) that is exempt from taxation under 26 CFR 501(a).

(e) Common Parent

Offeror is not owned or controlled by a common parent as defined in paragraph (a) of this clause.

Name and TIN of common parent:

Name _____

TIN _____

(FAR 52.204-4 - CONTRACTOR ESTABLISHMENT CODE (AUG 1989))

In the block with its name and address, the offeror should supply the Contractor Establishment Code applicable to that name and address, if known to the offeror. The number should be preceded by "CEC: Offerors should take care to report to correct CEC and not a similar number assigned to the Offeror in a different system."

The CEC is a 9-digit code assigned to a contractor establishment that contracts with a Federal executive agency. The CEC system is a contractor identification coding system which is currently the Dun and Bradstreet Data Universal Numbering System (DUNS). The CEC system is distinct from the Federal Taxpayer Identification Number (TIN) system.

The Government will obtain a Contractor Establishment Code for any awardee that does not have or does not know its CEC

(FAR 52.203-8) - REQUIREMENT FOR CERTIFICATE OF
PROCUREMENT INTEGRITY (MAY 1989)

- (a) Definitions. The definitions at FAR 3.104-4 are hereby incorporated in this provision.
- (b) Certifications. As required in paragraph (c) of this provision, the officer or employee responsible for this offer shall execute the following certification:

CERTIFICATE OF PROCUREMENT INTEGRITY

(1) I, (Name of certifier), am the officer or employee responsible for the preparation of this offer or bid and hereby certify that, to the best of my knowledge and belief, with the exception of any information described in this certificate, I have no information concerning a violation or possible violation of subsection 27(a), (b), (c), or (e) of the Office of Federal Procurement Policy Act* (41 U.S.C. 423) (hereinafter referred to as "the Act"), as implemented in the FAR, occurring during the conduct of this procurement in the FAR, (solicitation number).

(2) As required by subsection 27(d) (1) (B) of the Act, I further certify that each officer, employee, agent, representative, and consultant of (Name of offeror) who has participated personally and substantially in the preparation of submission of this offer has certified that he or she is familiar with, and will comply with, the requirements of subsection 27(a) of the Act, as implemented in the FAR, and will report immediately to me any information concerning a violation of possible violation of the Act, as implemented in the FAR, pertaining to this procurements.

(3) Violations or possible violations: (Continue on plain bond paper if necessary and label Certificate of Procurement Integrity (Continuation Sheet). ENTER "NONE" IF NONE EXISTS)_____

(Signature of the Officer or Employee Responsible for the Offer and date)

(Typed Name of the Officer or Employee Responsible for the Offer)

THIS CERTIFICATION CONCERS A MATTER WITHIN THE JURISDICTION OF AN AGENCY OF THE UNITED STATES AND THE MAKING OF A FALSE, FICTITIOUS, OR FRAUDULENT CERTIFICATION MAY RENDER THE MAKER SUBJECT TO PROSECUTION UNDER TITLE 18, UNITED STATES CODE, SECTION 1001.

(End of certification)

*Section 27 became effective on July 16, 1989.

(c) The signed certification in paragraph (b) of this provision shall be executed and submitted as follows:

(1) If this is an invitation for bids (IFB), with bid submissions exceeding \$100,000.

(2) If this is a procurement using the two-step sealed bidding procedure (see FAR Subpart 14.5), with bids exceeding \$100,000. with submission to the Government of step-two sealed bids.

(3) If this is a request for proposal (RFP) or quotation (RFQ), by the successful offeror as close as practicable to, but in no event later than, the date of award of a contract exceeding \$100,000.

(4) If this is an invitation for bids for a indefinite delivery-type contract, and if the estimated value of orders to be placed under the contract is expected to exceed \$100,000, with the bid submission.

(5) If this is an RFQ or RFP for an indefinite delivery-type contract, and if the estimated value of orders expected to be placed under the contract is expected to exceed \$100,000, by the successful offeror as close as practicable to, but in no event later than, the date of contract award.

(6) For letter contracts, prior to award of the letter contract and prior to definitization of the letter contracts.

(7) For other procurement actions in excess of \$100,000, prior to award of execution as specified by the Contracting Officer.

(8) The certificate required by subparagraphs (c) (3) and (c) (5) through (c) (7) of this provision shall be submitted to the Contracting Officer within the time period specified by the Contracting Officer when requesting the certificate.

(d) Pursuant to FAR 3.104-9(d), the offeror may be requested to execute additional certifications at the request of the Government.

(e) Failure of an offeror to submit the certification required by FAR 3.104-9(b) or any additional certifications pursuant to FAR 3.104-9(d) will render the offeror ineligible for contract award (see FAR 9.104-1(g)).

(f) A certification containing a disclosure of a violation or possible violation will not necessarily result in the withholding of award under this solicitation. However, the Government, after evaluation of the disclosure, may cancel this procurement or take any other appropriate actions in the interest of the Government, such as disqualification of the offeror.

(g) In making the certification in subparagraph (b)(2) of this provision, the offeror may rely upon the certification by an officer, employee, agent, representative, or consultant that such person is in compliance with the requirements of subsections 27(a), (b), (c), or (e) of the Office of Federal Procurement Policy Act (41 U.S.C. 423), as implemented in the FAR, unless the offeror knows, or should have known, of reasons to the contrary. The offeror may rely upon periodic certifications that must be obtained at least annually, supplemented with periodic training programs. These certifications shall be maintained by the Contractor for 6 years from the date of execution.

(h) The certifications in paragraph (b) and (d) of this provision are a material representation of fact upon which reliance will be placed in awarding a contract.

"52.223-5 CERTIFICATION REGARDING A DRUG-FREE WORKPLACE (JUL 1990)

(a) Definitions. As used in this provision, "Controlled substance" means a controlled substance in schedules I through V of section 202 of the Controlled Substances Act (21 U.S.C. 812) and as further defined in regulation at 21 CFR 1308.11-1308.15.

"Conviction" means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes.

"Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, possession or use of any controlled substance.

"Drug-free workplace" means a site(s) for the performance of work done by the Contractor in connection with a specific contract at which employees of the Contractor are prohibited from engaging in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance.

"Employee" means an employee of a Contractor directly engaged in the performance of work under a Government contract. **"Directly engaged"** is defined to include all direct cost employees and any other Contractor employee who has other than a minimal impact or involvement in contract performance.

"Individual" means an offeror/contractor that has no more than one employee including the offeror/contractor.

(b) By submission of its offer, the offeror, if other than an individual, who is making an offer that equals or exceeds \$25,000, certifies and agrees, that with respect to all employees of the offeror to be employed under a contract resulting from this solicitation, it will--no later than 30 calendar days after contract award (unless a longer period is agreed to in writing) for contracts of 30 calendar days or more performance duration; or as soon as possible for contracts of less than 30 calendar days performance duration, but in any case, by a date prior to when performance is expected to be completed--

(1) Publish a statement notifying such employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition;

(2) Establish an ongoing drug-free awareness program to inform such employees about--

(i) The dangers of drug abuse in the workplace;

(ii) The Contractor's policy of maintaining a drug-free workplace;

(iii) Any available drug counseling, rehabilitation, and employee assistance programs; and

(iv) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(3) Provide all employees engaged in performance of the contract with a copy of the statement required by subparagraph (b)(1) of this provision;

(4) Notify such employees in writing in the statement required by subparagraph (b)(1) of this provision that, as a condition of continued employment on the contract resulting from this solicitation, the employee will--

(i) Abide by the terms of the statement; and

(ii) Notify the employer in writing of the employee's conviction under a criminal drug statute for a violation occurring in the workplace no later than 5 calendar days after such conviction;

(5) Notify the Contracting Officer in writing within ten (10) calendar days after receiving notice under subdivision (b)(4)(ii) of this provision, from an employee or otherwise receiving actual notice of such conviction. The notice shall include the position title of the employee; and

(6) Within 30 calendar days after receiving notice under subdivision (b)(4)(ii) of this provision of a conviction, take one of the following actions with respect to any employee who is convicted of a drug abuse violation occurring in the workplace;

(i) Take appropriate personnel action against such employee, up to and including termination; or

(ii) Require such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency.

(7) Make a good faith effort to maintain a drug-free workplace through implementation of subparagraphs (b)(1) through (b)(6) of this provision.

(c) By submission of its offer, the offeror, if an individual who is making an offer of any dollar value, certifies and agrees that the offeror will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in the performance of the contract resulting from this solicitation.

(d) Failure of the offeror to provide the certification required by paragraph (b) or (c) of this provision, renders the offeror unqualified and ineligible for award. (See FAR 9.104-1(g) and 19.602-1(a)(2)(i)).

(e) In addition to other remedies available to the Government, the certification in paragraphs (b) or (c) of this provision concerns a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18, United States Code, Section 1001.

52.223-6 - DRUG-FREE WORKPLACE (JUL 1990)

(a) Definitions. As used in this provision, "Controlled substance" means a controlled substance in schedules I through V of section 202 of the Controlled Substances Act (21 U.S.C. 812) and as further defined in regulation at 21 CFR 1308.11-1308.15.

"Conviction" means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes.

"Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, possession or use of any controlled substance.

"Drug-free workplace" means a site(s) for the performance of work done by the Contractor in connection with a specific contract at which employees of the Contractor are prohibited from engaging in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance.

"Employee" means an employee of a Contractor directly engaged in the performance of work under a Government contract. "Directly engaged" is defined to include all direct cost employees and any other Contractor employee who has other than a minimal impact or involvement in contract performance.

"Individual" means an offeror/contractor that has no more than one employee including the offeror/contractor.

(b) The Contractor, if other than an individual, shall--within 30 calendar days after award (unless an longer period is agreed to in writing for contracts of 30 calendar days or more performance duration); or as soon as possible for contracts of less than 30 calendar days performance duration--

(1) Publish a statement notifying its employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition;

(2) Establish an ongoing drug-free awareness program to inform such employees about --

(i) The dangers of drug abuse in the workplace;

(ii) The contractor's policy of maintaining a drug-free workplace;

(iii) Any available drug counseling, rehabilitation, and employee assistance programs; and

(iv) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

(3) Provide all employees engaged in performance of the contract with a copy of the statement required by subparagraph (b)(1) of this clause;

(4) Notify such employees in writing in the statement required by subparagraph (b)(1) of this clause that, as a condition of continued employment on this contract, the employee will--

(i) Abide by the terms of the statement; and

(ii) Notify the employer in writing of the employee's conviction under a criminal drug statute for a violation occurring in the workplace no later than 5 calendar days after such conviction.

(5) Notify the Contracting Officer in writing within ten (10) calendar days after receiving notice under subdivision (a)(4)(ii) of this clause, from an employee or otherwise receiving actual notice of such conviction. The notice shall include the position title of the employee;

(6) Within 30 calendar days after receiving notice under subdivision (b)(4)(ii) of this clause of a conviction, take one of the following actions with respect to any employee who is convicted of a drug abuse violation occurring in the workplace;

(i) Taking appropriate personnel action against such employee, up to and including termination; or

(ii) Require such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency.

(7) Make a good faith effort to maintain a drug-free workplace through implementation of subparagraphs (b)(1) through (b)(6) of this clause.

(c) The Contractor, if an individual, agrees by award of the contract or acceptance of a purchase order, not to engage in the unlawful manufacture, distribution, dispensing, possession or use of any controlled substance in the performance of this contract.

(d) In addition to other remedies available to the Government, the Contractor's failure to comply with the requirements of paragraphs (b) or (c) of this clause may, pursuant to FAR 23.506, render the Contractor subject to suspension of contract payments, termination of the contract for default, and suspension or debarment."

This is to certify that the REPRESENTATIONS AND CERTIFICATIONS above, in support of the offer dated _____, for the purpose of _____, are complete and correct.

Signature of Individual Authorized to Sign Offer

Typed Name and Title of Individual Authorized to Sign

Date of Signature

These REPRESENTATIONS AND CERTIFICATIONS shall form part of any Agreement resulting from the offer.

AID 1350 I
(3 87)

*PIO/T

AGENCY FOR
INTERNATIONAL DEVELOPMENT

PROJECT IMPLEMENTATION
ORDER/TECHNICAL
SERVICES

00713

1 Cooperating Country
Guatemala

2 PIO/T No
520-0408-3-10119

3 Original or
Amendment No _____

4 Project/Activity No and Title
520-0408
RURAL WATER AND HEALTH-CARE
(CARE WATER AND SANITATION)

Page 1 of 3 Pages

DISTRIBUTION

13 Mission
References

U100208

5 Appropriation Symbol
72-1111021

6 Budget Plan Code
LDHA-91-25520-KG13

7 Obligation Status
 Administrative Reservation Implementing Document

8 Project Assistance Completion Date
(Mo, Day, Yr) **12/31/93**

9 Authorized Agent
RCO

10 This PIO/T is in full conformance with PRO/AG No
Date

11a Type of Action and Governing AID Handbook
 AID Contract (HB 14) AID Grant or Cooperative Agreement (HB 13) PASA/RSSA (HB 12) Other

11b Contract/Grant/Cooperative Agreement/
PASA/RSSA Reference Number (If this is
an Amendment)

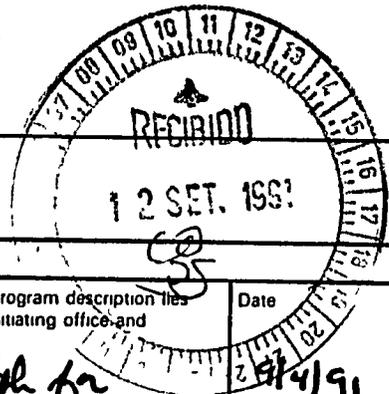
12 Estimated Financing (A detailed budget in support of column (2) is attached as Attachment No II)

Maximum AID Financing Available	A Dollars	(1) Previous Total	(2) Increase	(3) Decrease	(4) Total to Date
					300,000.00
	B U S Owned Local Currency				

14A Instructions to Authorized Agent
The Authorized Agent is requested to negotiate an Operational Program Grant Agreement with CARE for the Rural Water and Health Project described in Attachment I.

Attachment II includes an Illustrative Budget.

14B Address of Voucher Paying Office
CONTROLLERS
1a. Calle 7-66, Zona 9
01009 Guatemala, Ciudad



15 Clearances—Include typed name, office symbol, telephone number and date for all clearances

A The Project Officer certifies that the specifications in the statement of work or program description are technically adequate AC/OH&E:LGorton <i>lgs</i>	Phone No	B The statement of work or program description lies within the purview of the initiating office and approved agency programs PRM:DAdams <i>D Adams for</i>	Date
	Date		9-4-91
C PDSO:JEyre <i>JJE</i>	Date	D Funds for the services requested are available	Date
E	Date	CONT:GByllesby <i>G Byllesby</i>	9/5/91

16 For the Cooperating Country The terms and conditions set forth herein are hereby agreed to
Signature N/A Date _____

17 For the Agency for International Development
Signature Stephen C. Wingert Date _____
Title Deputy Director, USAID/Guatemala

*See HB 3, Sup A, App C, Att B, for preparation instructions Note The completed form contains sensitive information whose unauthorized disclosure may subject an employee to disciplinary action

all
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18 Statement of work or program description for this project is described in Attachment No 1

19 Special Provisions

- A Language Requirements (specify) N/A
(If marked, testing must be accomplished by AID to assure desired level of proficiency)
- B Access to classified information will will not be required by technical specialists (Indicate level) _____
- C Duty post(s) and duration of technical specialist(s) services at post(s) (months) N/A
- D Dependents will will not be permitted to accompany technical specialist(s). N/A
- E Geographic code applicable to procurement under this PIO/T is 000 899 935 941 Other (specify) _____
(If other than authorized in HB 1, Sup B, Chap 5, Para 5A1d, attach waiver(s))
- F Salary approval(s) to exceed FS 1 salary ceiling are attached in process N/A.
- G Cooperating country acceptance of this project (applicable to AID/W projects only)
 has been obtained is in process is not applicable to services required by PIO/T
- H Justification for use of external resources for consulting services is attached N/A
- I Clearance for procurement of ADP equipment, software, and services is attached in process N/A.
- J OMB approval of any report to be completed by ten or more members of the general public under the statement of work is
 attached in process N/A
- K Participant training is is not being funded as part of this PIO/T
- L Requirement (contracts only) is recommended for small business set aside SBA 8(a) Program neither
- M Other (specify)

20 Provisions for Logistic Support

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

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

(OTHER SPECIFY

20 Provisions for Logistic Support (Continued)

B. Additional Facilities Available From Other Sources

Diplomatic pouch

PX

Commissary

Other (specify, e g , duty free, entry, tax exemption)

N/A

C. Comments

21 Relationship of Contractor or Participating Agency to Cooperating Country and to AID

A Relationships and Responsibilities The Grantee will report to the Chief of the Office of Health and Education or his designee.

B. Cooperating Country Liaison Officials

C AID Liaison Officials

Lynn Gorton, OH&E
Alfredo Szarata

22 Background information (additional information useful to authorized agent)

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

A Detailed budget estimate in support of increased funding (Block 12) Attachment II

B. Evaluation criteria for competitive procurement (Block 14A)

C. Justification for procurement by other than full and open competition or noncompetitive assistance

D. Statement of work or program description (Block 18) Attachment I

E. Waiver(s) justification(s), clearance(s), certification(s) (Block 19) (specify number _____)