Office of Small and Disadvantaged Business Utilization/Minority Resource Center
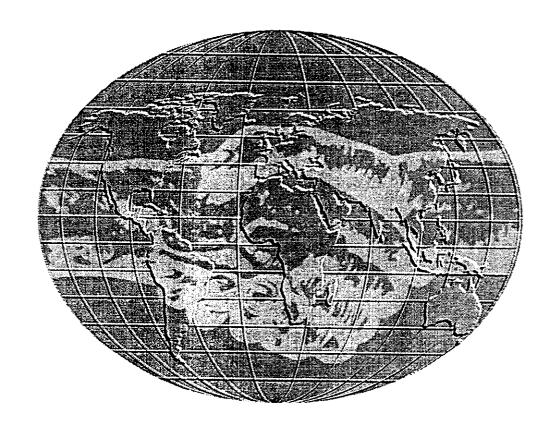
Creating Opportunities for U.S. Small Business

U.S. Agency for International Development

"The globalization of the world economy has meant that governments, while still essential, are not the only institutions through which public services are provided. The role of religious institutions, non-governmental organizations, private foundations, universities, and the private market economy in providing services and accomplishing public objectives has dramatically increased. USAID will undertake a much more systematic effort to leverage its funds and technical expertise with those of these private institutions to serve poor people in the developing world and build stronger self-sustaining local institutions. These partnerships will profoundly change the model through which USAID does its business with a much greater role for private institutions in development in the future. "

Andrew S. Natsios
Administrator
United States Agency for International Development

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CREATING OPPORTUNITIES
for U.S. Small Business

The United States Agency for International Development (USAID)

The United States has a long history of extending a helping hand to those people overseas struggling to make a better life, recover from a disaster or striving to live in a free and democratic country. It is this caring that stands as a hallmark of the United States around the world -- and shows the world our true character as a nation.

U.S. foreign assistance has always had the twofold purpose of furthering America's foreign policy interests in expanding democracy and free markets while improving the lives of the citizens of the developing world. Spending less than one-half of 1 percent of the federal budget, USAID works around the world to achieve these goals.

USAID's history goes back to the Marshall Plan reconstruction of Europe after World War Two and the Truman Administration's Point Four Program. In 1961, President John F. Kennedy signed the Foreign Assistance Act into law and created by executive order USAID. Since that time, USAID has been the principal U.S. agency to extend assistance to countries recovering from disaster, trying to escape poverty, and engaging in democratic reforms.

USAID is a federal government agency and receives overall foreign policy guidance from the Secretary of State. The agency works to support long-term and equitable economic growth and to advance U.S. foreign policy objectives by supporting:

- economic growth, agricultural and trade;
- global health; and,
- democracy, conflict prevention and humanitarian assistance.

We provide assistance in four regions of the world:

- Sub-Saharan Africa;
- Asia and the Near East;
- Latin America and the Caribbean, and;
- Europe and Eurasia.

With headquarters in Washington, D.C., USAID's strength is its field offices around the world. We work in close partnership with private voluntary organizations, indigenous organizations, universities, American businesses, international agencies, other governments, and other U.S. government agencies. USAID has working relationships

with more than 3,500 American companies and over 300 U.S.-based private voluntary organizations.

Leadership

USAID is headed by an Administrator and Deputy Administrator, both appointed by the President and confirmed by the Senate. The agency's Administrator is Andrew S. Natsios; the Deputy Administrator is Frederick Schieck.

Bureaus

In Washington, USAID's major organization units are called bureaus. Each bureau houses the staffs responsible for major subdivisions of the agency's activities.

USAID has both geographic bureaus (which are responsible for the overall activities in the countries where we have programs) and functional bureaus (that conduct agency programs that are world-wide in nature or that cross geographic boundaries). Each bureau is headed by an Assistant Administrator, appointed by the President and confirmed by the Senate. The agency's geographic bureaus -- and the Assistant Administrators are:

- Sub-Saharan Africa (AFR) | Constance B. Newman, Assistant Administrator
- Asia and the Near East (ANE) | Janet Ballantyne, Counselor to the Agency, (Acting) Assistant Administrator
- Latin America & the Caribbean (LAC) | Adolfo A. Franco, Assistant Administrator
- Europe and Eurasia (E&E) | Kent Hill, Assistant Administrator

USAID's functional bureaus are:

- Global Health | Anne Peterson, Assistant Administrator
- Economic Growth, Agriculture, and Trade | Emmy B. Simmons, Assistant Administrator
- Democracy, Conflict, and Humanitarian Assistance | Roger P. Winter, Assistant Administrator

In addition, certain major headquarters functions are also assigned to bureaus. Headquarters bureaus are:

- Management (M) | John Marshall, Assistant Administrator
- Legislative and Public Affairs (LPA) | J. Edward Fox, Assistant Administrator
- Policy and Program Coordination (PPC) | Patrick M. Cronin, Assistant Administrator

Independent Offices

In addition to these bureaus, USAID has several independent offices that carry-out discrete functions for the agency. These offices are headed by directors who are appointed by the USAID Administrator.
USAID's Independent offices are:

- Office of the Executive Secretariat (ES) & Chief of Staff | Douglas J. Aller
- Office of Equal Opportunity Programs (EOP) | Jessalyn L. Pendarvis
- Office of the General Counsel (GC) | John Gardner
- Office of Small Disadvantaged Business Utilization (OSDBU) | Marilyn Marton
- Office of Security (SEC) | C. Michael Flannery

Inspector General

The Office of the Inspector General reviews the integrity of Agency operations through audits, appraisals, investigations and inspections.

- Office of the Inspector General | Everett L. Mosley, Inspector General

Overseas Structure

USAID programs overseas are grouped into various types of country organizations:

- Countries where USAID provides an integrated package of assistance are grouped as sustainable development countries. Assistance is based on an integrated strategy that includes clearly defined program objectives and performance targets.
- Countries where USAID presence is limited, but where aid to non-governmental sectors is necessary to facilitate the emergence of a civil society, help alleviate repression, meet basic humanitarian needs, enhance food security, or influence a problem with regional or global implications.
- Countries that have recently experienced a national crisis, a significant political transition, or a natural disaster and/or where timely assistance is needed to reinforce institutions and national order are grouped as transitional countries.
- USAID multi-country missions administer USAID programs and services involving multiple countries or regional services.
- Regional offices also may represent U.S. and USAID interests in development assistance matters to other overseas organizations, various international development organizations and bilateral donors. They may be only partially staffed by USAID personnel, or may be headed by employees of other U.S. Government agencies.
- Field offices of the Inspector General carry out comprehensive programs of audits and investigations. These offices include Regional Inspector General for Audit Offices, and Investigative Field Offices.

A more complete description of these organizational units, authorities and responsibilities is available in Chapter 101 of the agency's Automated Directives System (ADS), accessible at www.usaid.gov/pubs/ads.

Summary of USAID's Fiscal Year 2003 Budget

The President's budget for FY 2003 requests $8.47 billion for foreign assistance and humanitarian programs managed by the U.S. Agency for International Development, including those jointly administered with the U.S. Department of State. This represents less than one half of one percent of the President's federal budget request, a nine percent increase over USAID's FY 2002 budget (not including supplemental appropriations).

USAID's FY 2003 request reflects the Agency's successful effort to restructure and refocus its programs into four "pillars": Economic Growth, Agriculture and Trade; Global Health; Democracy, Conflict and Humanitarian Assistance; and Global Development Alliance. The request of $2,739,500,000 for a new Development Assistance (DA) account combines funding for all development assistance, health, and child survival programs, a 10 percent increase over FY 2002, which breaks out by pillar as follows:

Economic Growth, Agriculture and Trade: $1.11 billion The Economic Growth, Agriculture and Trade pillar highlights the interdependence of economic growth and agricultural development, environmental sustainability, and the development of a country's human capital - with the ultimate goal of cultivating stable, viable market-oriented economies. USAID priorities:

- *Agriculture and Food Security* $260.5 million in Development Assistance funds for agriculture programs, an increase of 25 percent over FY 2002, with a focus on cutting hunger in Africa.

- *Basic Education* $165 million, a 10 percent increase over FY 2002 funding and 70 percent more than it was in FY 2001, to help provide children, particularly girls, with access to quality schools and training.

Global Health: $1.37 billion The Global Health pillar combines programs in maternal and child health, nutrition, women's reproductive health, HIV/AIDS, and other infectious disease such as malaria and tuberculosis. These are global issues with global consequences: the health of a population directly affects their productivity, and unchecked infectious diseases in other countries pose threats to our own. USAID priorities:

- *HIV/AIDS and Infectious Diseases* $500 million for USAID-managed HIV/AIDS programs, an increase of $105 million over FY 2002; and a $100 million contribution to the Global Fund for HIV/AIDS, Malaria, and Tuberculosis.

Democracy, Conflict, and Humanitarian Assistance: $225 million This pillar combines USAID's world leadership in responding to man-made and natural disasters with programs to help prevent conflicts that lead to crises in the first place, and to ease the transition from conflict to stability. By promoting and assisting the growth of democracy - giving people the opportunity to peacefully influence their government - the United States advances the emergence and establishment of more stable societies and better trade partners. USAID priorities:

- *Democracy Promotion/Conflict Prevention* $200 million ($80 million more than FY 2002) for democracy promotion and conflict prevention programs, with a focus on addressing conflict and tension in Africa and Central Asia.

Global Development Alliance: $30 million The Global Development Alliance (GDA) is USAID's commitment to a new business model for implementing foreign assistance. It is a recognition that USAID must work more effectively with the private sector - non-governmental organizations, cooperatives, foundations, corporations, the higher education community, and even individuals - to provide development assistance. GDA expresses the Agency's strong commitment to developing alliances that leverage significant resources, expertise, creative approaches and new technologies to address international development issues. The FY 2003 budget request includes $30 million to develop pilot GDA projects that will serve as models for Agency-private sector partnerships.

Other Highlights

- *Capital Investment Fund* FY 2003 will be the first year for a USAID-specific Capital Investment Fund; $82 million will support building construction to improve security at USAID facilities overseas, and $13 million will enable the Agency to invest in much-needed information technology improvements.

- *Operating Expenses (OE)* The request includes $586 million for operating expenses, including $14 million for the full amount of retirement costs previously not reflected in the Agency's OE levels, which is an increase of $25 million over FY 2002 equivalent level; this level is necessary to ensure that the Agency can run its programs effectively and ensure funding for retired employees.

The FY 2003 request also includes $235.5 million in funding for International Disaster Assistance (IDA); $55 million for Transition Initiatives; $7.6 million to administer Credit Programs; and $34 million for the Inspector General. Together with the Department of State, USAID proposes to administer $495 million in Assistance for Eastern Europe and the Baltics (AEEB); $755 million in Assistance for the Independent States of the Former Soviet Union (FSA); and $2.3 billion in Economic Support Funds (ESF).

In addition, USAID manages the P.L. 480 Food for Peace program, with the budget request of $1.185 billion made by the U.S. Department of Agriculture. This increase of

39 percent over FY 2002 reflects the Administration's decision to consolidate all U.S. food aid programs into one account, managed by USAID.

*Current and previous year budget details, including specific regional and country program information, may be accessed at <u>www.usaid.gov/pubs</u>.

In keeping with section 602 of the Foreign Assistance Act of 1961 (22 U.S.C. 2352), as amended, USAID shall, insofar as practicable and to the maximum extent consistent with the accomplishment of the purposes of said Act, assist United States small business to participate equitably in the furnishing of supplies and services for Foreign Assistance activities.

It is the policy of USAID to: (1) Fully endorse and carry out the Government's small business program for placing a fair proportion of its purchases and contracts for supplies, construction (including maintenance and repair), research and development, and services (including personal, professional, and technical services) with small business, including minority small business concerns; and (2) Increase their participation in USAID procurement.

USAID Acquisition Regulations
Subpart 719.2 -- Policies

USAID's Office of Small and Disadvantaged Business Utilization and Minority Resource Center (OSDBU/MRC)

The Office of Small and Disadvantaged Business Utilization and Minority Resource Center (OSDBU/MRC) is the initial point of contact at USAID for U.S. small businesses, small disadvantaged businesses, women-owned small businesses, HUBZone small businesses and service-disabled Veteran-owned small businesses. OSDBU/MRC is a small business advocacy and advisory office with the responsibility for ensuring that these enterprises receive access to USAID programs. The Office:

- Serves as an information clearinghouse for U.S. small businesses.

- Counsels small businesses on how to do business with USAID.

- Examines USAID buying needs for possible set-asides for 8(a) and other small businesses prior to publication on the FedBizOpps website.

- Reviews all prime contracts to identify subcontracting opportunities for small businesses.

- Maintains the Vendor Database (formerly ACRIS). This is an automated database describing the capabilities of U.S. businesses and organizations interested in participating in agency sustainable development programs.

- Sponsors outreach conferences on "How To Do Business with USAID," and participates in national, regional and local conferences sponsored by both private and public organizations.

- Develops operations, systems, and procedures to optimize participation of U.S. small businesses in USAID development assistance activities.

An Office of Small and Disadvantaged Business Utilization (OSDBU) exists in all U.S. Federal agencies in accordance with Public Laws 95-507 and 100-656 to ensure the participation of U.S. small businesses, small disadvantaged businesses, women-owned small businesses, HUBZone small businesses and service-disabled Veteran-owned small businesses in Federal procurement opportunities. In foreign affairs agencies, OSDBU contacts include: USAID at 202-712-1500 (see staff list on page 14); Department of State at 703-875-6822; USIA at 202-205-9662; Department of Agriculture at 202-720-7117; and the Department of Defense at 703-614-1151. A complete list of OSDBU offices governmentwide is available from USAID at 202-712-1500.

Small Business Programs

8(a) Set-Aside Contracts: Section 8(a) of the Small Business Act permits certain small minority-owned firms to obtain government contracts without competition or through competition limited only to 8(a) firms. Such contracts are between USAID and the Small Business Administration (SBA), establishing the 8(a) firm as a subcontractor to SBA. 8(a) Certifications may be awarded by the SBA only, and while 8(a) firms also qualify as disadvantaged businesses, the reverse is not necessarily true.

Specific 8(a) subcontractors are usually identified by USAID. The agency then requests approval from SBA to enter into sole source negotiation with the identified firm. Once negotiations are completed, USAID provides SBA with contract documents for signature by SBA and the subcontractor.

A contract under $3 million may be set-aside for a single 8(a) firm.   Alternatively, USAID may request SBA approval to compete the contract among a limited number of 8(a) firms selected by USAID.

8(a) contracts over $3 million must be awarded on the basis of competition between eligible 8(a) firms.

Small Business Set-Aside Contracts: Unlike the 8 (a) program, a small business set-aside is an openly competitive process among all qualified small business firms. Also unlike the 8 (a) program, contracts awarded under small business set-asides are direct contracts with firms and not contracts with SBA. Contracts executed by USAID in Washington that are equal to or less than the simplified acquisition threshold of $100,000, are automatically set-aside for small business, unless the Contracting Officer determines there is not a reasonable chance of obtaining competitive offers from two or more responsible small business concerns [See FAR 19.502-2(a)].

Women-Owned Small Businesses: The Federal Acquisition Streamlining Act (FASA) of 1994 established a goal of 5% of all federal procurement for women-owned small businesses. USAID and other federal agencies contribute to this annual goal through both prime contract awards and subcontracting to women-owned small businesses. For additional information, visit the SBS website at www.sba.gov/womeninbusiness, or contact the Office of Women's business Ownership at (202) 205-6673 or the U.S. Small Business Administration at 1-800-8-ASK SBA.

Service-Disabled Veteran-Owned Small Businesses: Public Law 106.50, the Veterans Entrepreneurship and Small Business Development Act of 1999, amended the Small Business Act by adding small businesses owned and controlled by service-disabled veterans to the categories of small businesses for which federal agencies develop prime contract goals. Federal agencies may also establish goals and collect data regarding subcontracts awarded by prime contractors to veteran-owned small businesses. For more information on the service-disabled veteran or veteran-owned small business programs, contact the SBA's Office of Government Contracting at (202)205-6460, visit SBA's web site at www.sba.gov/gc or visit the Department of Veteran Affairs' web site at www.va.gov.

HUBZone Small Businesses: The SBA's Historically Underutilized Business Zone (HUBZone) small business contracting program is intended to encourage the award of contracts to small businesses located in designated economically distressed urban and rural areas. In order to qualify as a HUBZone business, the business must be small; owned by a US citizen; the principal office must be located in a HUBZone; and at least 35 percent of its workforce must reside within a HUBZone. HUBZone businesses can receive sole-source or set-aside federal contracts or receive a price preference of up to 10% when competing for full and open competition procurements,. For additional information on the HUBZone Program, or to find out if your business is located in a HUBZone, visit the SBA web site at www.sba.gov/hubzone.

Private Voluntary Organizations Controlled By Socially And Economically Disadvantaged Individuals: A minority-controlled private and voluntary organization (PVO) is one in which more than 50% of its Board of Directors is comprised either of Black Americans, Hispanic Americans, Native Americans, or of "socially and economically disadvantaged" individuals. USAID continues to encourage the utilization of minority-controlled PVOs in USAID-financed development assistance activities in keeping with the Congress's original intent to involve these enterprises more in USAID programs. USAID's Office of Private and Voluntary Cooperation registers U.S. PVOs that wish to partner with USAID in promoting development assistance throughout the world. PVOs registered with USAID are eligible to compete for grants through its programs for matching grants, child survival grants, cooperative development and farmer-to-farmer program grants, development education, and the ocean freight reimbursement program.

Procurement Preference Program Goaling: The Federal Government encourages full participation in its contracting activities through small business programs for groups that otherwise might not be able to compete on equal terms with large businesses. Section 221 of Public Law 95-507 and Public Law 100-656, Section 502 and 503 require that the head of each federal agency, after consultation with the Small Business Administration, establish realistic goals for the award of contracts to small business concerns and to small businesses owned and controlled by socially and economically disadvantaged individuals.

Small Disadvantaged Business Program: Firms participating as SDB subcontractors in Federal minority procurement programs are required to be SBA-certified and on the SBA-approved list in order for their prime contractors to receive SDB subcontracting credit for new contracts. Certified SDBs are also eligible for the following Program benefits in approved industries:

- Qualified SDBs receive a price evaluation adjustment of up to 10% on procurements where mandated by regulation. The price evaluation adjustment for SDBs bidding as primes became effective October 1, 1998. Regulations mandate this approach in competitive acquisitions over the simplified acquisition threshold (usually $100,000) where the SIC Code for the prime contract is authorized by U.S. Department of Commerce benchmarks. The price evaluation adjustment does not apply to 8(a) acquisitions and small business set-asides.

- Qualified prime contractors can receive a credit when using SDBs as subcontractors. The incentive applies only to competitive negotiated acquisitions over $500,000, or $1 million in construction. The evaluation factor does not apply to small business set asides, 8(a) acquisitions, or contracts performed entirely outside the United States. The evaluation factor for SDB participation allows credit for subcontractors only in the SIC codes authorized by the US Department of Commerce benchmarks and requires that all SDBs be certified by the SBA. Once certified, firms remain on the SBA's list of SDB-certified firms for a period of three years.

- Contracting officers may include a monetary incentive in their contracts so that a contractor exceeding the total monetary target for SDB subcontracting will be eligible for a bonus of between 1% and 10% of the SDB subcontract dollars above the target. These benefits are available only to businesses that are certified as SDBs by SBA.

The Federal Acquisition Regulation also has a requirement to evaluate the past performance of offerors in complying with targets for SDB participation and subcontracting plan goals for SDBs whenever past performance is to be evaluated. For more information on the SDB program, contact SBA's SDB Office at (202) 401-1850 or visit SBA's website at www.sba.gov/sdb.

Subcontracting: USAID publishes both intended procurements and awards of procurements on the FedBizOpps website. Publishing this information is required by the FAR, and it allows U.S. small businesses to identify business opportunities and potential joint venture and subcontracting partners.

The FAR requires that prime contracts exceeding $500,000 (or $1 million for construction) have a Small Business Subcontracting plan, if the Contracting Officer has determined the procurement has components that can be subcontracted, and if the awardee is other than a small business.

FAR 19.704 and FAR 52.219-9 require the Small Business Subcontracting Plan to express subcontracting goals in terms of both percentages and dollars for small businesses, for small disadvantaged businesses, for women-owned small businesses, for veteran-owned small businesses, and for HUBZone small businesses. The Plan is also required to identify the contractor's employee who will administer the Subcontracting Plan with detail of his/her duties; the procedures the contractor will employ to afford a fair and equitable opportunity for subcontracting with small businesses, small disadvantaged businesses, women-owned small businesses, veteran-owned small businesses, and HUBZone small businesses; the assurance that records will be maintained for review by the contracting agency and the SBA; and the assurance that FAR-required subcontracting reports will be submitted to the contracting agency.

The subcontracting reports are used by both the contracting agency and the Federal Procurement Data Center to measure the contractor's achievement of the subcontracting goals expressed in the Small Business Subcontracting Plan.

A prime contractor's performance in implementing a Small Business Subcontracting Plan and in achieving goals expressed in the Plan are part of "past performance" evaluations that are considered for future awards.

Minority Serving Institutions (MSI) Program

Minority Serving Institutions (MSIs) are those institutions of Higher Education in the U.S which either historically have had or currently have ethnic minority student enrollments of 25 percent or more. MSIs include Historically Black Colleges and Universities (HBCUs), Hispanic Serving Institutions (HSIs), and Tribal Colleges and Universities (TCUs).

USAID awards grants and cooperative agreements to MSIs through competition among these institutions. MSIs also can receive awards via open competition as well as through unsolicited proposals.

The Minority On-Line Information System (MOLIS) provides MSIs with information about USAID employment and procurement opportunities. The MOLIS web site at www.sciencewise.com/molis also has information about the interests, capabilities and experience of MSIs.

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USAID Procurement Information

USAID maintains a Business and Procurement homepage located on USAID's web site at www.usaid.gov. This site (see next page) has links to pages that allow organizations interested in doing business with USAID to browse or download solicitation documents, including Requests for Proposals (RFPs), Requests for Applications (RFAs), and Invitations for Bid (IFBs), as well as view official notices, annual procurement plans, and information regarding ongoing USAID procurement reform. Links also are provided to other USAID business information resources, such as the Office of Small and Disadvantaged Business Utilization (OSDBU), the Global Technology Network (GTN), and the periodic publication of procurement awards in the "USAID Yellow Book".

USAID procurement information formerly published in the *Commerce Business Daily* is now included on the FedBizOpps internet site at www.fedbizops.gov.

USAID procurements include:

▸ **Technical Assistance:** e.g., contracts for managerial and technical consultants in developing and implementing sustainable development programs in Broad-Based Economic Growth; Democracy; Environment; Population and Health Education and Training, Humanitarian Assistance and Support for Post-Crisis Transitions.

▸ **Commodities:** e.g., equipment and supplies needed to fulfill USAID project needs, disaster relief, as well as materials financed through USAID-funded commodity import programs, household and office products/equipment for USAID Mission staff.

▸ **Training:** e.g., academic or professional training needed for the implementation of sustainable USAID projects as well as staff training.

▸ **Food Aid:** e.g., provisions needed in conjunction with emergency, supplemental feeding and food security programs developed by USAID in collaboration with host governments. Most non-emergency food aid is financed through the Food for Peace Program (P.L. 480) and purchased through the Department of Agriculture.

Website for Business & Procurement:

www.usaid.gov/procurement_bus_opp

USAID BUSINESS & PROCUREMENT

USAID Procurements This area contains information pertaining to USAID's Office of Procurement. In this area, you will find Current solicitation documents, announcements, and resources to help you with doing business with the Agency. This site is updated on a daily basis and offers email notification when a new solicitation has been uploaded to the site.

Global Technology Network (GTN) GTN is a trade lead/business matching program that facilitates the transfer of U.S. technology and services to address global development problems. This is accomplished by matching a country's development needs with U.S. firms equipped to provide the appropriate technological solutions. GTN focuses on the following sectors: agricultural technology, communications and information technology, environment and energy technology, and health technology.

Office of Small & Disadvantaged Business Utilization (OSDBU) The Office of Small and Disadvantaged Business Utilization/Minority Resource Center (OSDBU/MRC) is the Agency's advocate for U.S. small businesses, small disadvantaged businesses, and women-owned small businesses. One of the most sought out pieces of information at this site is **"Creating Opportunities for U.S. Small Business"**

Year 2001 FAIR Act Report The FAIR Act directs Federal agencies to submit each year an inventory of all their commercial activities that are performed by Federal employees. Upon the completion of this review and consultation, the agency is required to transmit a copy of the inventory to Congress and make it available to the public on the Agency web site.

Direct Economic Benefits of U.S. Assistance Programs (By State) The principal beneficiary of America's foreign assistance programs has always been the United States. Close to 80 percent of the U.S. Agency for International Development's (USAID's) contracts and grants go directly to American firms. Foreign assistance programs have helped create major markets for agricultural goods, created new markets for American industrial exports and meant hundreds of thousands of jobs for Americans.

USAID - Phase I Customer Service Plan This booklet, Phase 1 of USAID's Customer Service Plan, outlines what you, our development partners, have told us are your concerns and presents a set of initial standards to address them.

USAID Procurement Regulations (Handbooks) The ADS is a two-tier standardized system that separates policy from essential procedures. This system also includes a supplementary reference section, consisting of "how to" guides, forms, and other publications from other agencies that affect the Agency.

Proposal Preparation Resources This is a bibliography of resources that are available garnered towards helping USAID's partners to adequately prepare a response to an Agency solicitation.

Egypt/Commodity Import Program The "Egyptian Importer Listing" is a program sponsored by USAID to present an updated and as comprehensive as possible listing of Egyptian privately owned companies involved in an importing activity, whether as traders or for their own use.

Office of Inspector General Do you have complaints of Fraud, Waste or Abuse in USAID programs and operations, including mismanagement or violations of law, rules or regulations by USAID employees or program participants? Then please contact the Office of the Inspector General hotline and report the abuses.

USAID Employment Opportunities USAID has employment opportunities for individuals interested in working in the development field. Limited opportunities exist for International Development Interns (Foreign Service), MidLevel Hires (Foreign Service), and also Civil Service appointments.

Sourcebook on Results-Oriented Grants and Cooperative Agreements This Sourcebook is a new type of electronic resource to assist in the design, award, and administration of results-oriented grants and cooperative agreements to implement foreign assistance activities.

USAID Acquisition And Assistance Instruments

USAID utilizes various acquisition and assistance instruments to implement its activities. Contracts, grants, cooperative agreements, and purchase orders are some of the instruments which are negotiated and signed worldwide by USAID. These instruments provide a variety of commodities and technical assistance to support the attainment of the agency's objectives.

Acquisition refers to obtaining goods and services, through various types of contracts, for the use or benefit of the agency. Acquisition is governed by the Federal Acquisition Regulations (FAR), the USAID Acquisition Regulations (AIDAR), and the USAID Automated Directive System (ADS). **Assistance** refers to transferring funds (or other valuables) from USAID to another party for the implementation of programs which will contribute to the public good through the furtherance of the objectives of the Foreign Assistance Act. Assistance is governed by USAID Regulation 26 (22 CFR 226), OMB Circulars, and the ADS.

Only warranted Contracting/Agreement Officers in Washington and overseas have the authority to sign procurement and assistance instruments.

ACQUISITION ACTIVITIES

Services of Firms, Universities and Non-Profits: To obtain the services of firms, universities, and non-profits through contracts, the agency's requirements must generally be advertised, negotiated, and awarded through full and open competition procedures. The sequence of some of the key steps involved in the contracting process is described below:

> **Step 1**: 8 (a) and Small Business Set-Aside applicability is determined by the Contracting Officer in consultation with Office of Small and Disadvantaged Business Utilization;
>
> **Step 2**: The requirement is advertised on the FedBizOpps website and posted on the USAID Internet Site at least 15 days prior to the issuance of the Request for Proposals (RFPs);
>
> **Step 3**: The RFP is issued in hardcopy, if requested, or through the internet site with proposals due at the designated location not less than 30 days later;
>
> **Step 4**: Technical proposals are evaluated by a Technical Review Committee while cost proposals are evaluated by the Contracting Officer;

Step 5: Based upon the combined technical and cost evaluations, the Contracting Officer determines a competitive range which includes all those offers with reasonable expectation of winning the contract;

Step 6: Negotiations are conducted with all those included in the competitive range; negotiations may include technical and/or cost considerations;

Step 7: Best and Final Offers (BAFOs) are requested at the conclusion of negotiations; offerors may revise technical and cost elements of their proposals;

Step 8: a) The BAFOs are evaluated and b) award is made to the offeror providing the greatest value to the Government, cost and technical factors considered.

Indefinite Quantity Contracts (IQCs): IQC/Task Order Contracts are intended to provide services quickly. Most contracts are awarded by USAID/Washington with orders generated from Washington as well as overseas. They cover many functional categories including but not limited to health, education, governance, and management. IQC contracts are awarded competitively and the agency is committed to a minimum payment under each contract. Each contract also establishes a maximum to be supplied by the contractor. The Agency cannot specify individuals that will be provided under Task Orders.

Simplified Acquisition: This term refers to small purchases. All acquisitions exceeding $2,500 and not exceeding $100,000 (the current simplified acquisition threshold) are reserved for small business concerns. Micro-purchases are those defined as purchases at the $2,500 micro-purchase threshold or less. These purchases do not require competitive quotes to be submitted. Prompt payment discounts will be accepted and are encouraged. For purchases exceeding the micro-purchase threshold, competition is required unless a sole source justification has been approved. Competition is deemed to have occurred when three sources have been solicited. Both written and oral solicitations are acceptable. An award is usually made on a best value basis where price or price and other factors are considered.

Contract actions expected to exceed $10,000, but not expected to exceed $25,000, are displayed on the www.usaid.gov/procurement_bus_opp/procurement website for USAID Procurements under the heading of "Small Purchases Opportunities".

Commodity Procurement: USAID may finance the procurement of a wide variety of basic commodities needed in a host country economy through a Commodity Import Program (CIP). To participate in a CIP, suppliers submit bids in response to competitive tenders issued by foreign importers. Resulting transactions then occur directly between American suppliers and foreign importers. USAID also provides funding to finance the procurement of project commodities that are purchased in support of country specific objectives.

CIP and project commodity procurement requirements are advertised in Procurement Information Bulletins (PIB). These are made available on the USAID internet web page. Click on "Business and Procurement," then on "USAID Procurements" and then on "Procurement Information Bulletins."

Title XII Set-Asides: Title XII of the Foreign Assistance Act (FAA) permits other than full and open competition when contracting with U.S. land-grant universities for agriculture-related activities.

Competition Exceptions: While most acquisitions are conducted under full and open competition procedures, there are times when "other than full and open competition" procedures may be appropriate. The following seven circumstances may allow for other than full and open contracting procedures to be conducted.

- Sole Source: When there is only one source deemed capable of filling the requirement.

- Unusual And Compelling Urgency: The requirement is so urgent that a delay in the award would cause serious injury to the U.S. Government.

- Industrial Mobilization, Research Or Engineering Capability: Used in certain cases where industrial mobilization, engineering development, or research capability is required.

- International Agreement: Used when the terms of an international agreement or treaty require contracting through other than full and open competition.

- Authorized Or Required By Statute: Such as Federal Prison Industries, the 8 (a) program, blind-made products, Government printing and binding, and the Robert T. Stafford Disaster Relief and Emergency Assistance Act.

- National Security: Used when disclosure of the Government's needs would compromise national security (e.g., would violate security requirements).

- Public Interest: To be used when none of the other authorities listed above apply. Requires determination by the Administrator and 30 days advance notice to Congress.

In addition to the above exceptions to full and open competition, USAID acquisition regulations (AIDAR) provide further circumstances that allow for other than full and open competition procedures to be utilized. The AIDAR authorizes other than full and open competition when to not do so would *impair or otherwise have an adverse effect on programs conducted for the purpose of foreign aid, relief, and rehabilitation*. The authority may be used for personal services which are to be exclusively performed overseas or if otherwise authorized by law; contracts for $250,000 or less which are procured by an overseas USAID Mission; when a judgement is made by the cognizant

Assistant Administrator or the Administrator that compliance with full and open competition procedures would impair the objectives of the Foreign Assistance Act; to support disaster assistance efforts under certain circumstances; and for an award for the continued provision of highly specialized services when an award to another resource would result in substantial additional costs to the government or would result in unacceptable delays.

<u>Host Country Contracts</u>: USAID finances contracts between less developed countries and contractors. These "Host Country Contracts" (HCCs) are not subject to the Federal Acquisition Regulations (FAR) or to USAID's Acquisition Regulations (AIDAR) but are subject to requirements in the USAID Country Contracting Guidebook and ADS 305.

Before Host Country Contract procedures can be used to undertake a procurement exceeding $250,000 in value, the Mission Director must make a determination in writing that the host country contracting agency has or will obtain the capability to undertake the procurement. Host Country Contracts must contain a limited number of clauses required by U.S. Government statute or regulation.

Host country contractors are unable to file protest of awards under provisions of the FAR or other regulations. The competition procedure normally provides for competition on technical merits only. The "short listing" of the top ranked firms is based on the results of a technical evaluation. Negotiation of cost is then conducted with the top ranked firm only. If agreement cannot be reached, negotiations with that firm are discontinued and negotiations begin with the next highest ranked firm.

ASSISTANCE ACTIVITIES

<u>Grants</u>: With a grant, USAID agrees to fund, in whole or in part, the program of a non-governmental organization (NGO), university, or institution that will contribute to the public purpose. Responsibility for achieving program objectives rests with the recipient.

<u>Cooperative Agreements</u>: A Cooperative Agreement is administered in the same manner as a grant, with the one difference being that of substantial involvement by USAID. Substantial involvement may include the approval of annual workplans; designation of key positions and approval of key personnel; or USAID approval of monitoring and evaluation plans and USAID involvement in monitoring progress toward the achievement of program objectives during the course of the cooperative agreement. While for-profit firms are eligible for grants and cooperative agreements, it is USAID's policy not to pay a fee or profit under such assistance instruments.

<u>Competition Requirements</u>: It is USAID policy to compete all grants and cooperative agreements. Competition is defined as being met when the requirement has been announced and an award has been made following an impartial review and evaluation of all applications received. USAID announces its assistance requirements by publishing Annual Program Statements (APS) or Requests for Applications (RFA). These are posted

on the internet except when a program is specifically designed only to be available for local (indigenous) organizations, in which case announcements are made in local publications, Mission Bulletin Boards, or other means that substitute for announcement on the internet.

Competition is not required for the following categories of assistance awards:

- amendments to existing assistance awards;

- follow-on awards intended to continue or further develop an existing assistance relationship;

- awards based on unsolicited applications, provided that the proposals were not solicited by USAID; that they are unique, innovative, or proprietary; and that they represent appropriate use of USAID funds to support a public purpose;

- awards for which one recipient is considered to have predominant capability based on experience, specialized facilities, technical competence, or an existing relationship with the cooperating country or beneficiaries; and

- those situations which are deemed by the cognizant Assistant Administrator (or an Office Director who reports directly to the Administrator) to be critical to the objectives of the foreign assistance program.

Unsolicited Proposals

USAID encourages the submission of unsolicited proposals which contribute new ideas consistent with and contributing to the accomplishment of the Agency's objectives. However, the requirements for contractor resources are normally program specific and must be responsive to host country needs. Further, USAID's specific objectives are usually designed in collaboration with the cooperating country. These factors can limit both the need for and USAID's ability to use unsolicited proposals. Prospective offerors are encouraged to contact USAID to determine the Agency's technical and geographical requirements as related to the offeror's interests before preparing and submitting a formal unsolicited proposal.

Contract Information Bulletin (CIB) 99-18, dated 9/28/99, describes USAID's guidelines on the submission of unsolicited proposals and procedures for responding to them. USAID's basic policies and procedures regarding unsolicited proposals for contracts are those established in FAR 15.5 and AIDAR 715.5.

Exporting and Importing

The International Trade Administration (ITA) at www.ita.doc.gov has established a "one-stop-shop" to serve as a comprehensive resource for information on all U.S. Federal Government export assistance programs.

This Trade Information Center (1-800-USA-Trade) provides information on export counseling, technical assistance, foreign markets, overseas buyers, export financing and seminars and conferences. Hearing impaired persons can call 1-800-TDD-TRADE. ITA's regional trade specialist and the Department's Export Counseling Office at 202-482-5247 can provide additional information on country desk officers, industry sector contacts, and various publications. A Basic Guide to Exporting is available from the Government Printing Office at 202-783-3238.

For information about importing, as well as exporting, contact the U.S. Customs Service at 202-927-6724 or access their website at www.customs.gov/impoexpo/impoexpo. The U.S. Customs' New York field office at 212- 837-7000 can provide copies of the Directory of U.S. Importers.

The Small Business Administration also provides services to assist firms in identifying export opportunities. Contact at www.sba.gov/oit/export.