



PI ABP-821

44000

598-0822

Hemisphere Free Trade
(Grant)

U S AGENCY FOR
INTERNATIONAL
DEVELOPMENT

APR 17 1990

Ms Joanne Gladden
Contracts Representative
Science Applications International Corp (SAIC)
11251 Roger Bacon Drive
Reston, VA 20190

SUBJECT Award No LAG-G-00-98-00023-00

Dear Ms Gladden

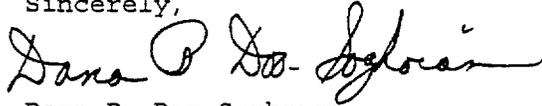
Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the U S Agency for International Development (hereinafter referred to as "USAID" or "Grantor") hereby grants to the Science Applications International Corp (herein after referred to as SAIC or "Recipient"), the sum of \$100,000 00 to provide support for a program in Sustainable Industrial Water Conservation, as described in the Schedule of this award and the Attachment 2, entitled "Program Description "

This award is effective and obligation is made as of the date of this letter and shall apply to commitments made by the Recipient in furtherance of program objectives during the period beginning with the effective date and ending 04/16/1999 USAID shall not be liable for reimbursing the Recipient for any costs in excess of the obligated amount

This award is made to SAIC, on condition that the funds will be administered in accordance with the terms and conditions as set forth in 22 CFR 226, entitled "Administration of Assistance Awards to U S Non-Governmental Organizations", Attachment 1, entitled "Schedule", Attachment 2, entitled "Program Description", and Attachment 3 entitled "Standard Provisions "

Please sign the original and each copy of this letter to acknowledge your receipt of this award, and return the original and all but one copy to the Grant Officer

Sincerely,

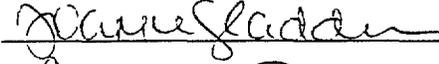


Dana P Doo-Soghoian
Grant Officer
Office of Procurement
M/OP/B/LA

Attachments

- 1 Schedule
- 2 Program Description
- 3 ~~Standard Provisions~~
- 4 ~~Standards for USAID Funded Communications Projects~~

ACKNOWLEDGED Science Applications International Corp

BY 
Title Contracts Representative
Date April 22 1998

ACCOUNTING AND APPROPRIATION DATA

A GENERAL

1	Total Estimated Amount	\$100,000 00
2	Total Program Amount	\$127,450 00
3	Total Obligated Amount	\$100,000 00
4	Cost-Sharing Percentage (Non-Federal)	22%
5	Activity Title	
6	USAID Technical Office	LAC/RSD-E USAID - Room 5 09-057 RRB Washington, DC 20523
7	Tax I D Number	95-3630863
8	DUNS No	054781240
9	LOC Number	N/A

B SPECIFIC

1	NMS Request No	85
2	Org ID No	10258
3	Account No	DV97/98LDV798
4	Amount Obligated	\$100,000

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ATTACHMENT 1

SCHEDULE

1 1 PURPOSE OF GRANT

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

1 2 PERIOD OF GRANT

The effective date of this Grant is the date of the Cover Letter and the estimated completion date is 04/16/1999

1 3 AMOUNT OF AWARD AND PAYMENT

- (a) USAID hereby obligates the amount of \$100,000 00 for the purposes of this Grant
- (b) Payment shall be made to the Recipient by Payment - Periodic Advance in accordance with procedures set forth in 22 CFR 226 22

1 4 BUDGET

The following is the Grant Budget, including local cost financing items, if authorized Revisions to this budget shall be made in accordance with 22 CFR 226 25

GRANT BUDGET
4/17/98 to 4/16/1999

<u>Cost Line Item</u>	<u>Amount</u>
Sustainable Industrial Water Conservation Project in the Andean Nations	\$100,000
USAID Grant Amount	100,000
Grantee Cost Share	<u>27,450</u>
TOTAL ESTIMATED PROGRAM AMOUNT	\$127,450

1 5 REPORTING AND EVALUATION

1 5 1 Financial Reporting

In keeping with the requirements established in 22 CFR 226 52, the Recipient is required to

- (a) Submit an original and two copies of a "Request for Advance or Reimbursement", SF 270, on a monthly basis to

US AGENCY FOR INT'L DEVELOPMENT
M/FM/CMP/MP
Room 7 07-095 RRB
Washington, DC 20523

- (b) Prepare a "Financial Status Report", SF 269a, on an accrual basis and submitted quarterly in an original and two copies to

US AGENCY FOR INT'L DEVELOPMENT
M/FM/CMP/MP
Room 7 07-095 RRB
Washington, DC 20523

1 5 2 Monitoring and reporting program performance

- (a) Requirements The Recipient shall submit an original and one copy of a brief quarterly program report to the address listed in the Cover Letter In addition, one copy shall be submitted to PPC/POL/CDIE, Rm M-01-010, RRB, Washington, 20523 A final performance report is also required
- (b) Contents The Program report shall briefly present the information contained in 22 CFR 226 51(d)

1 6 TITLE TO AND CARE OF PROPERTY

Title to all property financed under this award shall vest in the Recipient subject to the requirements of 22 CFR 226 30 through 37

1 7 AUTHORIZED GEOGRAPHIC CODE

The authorized geographic code for procurement of goods and services under this award is 935

1 8 INDIRECT COSTS (DEC 1997)

Pending establishment of revised provisional or final indirect cost rates, allowable indirect costs shall be reimbursed on the basis of the following negotiated provisional or predetermined rates and the appropriate bases

Description	Rate	Base	Type	Period
Fringe Benefit (Company 1)	35 4% 38 2%	1/ 1/	1/ 1/	1/ 1/
G&A Rate (Company 6)	6 3%	2/	2/	2/
G&A Rate (Company 1)	10 3%	2/	2/	2/
Overhead (Company 6, Overhead Center 36A)	43 2%	3/	3/	3/
Overhead (Company 6, Overhead Center 115A)	22 7%	3/	3/	3/
Overhead (Company 1, Offsite OH)	84 4%	3/	3/	3/

- 1/ Base of Application Total Salaries
Type of Rate Provisional
Period 2/17/98 until CFY 1999
- 2/ Base of Application Total Direct Costs
Type of Rate Provisional
Period 3/2/98 until CFY 1999
- 3/ Base of Application Direct Labor Dollars
Type of Rate Provisional
Period 2/17/98 until CFY 1999

1 9 RESOLUTION OF CONFLICTS

Conflicts between any of the Attachments of this Agreement shall be resolved by applying the following descending order of precedence

- Attachment 1 - Schedule
- 22 CFR 226
- Attachment 3 - Standard Provisions
- Attachment 2 - Program Description

1 10 COST SHARING

The Recipient agrees to expend an amount not less than 22% of the total Federal contribution. Cost sharing contributions will meet the criteria as set out in 22 CFR 226.23

1 11 COMMUNICATIONS PRODUCTS (OCT 1994)

- (a) Definition - Communications products are any printed materials (other than non-color photocopy material), photographic services or video production services

- (b) Standards - USAID has established standards for communications products. These standards must be followed unless otherwise specifically provided in the agreement or approved in writing by the agreement officer. A copy of the standards for USAID financed publications and video productions is attached.
- (c) Communications products which meet any of the following criteria are not eligible for USAID financing under this agreement unless specifically authorized in the agreement schedule or in writing by the agreement officer.
 - (1) Any communication product costing over \$25,000, including the costs of both preparation and execution. For example in the case of a publication, the costs will include research, writing and other editorial services (including any associated overhead), design, layout and production costs.
 - (2) Any communication products that will be sent directly to, or likely to be seen by, a Member of Congress or Congressional staffer and
 - (3) Any publication that will have more than 50 percent of its copies distributed in the United States (excluding copies provided to CDIE and other USAID/W offices for internal use).

1 12 PAYMENT OFFICE

US AGENCY FOR INT L DEVELOPMENT
M/FM/CMP/MP
Room 7 07-095 RRB
Washington, DC 20523

1 13 GRANT ADMINISTRATION OFFICE

The post-award grant administration office is the U S Agency for International Development, M/OP/B/LA, RRB, Room 7 09-103, Washington, DC 20523-7100. The cognizant Grant Officer is Dana P Doo-Soghoian and may be contacted at 202-712-5671.

1 14 PROJECT OFFICE

The Project Office is the U S Agency for International Development LAC/RSD-E Rm 5 09-057, RRB, Washington, DC 20523 and may be contacted at 202-712-0897.

LAG-G-00-98-00023-00

Attachment 2

ATTACHMENT 2

PROGRAM DESCRIPTION

The Recipient's proposal entitled "Strengthening NGOs in the Andean Nations" and dated May 28, 1997 is attached hereto as the Program Description (Attachment 2) and is made a part of this Award

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PROGRAM DESCRIPTION

STRENGTHENING NGOS IN THE ANDEAN NATIONS TO PROVIDE SUSTAINABLE INDUSTRIAL WATER CONSERVATION PROJECTS

I BACKGROUND

As a result of a lack of planning and years of inefficient use of water resources by various industrial, agricultural, and institutional users throughout the Latin American Countries, the sustainability of development in some regions is threatened by a dearth of clean water. Several conferences were held in Latin America recently to suggest and coordinate approaches on developing integrated water management programs in Latin America, including the Second Inter-American Dialogue on Water Management held in Buenos Aires on September 1-6, 1996.

Industrial growth and modernization in Latin America has dramatically increased the demand for large volumes of clean or relatively clean water to support sensitive industrial processes. Latin America has a plentiful water supply (approximately 25% of the world's fresh water) however inefficient use practices are having significant impacts on many industries. Surface waters are often contaminated and require significant treatment prior to use in sensitive industrial processes. As an alternative to surface water, many facilities obtain process water by tapping deep water aquifers nearby and beneath their facilities. These groundwater resources are finite and increasingly costly to pump.

Until recently water conservation and water quality management has been a low priority in most industrial facilities. In many cases inefficient water use at upstream industries—(e.g., food processing) reduce surface water quality and force downstream industries to rely on clean groundwater. These same downstream facilities continue to use inefficient processes and discharge polluted wastewater into rivers, streams, and lakes, further restricting other potential water uses.

Based on conversations with environmental and industry leaders in the Andean region, the need for industrial water conservation is on the rise. This growing need for and interest in water conservation is fueled by increasing demand for clean water, by increased costs of producing or purchasing water, and by an increasing focus on water rights which may restrict access to clean water in the future. These concerns have combined to create demand for water conservation services. And water conservation, in many facilities, is the first step toward a general program of industrial ecology and sustainability.

Trade with Andean nations is increasing rapidly, and sustainable water use practices are key to continued environmentally-sound trade growth. Environmentally sustainable economies rely upon renewable resources like clean water. Disruptions in or degradation of water supplies can significantly limit trade growth. Many industrial facilities in the Andean region are now depleting aquifers at rates beyond sustainability and water conservation is the most appropriate response.

Technologies and water conservation practices developed in industrialized nations can increase efficiency in the use of water resources, thereby reducing the industrial demand for clean water. Introduction of water conservation technologies and practices can enhance both the competitiveness, as part of ISO 14000, and the environmental performance of Latin American industries. Improvements in water utilization that results in better water quality and reliable, low-cost process water is an essential building block for environmentally sound trade. Water conservation outreach and promotion is therefore part of the HFTE strategy.

Ultimately, sustainable attention to improving efficiencies in water consumption will hinge upon resource pricing and other policies in the Andean countries. Policies that induce real pricing of clean water resources, allocate scarce water resources (both above and below ground), and encourage the reuse and recycling of process waters will contribute to long-term focus of industrial water usage as a basic economic (i.e., cost) consideration. Although this project will not directly attempt to effect any such policy changes, introduction of policies that remove subsidies and disallow unlimited (and uncosted) usage of clean water would significantly contribute to the long-term success of this and similar water conservation efforts.

II Objectives of Grant Activity

SAIC, in conjunction with WEF, will conduct the following three activities to introduce and strengthen the capability of Andean Nation NGOs to deliver technical assistance to local industries for water conservation projects and to meet the demand for identification and implementation of water reduction alternatives for industrial facilities in the Andean region.

- A Develop and Present Industrial Water Conservation Workshops and Guidance Materials
- B Construct a Water Conservation Technologies Web Site in Spanish
- C Perform Training Audits and NGO Capacitization

Although this effort includes three distinct activities, SAIC will emphasize the outreach and information dissemination portions of this project

These three activities are designed to introduce process-specific water conservation and usage improvement technologies for two water-intensive industries in the Andes food processing and tanneries SAIC's approach emphasizes sustainability by empowering local NGOs to act as water conservation promoters and technical assistance providers using methodologies and web-based resources provided by SAIC

In addition, this project is designed to leverage the network of water professionals established by WEF with experience in industrial water management located in the Andean countries This includes a network of sanitary and environmental engineers as well as active relationships with local NGOs pursuing industrial water conservation and management projects throughout the region WEF greatly strengthens the possibilities of increased trade resulting from the successful conduct of this project by including a major conduit for direct application of U S commercial equipment and technologies to address the demand for Latin American water conservation measures

With each grant objective, SAIC will also coordinate with water conservation projects, recommendations, and initiatives initiated by the EP3 program and USAID missions in the region We will work to ensure that ongoing EP3 operations are coordinated with activities performed under this project to the maximum extent possible We will also coordinate all activities (e g , workshops, audit time and locations) with USAID missions in each respective countries to achieve the maximum bang for the buck of this project as it relates to other mission activities This coordination will include consultation with USAID missions on use of individual consultants and NGOs supporting this project

A Develop and Present Industrial Water Conservation, Workshops, and Guidance Materials

SAIC will sponsor two workshops for NGOs and other interested parties (e g , industry, government officials) on water conservation technologies appropriate to each of the targeted industries In addition to the presentation of case study materials for various water conservation techniques, these workshops will cover the water conservation needs and resources in different sub-regions in the Andes

For each of the two workshops, SAIC will develop a compendium of water conservation assessment processes and technologies which may be broadly applicable as well as cases studies and technology descriptions specific to the two target industries

Following close consultation with WEF and USAID EP3 offices and missions, SAIC will select partner NGOs based on the following criteria

- 1 Successful participation under EP3 projects
- 2 Interest and experience in industrial water issues in the region
- 3 Relationship with WEF and associated WEF partners in the region
- 4 Interest in providing water conservation consultation services as a long-term activity area

At this time, promising NGO candidates have been identified in Ecuador and Bolivia. In Ecuador, SAIC proposes to coordinate with OIKOS and in Bolivia with Federación de Industrialistas Bolivianos. At this time, SAIC has not identified a suitable NGO in Peru but we hope identify an appropriate organization through our relationship with SPDA.

B Construct A Water Conservation Technologies Web Site in Spanish

SAIC will facilitate development of a web-based data management system designed to provide internet-based access to water conservation technologies (primarily in Spanish). Available case study and technology description data will be abstracted, translated, and downloaded from Enviro\$en\$e (the world's largest and most in-depth repository on process-specific pollution prevention technologies and practices). As additional data is collected by the NGOs during the NGO Capacitization phase of this project and beyond, this data will be entered into the system to facilitate public access.

We propose to leverage this investment by using an established web site and web server software system developed by SAIC for USEPA (Enviro\$en\$e, estimated total costs of development to date \$14 million, located at [http //es inel gov/](http://es.inel.gov/)). We propose to add a section devoted to Andean Country Water Conservation Technologies to the Enviro\$en\$e International Resources section. We will develop initial Spanish language abstracts of projects and technologies, and develop a (primarily) Spanish-language subset in Enviro\$en\$e that will serve as a data repository of water conservation information relevant to the Andean region. Based on preliminary contacts, EPA has expressed an interest in this endeavor, however, financial contributions have not yet been discussed.

SAIC will identify and work with local NGOs empower them to become managers of process- and site-specific water usage case studies and data. This outreach effort will involve both formal and informal training by SAIC staff of NGOs in how to become

proficient managers of this data and how management of this data can open doors for future water conservation consulting opportunities with facilities in their countries

C Perform Training Audits and NGO Capacitization

During the development of the web page, SAIC will simultaneously initiate on-the-job training for NGOs on how to conduct water conservation audits. SAIC staff will conduct 3 audits of industrial facilities for each industry in conjunction with WEF and the partner NGO as a training exercise in the basics of a water conservation audit system. SAIC will work with the NGO, WEF, USAID, and government officials to identify candidate facilities for audits. Reports from these audits could serve as the basis for data to populate the data system described above.

These audits would be conducted at representative facilities in Ecuador, Bolivia, and Peru. SAIC proposes to conduct 3 water conservation audits for each of the 2 industries by a team of 1 SAIC staff member, 1 WEF representative, and 1-2 staff from a local NGO. For each facility, SAIC will prepare a brief audit report discussing the facility, the manufacturing process, the specific water treatment and water use processes observed, water conservation opportunities, and recommendations.