

POCBI 753

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Profile

MEMORANDUM OF DISTRIBUTION - CONTRACT

A. OBLIGATION:	Partial	Final	FIO/T Number
		X	180-0015-3-1183500
		X	180-0015-3-1183500, A-1

If final obligation, OP has no objections to the dereserving of any remaining funds.

B. DOCUMENT IDENTIFICATION/INFORMATION:

- Document No.: EUR-0015-C-00-1011-00
- Incremental funding action:        YES X NO
- Buy-In:        YES X NO
- Document signed by Contracting Officer on (date): 3/14/91
- Method of Financing (check one only):        Letter of Credit; X Direct Reimbursement

C. FM DISTRIBUTION:

- 3-15-91 - One Original signed copy to FM for recording obligation. (PFM/FM/A/PNF, 612, SA-2)
- 3-15-91 - One copy to FM paying office. (PFM/FM/CMPD/DCB, 700, SA-2)

D. LEG NOTIFICATION: X Completed        Not Required

E. TECHNICAL OFFICE/MISSION DISTRIBUTION:

3-15-91 - Technical Office: EWEL/PCS Bob Archer 4440 NS  
(office symbol, name, rm. & bldg)

<u>      </u>	- Mission: <u>      </u>	Cable Sent: <u>      </u>
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3-15-91 - Program Office: EWEL/PCS Judy Britt 3320A NS  
(office symbol, name, rm. & bldg)

E. OP DISTRIBUTION:

3-15-91 - OP/PS/SUP copy of all documents including final assistance document signed by all parties.

Copy of this form goes with each copy of the document distributed and one copy remains in the official file.

Contracting Officer: Henry N. Kurney Date:

<b>AWARD/CONTRACT</b>		1 THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 350)		RATING	PAGE 1 OF 4
3 CONTRACT (Proc Inst Ident.) NO EUR-0015-C-00-1011-00		5 EFFECTIVE DATE See Block 20		4. REQUISITION/PURCHASE REQUEST/PROJECT NO 180-0015-3-1183500 & A-1	
6 ADMINISTERED BY (If other than Item 5) CODE		ISSUING OFFICE			
7. NAME AND ADDRESS OF CONTRACTOR (No., street, city, county, State and ZIP Code): Davy McKee Corporation 300 South Riverside Plaza, Suite 1800 Chicago, IL 60606  DUNS: 097623334 TIN: 340391742		8 DELIVERY <input type="checkbox"/> FOB ORIGIN <input checked="" type="checkbox"/> OTHER (See 9) 9 DISCOUNT FOR PROMPT PAYMENT None		10 SUBMIT INVOICES (4 copies unless other wise specified) TO THE ADDRESS SHOWN IN Block 12	

11. SHIP TO/MARK FOR CODE	FACILITY CODE	12 PAYMENT WILL BE MADE BY FH/CMPD/DCB Room 700 8A-2 Agency for International Development Washington, D. C. 20523-0209
N/A		

13. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: <input checked="" type="checkbox"/> 40 U.S.C. 474 <input type="checkbox"/> 10 U.S.C 2304(c)(1) <input type="checkbox"/> 41 U.S.C. 253(c)(1)	14 ACCOUNTING AND APPROPRIATION DATA 72-111X1010 184-63-180-00-69-11 QAIX-91-33180-IG-12
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15A. ITEM NO	15B. SUPPLIES/SERVICES	15C. QUANTITY	15D. UNIT	15E. UNIT PRICE	15F. AMOUNT
	The Contractor shall provide the services as set forth in the Schedule.				
15G. TOTAL AMOUNT OF CONTRACT					\$ 2,578,066

16. TABLE OF CONTENTS							
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**CONTRACTING OFFICER WILL COMPLETE ITEM 17 OR 18 AS APPLICABLE**

17. <input checked="" type="checkbox"/> CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is required to sign this document and return 3 copies to issuing office.) Contractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration stated herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) this award/contract, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attachments are listed here.)	18. <input type="checkbox"/> AWARD (Contractor is not required to sign this document) offer on Solicitation Number _____ including the additions or changes made by you which additions or are set forth in full above, is hereby accepted as to the items listed as on any continuation sheets. This award consummates the contract with all of the following documents: (a) the Government's solicitation offer, and (b) this award/contract, and further contractual documents.
19A. NAME AND TITLE OF SIGNER (Type or print) J.E. SCOTT, Vice President	19B. NAME OF CONTRACTING OFFICER Kathryn Y. Cunningham
19C. DATE SIGNED 3/14/91	19D. DATE SIGNED 3/14/91



SECTION B  
SUPPLIES OR SERVICES AND PRICES/COSTS

The Contractor shall furnish all necessary facilities, materials and personnel and shall preform all services necessary to carry out the Scope of Work identified in SECTION C.

1. Estimated Cost, and Fixed Fee

The total estimated cost of this contract, exclusive of fixed fee, is \$2,354,399. The fixed fee is \$223,667.

The total estimated cost plus fixed fee is \$2,578,066.

2. Payment of Fixed Fee

At the time of each payment to the Contractor on account of allowable dollar costs, the Contractor shall be paid a dollar amount which is in the same ratio to the total fixed fee as the related payment being made on account of allowable dollar costs is to the total estimated costs, as amended from time to time; provided, however, that whenever in the opinion of the Contracting Officer such payment would result in a percentage of fee in excess of the percentage of work completion, further payment of fee may be suspended until the Contractor has made sufficient progress, in the opinion of the Contracting Officer, to justify further payment of fee up to the agreed ratio; provided further, that after payment of eighty-five percent (85%) of the total fixed fee, the clauses of this contract entitled "Allowable Cost and Payment" and "Fixed Fee" (APR 1984), shall be followed.

3. Budget

- (a) The following itemized budget sets forth the fixed fee and estimates for reimbursement of dollar costs for individual line items of cost. Without the prior written approval of the Contracting Officer, the Contractor may not exceed the total estimated cost set forth in the budget hereunder, or the obligated amount, whichever is less (see Article 1 of this Section B entitled "Estimated Cost and Fixed Fee"). Without the prior written approval of the Contracting Officer (which must be retained by the Contractor for audit purposes), the Contractor may not exceed the estimated dollar cost for any individual line item of cost shown below, or in any contract modification issued hereunder, by more than 15% of such line item, except for (1) fixed administrative costs, which are fixed and shall not be revised in any way;

and (2) equipment, which may not be reallocated unless approved by the Project Officer and the Contracting Officer. The fee is fixed.

(b) Itemized Budget

<u>Category</u>	<u>Amount</u>
Salaries and Wages	\$ 549,594
Fixed Administrative Costs	724,805*
Subcontracts	140,000
Consultants	150,000
Travel/Transportation and Per Diem	534,000
Equipment	170,000
Other Direct Costs	86,000
TOTAL ESTIMATED COST	<u>\$2,354,399</u>
Fixed Fee	223,667
TOTAL EST. COST PLUS FIXED FEE	<u>\$2,578,066</u>

(c) The Contractor agrees to furnish data which the Contracting Officer may request on costs expended or accrued under this contract in support of the budget information provided herein.

(d) NOTE: The inclusion of a dollar amount for subcontracts and/or consultants in the above budget does not obviate the requirements of the clause of this contract entitled "Subcontracts (Cost reimbursement and Letter Contracts)" (JUL 1985), or Article 4. of this Section B entitled "Personnel Compensation" for prior written approval by the Contracting Officer, as specified therein.

4. Personnel Compensation

(a) Personnel compensation shall be in accordance with AIDAR clause 752.7007 entitled "Personnel Compensation". For employees performing work under this contract, one annual salary increase (to include merit, promotion, and cost of living increases) of not more than seven percent (7%) of the employee's base salary may, subject to the Contractor's established policy and practice, be granted after the employee's completion of each twelve-month period of satisfactory services under the contract. Annual salary

\*NOTE: This amount is a fixed amount for administrative costs in lieu of overhead. The Contractor shall be paid this fixed amount regardless of final audited overhead rate for the contract period. The Fixed Administrative Cost will be paid at the time of each payment to the Contractor on account of salaries and wages on the basis of a dollar amount which is the ratio of allowable salaries and wages to total estimated salaries and wages, as amended from time to time.

increases of any kind exceeding these limitations or exceeding the maximum salary of Foreign Service Officer Class 1 (FS-1) may be granted only with the advance written approval of the Contracting Officer.

- (b) In addition to the requirements set forth above, the following criteria shall be met:

(1) Consultants

The use of consultants is authorized under this Contract, subject to the concurrence of the cognizant A.I.D. Project Officer that the proposed consultant is suitable for the task assigned. Fees paid to consultants and reimbursed hereunder shall be reasonable in accordance with FAR cost principles provision 31.205-33 entitled "Professional and Consultant Service Costs," and shall not exceed, without the specific prior approval of the Contracting Officer, 1) the daily rate based on the current compensation or the highest rate of annual compensation received by the consultant during any full year of the immediately preceding three years, or 2) the maximum daily salary rate of a Foreign Service Officer Class 1 (FS-1), whichever is less. The Contractor shall ensure that no individual receives dual compensation with regard to State and Federal funds.

(NOTE: Daily rates are determined by dividing the consultant's annual compensation by 260 days). Six-day work weeks may be authorized by obtaining the prior written approval of the cognizant Project Officer.

(2) Work Week

U.S. Employees. The work week for the Contractor's U.S. employees shall not be less than the established practice of the Contractor.

Overseas TDY Employees. The work week for the Contractor's employees on overseas temporary duty shall not be less than forty (40) hours and shall be scheduled to coincide with the work week for those employees of the A.I.D. Mission and the Cooperating Country associated with work under this contract. Six-day work weeks are subject to the approval of the Project Officer. The Contractor is expected to establish a six-day work week for TDY employees while engaged in field efforts to achieve the objectives of the work.

**(c) Definitions**

As used herein, the terms "Salaries," "Wages," and "Compensation" mean the periodic remuneration received for professional or technical services rendered exclusive of overseas differential or other allowances associated with overseas services unless otherwise stated. The term "Compensation" includes payments for personal services (including fees and honoraria). It excludes earnings from sources other than the individual's professional or technical work, overhead, or other charges.

**5. Reimbursable Costs and Logistics Support to the Contractor**

**(a) United States Dollar Cost**

The United States dollar costs allowable under this contract shall be limited to reasonable, allocable, and necessary costs determined in accordance with FAR Part 31 entitled, "Contract Cost Principles and Procedures" and subject to FAR clause 52.216-7 of this contract entitled "Allowable Cost and Payment."

**(b) Logistic Support to the Contractor**

The Contractor shall provide all logistic support required for contract performance.

SECTION C  
DESCRIPTION/SPECIFICATIONS/WORK STATEMENT

Component #2: A PETROLEUM REFINERY EFFICIENCY  
IMPROVEMENT ENERGY CONSERVATION PROGRAM

1. **BACKGROUND**

The petroleum sectors of Bulgaria, Czechoslovakia, Poland, Romania, and Yugoslavia (as well as that of Hungary) are emerging from a 40-year period of centrally-planned crude supplies and centrally-controlled markets. Practically all of the petroleum refineries in these six countries were built, or modernized, during this period.

Among the five countries, it appears that Bulgaria has three separate refineries having an aggregate throughput of 300,000 B/D; Czechoslovakia has seven aggregating 455,000 B/D; Poland nine with an aggregate throughput of 385,000 B/D; Romania thirteen aggregating 617,000 B/D; and Yugoslavia seven with an aggregate capacity of 609,135 B/D. Now, these refineries face changing circumstances.

First, it is likely that the existing refineries were designed to process a narrow slate of crude oils supplied from the USSR. Now, crude supply options have broadened so that supplies can be bought on the world market through spot and contract purchases. The USSR appears to be phasing out as a primary crude supplier to these countries. Accordingly, potential future crude oil slates can have a much broader range of physical and chemical characteristics than has heretofore been the case.

Second, market conditions for the refinery product slates have been based on the principles of a centrally-planned national economy. Expectations, because of the shift to democratic pluralism in these countries, are for a higher standard of living for the populations, for a greater awareness of the need for environmental protection, and for shifts in refinery-product slates that will occur because of these. The capabilities of the mix of processing units in the refineries in each country to adjust simultaneously to changing crude slates and product slates will be brought into question.

Third, greater public awareness of preserving environmental quality and of the environmental deterioration that has occurred during the past forty years are likely to force major changes in refinery design and operating practices to reduce noxious gaseous, liquid, and solid waste emissions. This awareness is likely to emphasize production of unleaded gasolines and alcohol additives, and perhaps also the exploration of neat alcohol and compressed natural gas alternatives. At the same time, changes in refinery operations will be demanded to reduce noxious emissions to the extent practical.

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Finally, tightened economic conditions will force refinery managements to improve operations through introducing more efficient internal utilization of energy and through implementing opportunities for energy conservation. These improvements will have to occur while anticipating changing crude and product conditions and with an inventory of processing units in the refineries that in all likelihood has a limited flexibility to adapt to changes. The roles for alternative fuels could emerge here also.

Compounding the problem of managing change are shortages of foreign exchange, increases in foreign exchange demands because of purchase of crude oil supplies on the open market at now greatly increased price levels, and demands on investment capital that will be generated by the political and economic changes in these countries. Foreign investment by international oil companies in petroleum-sector investment opportunities could bring needed foreign exchange and could potentially lead to new refinery construction at strategic locations and the scrapping of some existing refineries.

The complexity of the relationships within the petroleum sector system is somewhat illustrated in Figure 1.

Obviously, managing the process of change will take some time. The inputs for analysis are not yet completely available. Economic benefits will depend on national policies, formed or as yet unformed. The current crude supply and pricing picture is an unstable one. Foreign investor interest in the five countries probably varies among the countries and perhaps is not yet well focused on the petroleum sector.

Nevertheless, a start in an analysis to improve the situation can be made provided the focus of initial efforts is on a rationalization of the petroleum-system situation in each of the five countries. Rationalization intends (a) efficient, effective, and environmentally-acceptable improvement in the production of petroleum products to serve current domestic markets, (b) adaptation of current operating practices to serve emerging domestic markets from expected, cost-attractive, crude-oil slates, and (c) identification of the improvements in terms of consistency with the privatization policies in each of the five countries.

## 2. GOAL AND OBJECTIVES

Accordingly, the generic goal of the work is to begin a process that ultimately can lead to such rationalization of the petroleum sectors in each of the five countries. The end results for the work at this time are

- a. an organized data base comprising available data and information relevant to producing inputs for later use by others (when sufficient data and information for the

various components of the petroleum system, such as is shown in Figure 1, become available) in a commercial linear programming model to optimize the petroleum system in each country,

- b. low-cost improvements in the energy efficiency and environmental impact of selected refineries producing the current product slates that have been implemented during the course of the Contractor's work, and
- c. the identification of further improvements which can only be implemented at a later time by others through making a significant investment that needs to be justified.

Accordingly, the objectives of the work focus on the five countries and are

- a. for the refinery sector in each country and to the extent that relevant information is available, to describe the process mix in each refinery, the technical capabilities, and current operating practices in a form that (1) provides a data base for undertaking further and future work by others aimed at optimizing the petroleum system in each country and (2) more specifically for the present, enables at least qualitative judgments to be made of effects of changing crude-oil slates on refinery product slates;
- b. for a sample of two refineries each in Czechoslovakia, Poland, and Yugoslavia and one refinery each in Bulgaria and Romania, to identify changes in operating practices and low-cost modifications to equipment that can be immediately implemented to increase the efficiency of energy utilization, to conserve energy by avoiding unjustified use, and to reduce as far as practical undesirable gaseous, liquid, and solid effluents;
- c. for the same refinery selection in each country, to identify, characterize, and recommend more-extensive changes in practices and equipment and modifications to the process units, which appear justifiable but at the same time require further study possibly with inputs that may not yet be available; and
- d. to assist the management of each refinery selected in each country, as needed, in the implementation of the changes identified in b. above through on-the-spot assistance (including training sessions for refinery personnel).

### 3. APPROACH

This work statement is intended to be generic and applicable in each of the five countries. The intent is to undertake the work with two separate teams of specialized personnel operating in parallel. One team will undertake the work in three countries sequentially and the other in the two remaining countries sequentially. The two teams will be supported as appropriate by a home-office team. The work of the three teams will be coordinated by a program director.

In order to permit pragmatic planning for efficient accomplishment of the work, the first activity will be a reconnaissance in the five countries, probably lasting five weeks, during which needed technical and administrative inputs will be developed and needed local support arranged for. In order to gauge the effectiveness of the work, the final activity will be return visits to the five countries, probably over a two week period when the final reports have been submitted, for the purpose of discussing the results and answering questions that may arise.

The expectations are that considerable data and information will be collected for the countries and for the operating oil refineries. Also, expectations are that this data base, aside from the needs of the Contractor's work program and even after the completion of his work, can provide continuing inputs to other efforts aimed at improving operations in the non-refinery components of the petroleum-sector system (see Figure 1) or to follow-on efforts aimed at implementing the longer-term improvement opportunities identified in the work. Therefore, data and information collection is to be computer oriented with programs organized to be user-friendly and documented accordingly in the Contractor's final reports.

Furthermore, in the identification of improvement opportunities relevant to achieving the objectives of the work, expectations are that benefit/cost estimates will be prepared and/or evaluations performed as far as practical. Estimates and calculations will, with little doubt, require assumptions to fill in for a lack of data. Therefore, estimate preparation and evaluation of opportunities is also to be computer-oriented and user-friendly with programs designed to permit asking "what if" questions, with documentation incorporated in the Contractor's final reports.

Petroleum refineries and petrochemical manufacturing plants are closely linked both physically and through refinery products that become petrochemical feedstocks. The work shall be confined to petroleum refineries only. For this purpose the refinery shall be defined as comprising all

installations that pertain to the receipt of the crude oil through to processing and storage of the refinery's primary products. A primary product shall be defined as one that has been fully processed so as to be marketable. On-site facilities to blend different gasoline streams, produce, and process them to final specifications are refinery units. Refinery gas and/or liquid streams that are delivered to other units for further processing, such as to ethylene, ammonia, or aromatic extraction, are to be considered as finished products.

Equipment purchases (both for test work and for permanent installation) needed for the implementation of short-term improvements shall be defined and justified. A brief report shall be submitted for A.I.D. approval before committing to purchase.

#### 4. TASKS

The following tasks are foreseen for the work.

##### a. Refinery Characterization

The work is technically oriented. It involves preparing for each refinery, in each country, a block flow diagram showing the processing units and the support facilities between receipt of the crude oil slate and the dispatch of the product slate to market. The depth of detail for this characterization will provide

- 1) a description as far as practical of the capability of each processing unit in terms of feedstocks and feedstock variability and product yields and specifications; of the operating conditions, age, mechanical condition of the processing units; of the consumption of utilities (electricity, water, catalysts, chemicals, etc.); and of the quantities and characteristics of the effluents.
- 2) a description as far as practical of the support facilities in terms of crude and product storage capacity, fire protection and personnel safety provisions, and methods for segregation, collection, treatment, and disposal of solid, liquid, and gaseous effluents.
- 3) a written operating history of a refinery for the previous 12-month period emphasizing crude-oil receipts and specifications, product slates produced, unusual operating experiences, routine maintenance performed, and emergencies encountered during operations.

- 4) a description of the method of electricity supply, whether entirely purchased, self-generated, or a combination of both; and a technical description of the design and operation of the power house (if any) in terms of energy balance and heat rate.

**b. Refinery Financial Structure**

The objective in this task will be to collect data on local practices from the refinery management and/or from other appropriate sources that can be evaluated to establish the basis whereby the cost of each improvement opportunity can be pragmatically estimated and attractiveness of the opportunity determined. The expectation is that attractiveness will be based in part on (a) the magnitude of the capital requirement, including the foreign exchange component, and (b) the period of time within which the cost of the improvement can be recovered through savings in operating costs achieved. Attractiveness shall refer also to quantification (if practical) of benefits from reduced emissions of objectionable effluents. No need exists to relate emissions for compliance with any existing standards.

**c. Selection of the Refineries**

The refineries to be subjected to more detailed study, in order to meet Objectives b, c, and d above, shall be selected during the reconnaissance period by mutual agreement between the Contractor and the host-government agency concerned. For Contractor's guidance, the main criterion for selection should be based on achieving a maximum efficiency/environmental improvement impact for a minimum effort and cost in a minimum time frame. However, the selection shall be subject to A.I.D. concurrence.

**d. Refinery Housekeeping**

For each country and for each selected refinery, the work involves observation over a period of time of the refinery operations in order to detect opportunities to improve operating and maintenance practices, such as by

- 1) eliminating the presence of leaky valve-stems and steam traps,
- 2) incrementally insulating excessively hot surfaces,

- 3) avoiding poor combustion conditions (high oxygen content in chimney gases because of excessive excess air beyond combustion needs and/or leaky furnace settings),
- 4) avoiding excessive carbon monoxide in chimney gases (poor combustion, inadequate mixing of fuel and air),
- 5) increasing the frequency with which heat transfer surfaces are cleaned of fouling deposits,
- 6) reviewing whether rotating machinery is adequately maintained in terms of lubrication and condition of bearings, and
- 7) reviewing whether plant instrumentation is adequate and/or well-enough maintained to provide accurate readings of operating conditions and is appropriately configured to permit efficient operation.

e. Heat Conservation

The work involves observations over a period of time to evaluate the adequacy of provisions to recover heat that otherwise is wasted. The best example is a lack of airheaters to recover heat from hot chimney gases in refinery furnace equipment. Another example is the design of feedstock preheat heat exchanger trains and the opportunity to introduce an additional heat exchanger that can be justified now because of higher energy prices.

f. Process Unit Operating Conditions

The work involves analyzing the operating conditions and control systems installed for each processing unit in a selected refinery in order to determine whether these are appropriate for the products from the feedstock. This analysis can be particularly significant if current feedstocks and/or product slates have changed from the conditions on which the original design of the processing unit was based.

g. Refinery Energy Balance

The work involves analysis of the flows of energy among the different processing units comprising each selected refinery as well as within the processing units themselves in order to identify opportunities for energy-efficiency improvement in the short term and long term.

The analysis should attempt to provide a data base to assist others to foresee the longer term opportunities for a more efficient energy balance through review of the market demand, future crude oil supplies, and the design and applicability of the processing units themselves. Ultimately, the product of such analysis by others could be decisions to abandon certain units, modify others, or add new units, all providing for greater thermal efficiency.

Accordingly, the Contractor shall attempt to foresee as far as practical the prospect that such future analysis could invalidate the benefits perceived for an identified long-term opportunity from a presumption that a substantial remaining useful life for the process unit exists.

**h. Fuel Switching**

For each selected refinery, the work shall include comment and expert opinion on the practicality of replacing petroleum hydrocarbon fuels with indigenous coal. Refinery furnaces have in the past been fired with coal. Fuel switching to coal to save on oil imports could be a viable option. However, the Contractor shall focus on a different technical option for coal utilization, in order to reduce investment, by considering high fuel-density, coal/water slurry fuels as a direct replacement for fuel oil with minimum retrofit. Sootblowers could handle the higher ash content.

Consideration of such an option should be limited to assessing its practicality in terms of coal supply and characteristics, the state-of-the-art of fuel formulation, and adaptability to existing combustion equipment.

**i. Refinery Emissions**

For each selected refinery, the work involves preparing a survey of all solid, liquid, and gaseous refinery effluents in terms of sourcing, probable quantities, and chemical analyses, and suggesting practices to be employed in the refinery for control to reduce such emissions that reflect experiences elsewhere where emission control laws are in effect. There is no need to relate this task to showing compliance of emissions with standards that may be established by the World Bank or the U.S. Environmental Protection Agency.

j. Data Evaluation

The work involves computer-oriented organization of the data and information collected, evaluation of the data and information, compiling cost estimates, performing financial calculations, ranking opportunities in terms of the adopted criteria, and preparing final reports to meet the objectives of the work.

5. SCHEDULE

The work shall be completed with final reports submitted and the field review accomplished within a thirty-one week period. The assignment of countries to each field team and the sequence in which each team will address the countries assigned to it shall be established during the reconnaissance period by mutual agreement between the Contractor (in consultation with A.I.D.) and the host country agencies.

6. COUNTERPART PERSONNEL

a. By Host Country

Counterpart personnel are expected to be provided in two categories. In order to provide continuity for future work within each selected refinery, each refinery management is expected to appoint a cadre of approximately six persons of relevant experiences to serve as counterparts to the team. The intention is for the counterparts to be fully involved in the work including the collection of data and information.

The counterpart team, as far as practical, will remain available to implement, for its particular refinery, results that can be immediately justified and to participate in future efforts for those results that require further evaluation because they will be impacted by other components of the petroleum-sector system (see Figure 1). This team will be the primary focus for training.

b. By Contractor

To the extent practical, the Contractor shall retain the services of two qualified consultants under the "Subcontracting" line item of the budget, one of whom shall address the refinery characterization work and the other the refinery implementation work. The prospect that the Contractor can supplement his field teams with local consultants specific to each country, who could begin advance field work, should facilitate mutual agreement on country sequencing called for under "Schedule" above.

To the extent practical, the experiences gained by the two local consultants in each country, if retained by the Contractor, should enable them to arrange independently, as circumstances may permit, for their services to assist in energy and environmental improvements in the remaining refineries in each country that were not selected.

## 7. EQUIPMENT

Test Equipment. As part of activities during the reconnaissance period, test equipment will be identified that will be necessary for accomplishing the work in the specified tasks. This equipment shall be the minimum required and of a portable nature. Upon completion of the work in each country, this equipment will be granted to the appropriate host-country organization. The Contractor shall be responsible for the procurement of the equipment and its maintenance in an operable condition for the duration of his work.

Implementation Equipment. When approved by A.I.D., the Contractor shall procure the items, arrange for delivery to the field (with the assistance of the local refinery), and supervise the installation. The presumption is that equipment items will only be approved if they can be installed within the schedule for the work.

## 8. REPORTS

A separate stand-alone report will be prepared in English for the refinery sector of each of the five countries and, to the extent that counterpart personnel are provided, in the primary host-country language, if any. The report will cover the results of Task "a" (Refinery Characterization) and Task "b" (Refinery Financial Structure). The report contents shall be organized to foresee potential future use of linear programming models to optimize the country's petroleum sector in terms of crude slates, refinery operations, and product slates demanded by the market (see Figure 1).

A separate, stand-alone final report will be prepared in English for each refinery selected for Tasks "d" through "i" above and, to the extent that counterpart personnel are provided, in the primary host-country language, if any. The report will document the results of the work and be organized to represent a stand-alone input document for further and future efforts. These reports will be concerned solely with the energy efficiency and environmental improvements, identified for immediate implementation and for longer-term consideration, and will describe the rationale for identification and justification of the selection.

For each selected refinery, the Contractor shall submit a brief letter report, detailing equipment to be purchased and the justification, as the basis for A.I.D. approval of the purchase.

SECTION D  
PACKAGING AND MARKING

1. Reports

- a. Pursuant to the clause of this contract entitled, "Reports" (AIDAR 752.7026, the cover page of all reports prepared by the Contractor shall include a descriptive title, the author's name(s), the project name, the project number the contract number, the contractor's name, the name of the A.I.D. project office, and the publication or issuance date of the report.
- b. In addition to the reports specified in Section C, the Contractor shall provide a monthly status report on all activities to AID/ENE/TR/ENR.

2. Supplies and Commodities

Any supplies and equipment/commodities purchased and shipped or provided by the Contractor hereunder shall be marked in accordance with the clause of this contract entitled, "Marking" (AIDAR 752.7009). Unless otherwise specified, all commodities shipped overseas shall be in accordance with the supplier's standard commercial export packaging.

SECTION E  
INSPECTION AND ACCEPTANCE

1. Inspection

Inspection of all items under this contract shall be accomplished by the Contracting Officer's Technical Representatives (COTR). For the purposes of this contract the COTR shall be the ENE/TR/ENR Project Officer.

2. Acceptance of Final Report

Acceptance of the Final Report shall be made in writing by the Project Officer, or any duly designated successor.

3. Applicable Clauses

This contract incorporates the following clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available.

- 52.246-3 Inspection of Supplies--Cost-Reimbursement (Apr 1984)
- 52.246-5 Inspection of Services--Cost-Reimbursement (Apr 1984)
- 52.246-23 Limitation of Liability (Apr 1984)
- 52.246-25 Limitation of Liability - Services (Apr 1984)

SECTION F  
DELIVERIES OR PERFORMANCE

1. Period of Performance

The effective date of this contract is the date signed by the Contracting Officer and the estimated completion date of this contract is 15 September 1991. Performance of all work and services required hereunder shall cease as of the estimated completion date of this contract.

2. Reports

The Contractor shall comply with all the reporting requirements identified in Section C of this contract.

3. Place of Delivery

The Project Officer shall specify the delivery location of all reports to be delivered hereunder.

4. Schedule of Work

All tasks set forth in the Statement of Work shall be performed in accordance with the Statement of Work in Section C and any schedules as negotiated.

5. Key Personnel

a. The following positions and the individuals holding those positions will be designated key personnel in the contract:

- Program Director (Project Manager/Lead Specialty Coordinator)
- Project Manager (Project Manager/Lead Specialty Coordinator)
- Senior Process Engineer
- Senior Mechanical Engineer

b. Brief job descriptions/qualifications for these positions are given below:

- (1) Program Director: A minimum of 15 years of diversified experience in the technical aspects of petroleum refinery engineering, project management, financial analysis, feasibility study, coordination among different teams toward common objectives, and a record showing involvement in overseas projects.

- (2) **Project Manager:** A minimum of 15 years of diversified experience across the board in the design, construction, and operation of U.S. and foreign petroleum refineries, in economic and financial analysis, in liaison with host-country government personnel, in managing diverse efforts toward a common goal, and in supervising preparation and editing of responsive, concise, and lucid written reports that facilitate communication across diverse cultures.
  - (3) **Senior Process Engineer:** A minimum of ten years experience in refinery process engineering in terms of knowledge of modern petroleum processing, ability to prepare energy and material balances for multi-process refineries, managing process and refinery optimization, design of instrumentation and process control systems, and a record showing overseas involvement.
  - (4) **Senior Mechanical Engineer:** A minimum of ten-years experience in the mechanical engineering aspects of refinery maintenance, mechanical equipment specification (especially rotary machines), boiler-plant steam generation, steam-based power generation, and a record showing overseas involvement.
- c. The positions and qualifications specified above are considered to be essential to the work being performed hereunder. All personnel must be individually approved by the A.I.D. Project Officer prior to actual assignment to the project. Unless otherwise agreed to by A.I.D., the Contractor shall be responsible for providing such personnel for performance of this contract. Unless failure to provide the key personnel specified above is beyond the control, and without the fault or negligence, of either the individual or the Contractor, failure to provide such key personnel may be considered nonperformance by the Contractor. Prior to diverting any of the individuals approved by the A.I.D. Project Officer to other programs, the Contractor shall simultaneously notify the Contracting Officer and the A.I.D. Project Officer reasonably in advance and shall submit justification in sufficient detail to permit evaluation of the impact on the program. No diversion shall be made by the Contractor without the written consent of the Contracting Officer; provided, that the Contracting Officer may ratify in writing such diversion and such ratification shall constitute the consent of the Contracting Officer required by this clause. Proposed substitutions must be submitted simultaneously to the Contracting Officer and the A.I.D. Project Officer not later than 30 days after the diversion of any of the approved individuals. Failure to do so may be considered nonperformance by the Contractor.

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6. Applicable Clauses

This contract incorporates the following clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available.

52.212-13 Stop-Work Order (APR 1984)--Alternate I (APR 1984)

752.7026 Reports (OCT 1989)

SECTION G  
CONTRACT ADMINISTRATION DATA

1. Payment Due Date

- (a) Unless otherwise specifically provided in this contract, payments under this contract will be due as follows:
  - (1) When the designated paying office identified in the contract or purchase order is located in the U.S.: 30 calendar days after the date of actual receipt of a proper invoice in the designated paying office or 30 days after a designated A.I.D. official or authorized representative accepts the property of services, whichever is later; or
  - (2) When the designated paying office identified in the contract or purchase order is at a foreign location: 45 calendar days after the date of actual receipt of a proper invoice in the designated paying office or 45 days after a designated A.I.D. official or authorized representative accepted the property or services, whichever is later.
- (b) For definition of the term "proper invoice", see Section G.2. below entitled "Invoice Requirements" and G.3. entitled "Documentation for Payment".
- (c) The date of the check issued in payment or the date of by wire transfer through the Treasury Financial Communications System shall be considered to be the date payment is made.

2. Invoice Requirements

- (a) Invoices (SF 1034 or like format) shall be submitted in an original and 3 copies to the Government office designated to receive invoices in this Contract. To constitute a proper invoice, the invoice must include the following information and/or attached documentation:
  - (1) Name of business concern and invoice date
  - (2) Contract number or other authorization for delivery of property or services
  - (3) Description, price, and quantity of property or services actually delivered or rendered

- (4) Shipping and payment terms
  - (5) Name and (where practicable) title, phone number, and complete mailing address of responsible official to whom payment is to be sent
  - (6) Other payment documentation required by the contract
- (b) To assist the Government in making timely payments, the Contractor is requested to furnish the following additional information either on the invoice or on an attachment to the invoice:
- (1) Date(s) that property was delivered or services rendered,
  - (2) Address where services were rendered,
  - (3) Contractor's complete remittance or check mailing address

3. Documentation for Payment

- (a) Claims for reimbursement under this contract shall be submitted to the Paying Officer indicated on the cover page of this contract. The authorized Certifying Officer of the Paying Office is the designated representative of the Contracting Officer, authorized to approve vouchers under this contract. The voucher forms shall be supported by:
- (1) Original and three copies of a certified fiscal report rendered by the Contractor in a form and manner satisfactory to A.I.D. substantially as follows:

Category	This Period (indicate dates)	Total to Date	Budget
Salaries and Wages			
Fixed Administrative Costs			
Subcontracts			
Consultants			
Other Direct Costs:			
Travel/Trans./Per Diem			
Equipment			
Other			
Subtotal			
Fixed Fee			
Total			

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(2) The fiscal report shall include a certification, signed by an authorized representative of the Contractor, as follows:

The undersigned hereby certifies that (i) the fiscal report and any attachments have been prepared from the books and records of the Contractor in accordance with the terms of this contract, and to the best of my knowledge and belief, that they are correct, that the sum claimed under this Contract is proper and due, that all the costs of contract performance (except as herewith reported in writing) have been paid or will be paid currently by the Contractor when due in the ordinary course of business, that the work reflected by the costs above has been performed, that the quantities and amounts involved are consistent with the requirements of this Contract, that all required Contracting Officer approvals have been obtained, and (ii) appropriate refund to A.I.D. will be made promptly upon request in the event of disallowance of costs not reimbursable under the terms of this Contract.

BY: \_\_\_\_\_ TITLE: \_\_\_\_\_ DATE: \_\_\_\_\_

(3) Unless otherwise provided in this contract, the Contractor shall submit a vendor's invoice detailing the quantity, description, and price for each individual item purchased, as follows:

(i) Expendable equipment, supplies, or commodities -- for transactions totaling more than \$2,500.

(ii) Non-expendable property -- for every purchase. Non-expendable property is property which is complete in itself, does not lose its identify or become a component part of another article when put into use; is durable, with an expected service life of two years or more; and which has a unit cost of more than \$500.

(iii) The bill of lading or airway bill as evidence of shipment by U.S. flag carrier.

(b) Local currency payment. The Contractor is fully responsible for the proper expenditure and control of local currency, if any, provided under this contract. Local currency will be provided to the Contractor in accordance with written instructions provided by the Mission Director. The written instructions will also include accounting, vouchering, and reporting procedures. A copy of the instructions shall be provided to the Contractor's Chief of Party and to the Contracting Officer. The costs of bonding personnel responsible for local currency are reimbursable under this contract.

(c) Upon compliance by the Contractor with all the provisions of this contract, acceptance by the Government of the work and final report, and a satisfactory accounting by the Contractor of all Government-owned property for which the Contractor had custodial responsibility, the Government shall promptly pay to the Contractor any monies (dollars or local currency) due under the completion voucher. The Government will make suitable reduction for any disallowance or indebtedness by the Contractor by applying the proceeds of the voucher first to such deductions and next to any unliquidated balance of advance remaining under this contract.

(d) The Contractor agrees that all approvals of the Project Officer, Mission Director and the Contracting Officer which are required by the provisions of this contract shall be preserved and made available as part of the Contractor's records which are required to be preserved and made available by the clauses of this contract entitled "Examination of Records by Comptroller General" and "Audit".

#### 4 Method of Payment

(a) Payments under this contract will be made either by check or by wire transfer through the Treasury Financial Communications System at the option of the Government.

(b) The Contractor shall forward the following information in writing to the Contracting Officer not later than 7 days after receipt of notice of award.

- (1) Full name (where practicable), title, phone number, and complete mailing address of responsible official(s): (i) to whom check payments are to be sent, and (ii) who may be contacted concerning the bank account information requested below.
- (2) The following bank account information is required to accomplish wire transfers:
  - (i) Name, address, and telegraphic abbreviation of the receiving financial institution.
  - (ii) Receiving financial institution's 9 digit American Bankers associate (ABA) identifying number for routing transfer of funds.  
(Provide this number only if the receiving financial institution to be credited with the funds.
  - (iii) Recipient's name and account number at the receiving financial institution to be credited with the funds.

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(iv) If the receiving financial institution does not have access to the Federal Reserve Communication System, provide the name of the correspondent financial system through which the receiving financial institution received electronic fund transfer messages. If a correspondent financial institution is specified, also provide:

- Address and telegraphic abbreviation of the correspondent financial institution
- The correspondent financial institution's 9 digit ABA identifying number for routing transfer of funds.

(c) Any changes to the information furnished under paragraph (b) of this clause shall be furnished to the Contracting Officer in writing at least 30 days before the effective date of the change. It is the Contractor's responsibility to furnish these changes 30 days before submitting invoices to avoid invoices being returned as improper.

(d) The document furnishing the information required in paragraphs (b) and (c) must be dated and contain the signature, title, and telephone number of the Contractor official authorized to provide it, as well as the Contractor's name and contract number.

5. Contractor Address for Payment

The Contractor shall include below the address to which payment shall be mailed, if that address is different from that shown for the Contractor under Item 15A, Cover Page.

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6. Payment Office

The payment office, and the office to which requests for payment shall be sent is:

FM/CMPD/DCB  
Room 700, SA-2  
Agency for International Development  
Washington, D. C. 20523-0209

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7. Contract Administration and Fiscal Data

(1)	Project No.	:	180-0015	
	PIO/T No.	:	180-0015-3-1183500	
	Appropriation No.	:	72-111X1010	
	Allotment No.	:	184-63-180-00-69-11	
	Budget Plan Code	:	QAIX-91-33180-IG-12	
	Obligated	:	\$1,990,000	
(2)	Project No.	:	180-0015	
	PIO/T No.	:	180-0015-3-1183500, A1	
	Appropriation No.	:	72-111X1010	
	Allotment No.	:	184-63-180-00-69-11	
	Budget Plan Code	:	QAIX-91-33180-IG-12	
	Obligated	:	\$588,066	

SECTION H  
SPECIAL CONTRACT REQUIREMENTS

1. General Requirements

- (a) Selection of countries for the TDY services described herein will be made by the cognizant COTR.
- (b) All international travel supported under this project must be cleared in advance by the cognizant COTR.
- (c) Copies of all correspondence pertaining to substantive project matters between the Contractor and foreign organizations will be forwarded to the cognizant COTR.
- (d) The Contractor shall advise COTR in advance of meetings in the U.S. with host-country officials.

2. Security Requirements

The Contractor will require no access to classified information during the term of this contract.

3. Special Provision Regarding AIDAR clauses 752.7032 "Travel and Transportation" and 752.7027 "Personnel"

In accordance with each of the above clauses of this contract, whereunder the Contractor may not send individuals outside the United States to perform work under this contract without the prior written approval of the Contracting Officer, the Contracting Officer does hereby grant said approval for those individuals required to travel outside the United States provided, however, that concurrence with the assignment of any and all said individuals outside the United States is obtained by the Contractor, in writing, from the cognizant COTR prior to their assignment abroad. Such approval must be within the terms of the contract, is subject to the availability of funds, and should not be construed as authorization to increase the total estimated cost or the obligated amount of this contract (whichever is less), which are subject to the clauses of this contract entitled "Limitation of Funds" or "Limitation of Cost", as applicable. A copy of each approval issued by the cognizant COTR pursuant to this clause shall be retained by the Contractor for audit purposes. After approval of the proposed international travel, the Contractor shall provide the cognizant USAID or Embassy Representative advance notification, with a copy to the Project Officer, of the arrival date and time and flight identification of A.I.D. financed travelers. Other procedures as necessary may be substituted or added.

4 Travel Expenses

- (a) Notwithstanding any other provision to the contrary, if any personnel are discharged by the Contractor for misconduct, security reasons, or inexcusable nonperformance, travel and transportation costs associated with the reassignment of substitute individuals shall not be an allowable cost under this contract.
- (b) Misconduct shall be defined as the deliberate and/or repeated disregard for the laws and regulations of the Host Country or of A.I.D.; the continued existence of conflict of interest after advice that such conflict exists; or general behavior unbecoming a professional serving as a part of the United States foreign assistance program (See the AIDAR clause 752.7013 of this contract entitled "Contractor-Mission Relationships"). Inexcusable nonperformance shall be defined as unauthorized absences or failure to undertake and/or complete assigned tasks which are within the scope of this contract, when such absences or failures are within the control of the employee.

5. Emergency Locator Information

The Contractor agrees to provide the following information to the Project Officer on or before the arrival in the host country of every contract employee or dependent:

- (a) The individual's full name, home address, and telephone number.
- (b) The project name and the contract number, and whether the individual is an employee or dependent.
- (c) The Contractor's name, home office address, and telephone number, including any after-hours emergency number(s), and the name of the Contractor's home office staff member having administrative responsibility for the contract.
- (d) The name, address, and telephone number(s) of each individual's next of kin.
- (e) Any special instructions pertaining to emergency situations such as power of attorney designees or alternate contact persons.

6. Rights in Data

This contract incorporates the following FAR clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available.

52.227-14 Rights in Data--General (JUN 1987)

52.227-14 Rights in Data--General (JUN 1987) Alternate II

52.227-14 Rights in Data--General (JUN 1987) Alternate III

52.227-14 Rights in Data--General (JUN 1987) Alternate V

52.227-16 Additional Data Requirements (JUN 1987)

52.227-17 Rights in Data--Special Works (JUN 1987)

52.227-19 Commercial Computer Software--Restricted Rights  
(JUN 1987)

7. Source/Origin of Goods and Services

The source and origin of all goods and services shall be the United States or Eastern Europe (Poland, Hungary, Czechoslovakia, Romania, Bulgaria and Yugoslavia) except as specifically approved in writing by the Contracting Officer.

8. Medevac Insurance

In addition to any insurance provided under the Contractor's normal personnel policies, the Contractor shall obtain medevac insurance for all its employees and consultants working overseas, on either long-term or short-term assignments.

9. Procurement: Defense Base Act (DBA) Insurance

Pursuant to the contract clause entitled "Worker's Compensation Insurance (Defense Base Act)" (AIDAR 752.228-3), the Contractor is required to have DBA coverage for certain categories of employees involved in performing work overseas. This insurance is required to be placed with CIGNA through its agent:

Wright & Company  
1400 I Street, N.W.  
Suite 1100  
Washington, D.C. 20005

Telephone: (202) 289-0200  
(800) 424-9801  
Telex: 440508

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**10. Subcontracts**

- (a) Prior to the placement of subcontracts and in accordance with the FAR clause, "Subcontracts Under Cost-Reimbursement and Letter Contracts," the Contractor shall ensure that:
- (1) they contain all of the clauses of this contract (altered when necessary for proper identification of the contracting parties) which contain a requirement for such inclusion in applicable subcontracts;
  - (2) a Certificate of Current Cost or Pricing Data (see FAR 15.804-2), if required, and a complete set of Representations and Certifications (see Section K) signed by each subcontractor are submitted to the Contracting Officer; and
  - (3) any required prior notice and description of the subcontract is given to the Contracting Officer and any required consent is received. Except as may be expressly set forth therein, any consent by the Contracting Officer to the placement of subcontracts shall not be construed to constitute approval of the subcontractor or any subcontract terms or conditions, determination of the allowability of any cost, revision of this contract or any of the respective obligations of the parties thereunder, or creation of any subcontractor privity of contract with the Government.

**11. Services of Consultants (May 1985)**

- (a) In addition to the provisions of the clause of this contract entitled "Subcontracts Under Cost-Reimbursement and Letter Contracts," the prior written consent of the Contracting Officer also shall be obtained:
- (1) Whenever any employee of the Contractor is to be reimbursed as a "consultant" under this contract; or
  - (2) For the utilization of the services of any consultant under this contract exceeding the daily rates of an FS1, exclusive of travel costs; or

(3) Where the services of any consultant under this contract will exceed ten (10) days in any calendar year, or exceed a total value of \$3,000.

- (b) Whenever Contracting Officer written consent is required, the Contractor will obtain and furnish to the Contracting Officer information concerning the need for and selection of such consultant services and the reasonableness of the fees to be paid, including, but not limited to, whether fees to be paid to any consultant exceed the lowest fee charged by such consultant to others for performing consulting services of a similar nature. A fully executed up-to-date Contractor Employee Biographical Data Sheet, form AID 1420-17, shall also be submitted for each consultant.
- (c) The Contractor must obtain and furnish to the Contracting Officer either an Organizational Conflict of Interest (OCI) Disclosure Statement or a signed "Organizational Conflicts of Interest Representation" (see Section K.36.) for all consultants to be utilized under this contract prior to their performing any effort under this contract.

12. Representations, Certifications and Other Statements of the Contractor

The Representations, Certifications and Other Statements of the Contractor, dated 3 January 1991, for this contract are hereby incorporated by reference.

13. Approvals

All purchases of nonexpendable equipment (i.e. property which is complete in itself, does not lose its identity or become a component part of another article when put into use, is durable with an expected service life of two years or more, and which has a unit cost of more than \$500) will require approval of the Contracting Officer. Any approvals given pursuant to this paragraph must be within the terms of this contract, and shall not serve to change them in any way. The contractor shall retain copies of all such approvals for audit purposes.

All equipment or other property purchased with A.I.D. funds shall be turned over to the host country institution unless otherwise instructed by A.I.D.

SECTION I

CONTRACT CLAUSES

1. Alterations in Contract (APR 1984) (APR 1984) FAR 52.252-4

Portions of this contract are altered as follows:

(a) In the clause entitled "Notification of Changes (FAR 52.243-7), insert "7" [calendar days] in the blank in paragraph (b) and insert "10" [calendar days] in the blank in paragraph (d).

(b) In the clause entitled "Payment for Overtime Premiums" (FAR 52.222-2), insert "zero" in the blank in paragraph (a).

(c) In the clause entitled "Taxes - Foreign Cost Reimbursement Contracts (FAR 52.229-8), insert "The Cooperating Country" and "the Cooperating Country", respectively, in the blanks.

(d) If the Contractor is an educational institution (as defined in AIDAR 715.613-70[b]), in the clause entitled "Allowable Cost and Payment" (FAR 52.216-7), delete "...Subpart 31.2..." and in lieu thereof, substitute "...Subpart 31.3...".

(e) If the Contractor is a not-for-profit organization, other than an educational institution, in the clause entitled "Allowable Cost and Payment" (FAR 52.216-7), delete "...Subpart 31.2...", and substitute "...Subpart 31.7..." in lieu thereof.

(f) FAR 52.19-8, "Utilization of Small Business Concerns and Small Disadvantaged Business Concerns (JUN 1985)," is amended to add the following paragraph:

"AID small business provision. To permit AID, in accordance with the small business provisions of the Foreign Assistance Act, to give small business firms an opportunity to participate in supplying equipment supplies and services financed under this contract, the Contractor shall, to the maximum extent possible, provide the following information to the Office of Small and Disadvantaged Business Utilization (OSDBU), A.I.D., Washington, D.C. 20523, at least 45 days prior to placing any order in excess of five thousand dollars (\$5,000), except where a shorter time is requested of, and granted by OSDBU:

- (1) Brief general description and quantity of commodities or services;
- (2) Closing date for receiving quotations or bids; and
- (3) Address where invitations or specifications may be obtained."

(g) FAR 52.216-7, "Allowable Cost and Payment (APR 1984)," is clarified as follows:

"The general provision of this contract entitled 'Allowable Cost and Payment' (F.A.R. 52.216-7) provides in paragraph (h)(1) that the Contractor shall submit a completion invoice or voucher, designated as such, promptly [emphasis added] upon completion of the work... The term 'promptly' is not defined in the clause. In order to avoid ambiguity, and to insure expeditious closeout of completed contracts, the term 'promptly' is defined as 60 days from the actual completion date of the contract, unless otherwise approved in writing by the Contracting Officer. The Contractor will have up to one (1) year after completion of the Contract effort, (or longer, as the Contracting Office may approve in writing) or until mutually acceptable final release has been signed to submit a revised completion voucher, should circumstances warrant. Upon receipt of the final voucher, the Contracting Officer shall begin actions necessary to properly close the Contract. Processing of the final voucher for payment shall not begin until compliance by the Contractor with all terms and conditions of the contract."

(h) FAR 52.245.5, "Government Property (Cost-Reimbursement, Time-and-Materials or Labor-Hour Contracts) (JAN 1986)," is hereby amended to add the following:

Preface: to be inserted preceding the text of the clause.

"The term "Government furnished property" wherever it may appear in the following clause, shall mean (1) non-expendable personal property owned by or leased to the U.S. Government and furnished to the Contractor and (2) personal property furnished either prior to or during the performance of this contract by any U.S. Government accountable officer to the Contractor for use in connection with performance of this contract and identified by such officer as accountable. The term "government property," wherever it may appear in the following clause, shall mean government-furnished property and non-expendable personal property title to which vests in the U.S. Government under this contract. Non-expendable property, for purposes of this contract, is defined as property which is complete in itself, does not lose its identity or become a component part of another article when put into use; is durable, with an expected service life of two years or more; and which has a unit cost of more than \$500."

Reporting Requirements: to be inserted following the text of the FAR clause.

**"Reporting Requirements:** the Contractor will submit an annual report on all non-expendable property in a form and manner acceptable to A.I.D. substantially as follows:

ANNUAL REPORT OF GOVERNMENT PROPERTY  
IN CONTRACTOR'S CUSTODY

(Name of Contractor)

As of (End of Contract Year, 19xx)

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	Motor vehicles	Furniture and furnishings-- Office/Living quarters	Other nonexpendable property
A.	Value of property as of last report.		
B.	Transactions during this reporting period.		
1.	Acquisitions (add):		
a.	Purchased by Contractor <u>1/</u>		
b.	Transferred from A.I.D. <u>2/</u>		
c.	Transferred from others-Without reimbursement <u>3/</u>		
2.	Disposals (deduct):		
a.	Returned to A.I.D.		
b.	Transferred to A.I.D.- Contractor Purchased		
c.	Transferred to other Government agencies <u>3/</u>		
d.	Other disposals <u>3/</u>		
C.	Value of property as of reporting date.		
D.	Estimated average age of Contractor held property.		

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1/ Property which is complete in itself, does not lose its identify or become a component part of another article when put into use; is durable, with an expected service life of two years or more; and which has a unit cost of more than \$500.

2/ Government furnished property listed in this Contract as non-expendable.

- 3/ Explain if transactions were not processed through or otherwise authorized by A.I.D.

PROPERTY INVENTORY VERIFICATIONS

I attest that (1) physical inventories of Government property are taken not less frequently than annually; (2) the accountability records maintained for Government property in our possession are in agreement with such inventories; and (3) the total of the detailed accountability records maintained agrees with the property value shown opposite line c above, and the estimated average age of each category of property is as cited opposite line D above.

\_\_\_\_\_  
Authorized Signature.

2. Small Business and Small Disadvantaged Business  
Subcontracting Plan (FEB 1990) FAR 52.219-9

(a) This clause does not apply to small business concerns.

(b) "Commercial product," as used in this clause, means a product in regular production that is sold in substantial quantities to the general public and/or industry at established catalog or market prices. It also means a product which, in the opinion of the Contracting Officer, differs only insignificantly from the Contractor's commercial product.

"Subcontract," as used in this clause, means any agreement (other than one involving an employer-employee relationship) entered into by a Federal Government prime Contractor or subcontractor calling for supplies or services required for performance of the contract or subcontract.

(c) The offeror, upon request by the Contracting Officer, shall submit and negotiate a subcontracting plan, where applicable, which addresses separately subcontracting with small business concerns and small disadvantaged business concerns and which shall be included in and made a part of the resultant contract. The subcontracting plan shall be negotiated within the time specified by the Contracting Officer. Failure to submit and negotiate the subcontracting plan shall make the offeror ineligible for award of a contract.

(d) The offeror's subcontracting plan shall include the following:

(1) Goals, expressed in terms of percentages of total planned subcontracting dollars, for the use of small business concerns and small disadvantaged business concerns as subcontractors. The offeror shall include all subcontracts that contribute to contract performance, and may include a proportionate share of products and services that are normally allocated as indirect costs.

(2) A statement of--

(i) Total dollars planned to be subcontracted;

(ii) Total dollars planned to be subcontracted to small business concerns; and

(iii) Total dollars planned to be subcontracted to small disadvantaged business concerns.

(3) A description of the principal types of supplies and services to be subcontracted, and an identification of the types planned for subcontracting to (i) small business concerns and (ii) small disadvantaged business concerns.

(4) A description of the method used to develop the subcontracting goals in (1) above.

(5) A description of the method used to identify potential sources for solicitation purposes (e.g., existing company source lists, the Procurement Automated Source System (PASS) of the Small Business Administration, the National Minority Purchasing Council Vendor Information Service, the Research and Information Division of the Minority Business Development Agency in the Department of Commerce, or small and small disadvantaged business concerns trade associations).

(6) A statement as to whether or not the offeror included indirect costs in establishing subcontracting goals, and a description of the method used to determine the proportionate share of indirect costs to be incurred with (i) small business concerns and (ii) small disadvantaged business concerns.

(7) The name of the individual employed by the offeror who will administer the offeror's subcontracting program, and a description of the duties of the individual.

(8) A description of the efforts the offeror will make to assure that small business concerns and small disadvantaged business concerns have an equitable opportunity to compete for subcontracts.

(9) Assurances that the offeror will include the clause in this contract entitled "Utilization of Small Business Concerns and Small Disadvantaged Business Concerns" in all subcontracts that offer further subcontracting opportunities, and that the offeror will require all subcontractors (except small business concerns) who receive subcontracts in excess of \$500,000 (\$1,000,000 for construction of any public facility), to adopt a plan similar to the plan agreed to by the offeror.

(10) Assurances that the offeror will (i) cooperate in any studies or surveys as may be required, (ii) submit periodic reports in order to allow the Government to determine the extent of compliance by the offeror with the subcontracting plan, (iii) submit Standard Form (SF) 294, Subcontracting Report for Individual Contracts, and/or SF 295, Summary Subcontract Report, in accordance with the instructions on the forms, and (iv) ensure that its subcontractors agree to submit Standard Forms 294 and 295.

(11) A recitation of the types of records the offeror will maintain to demonstrate procedures that have been adopted to comply with the requirements and goals in the plan, including establishing source lists; and a description of its efforts to locate small and small disadvantaged business concerns and award subcontracts to them. The records shall include at least the following (on a plant-wide or company-wide basis, unless otherwise indicated):

- (i) Source lists, guides, and other data that identify small and small disadvantaged business concerns.
- (ii) Organizations contacted in an attempt to locate sources that are small or small disadvantaged business concerns.
- (iii) Records on each subcontract solicitation resulting in an award of more than \$100,000, indicating (A) whether small business concerns were solicited and if not, why not, (B) whether small disadvantaged business concerns were solicited and if not, why not, and (C) if applicable, the reason award was not made to a small business concern.
- (iv) Records of any outreach efforts to contact (A) trade associations, (B) business development organizations, and (C) conferences and trade fairs to locate small and small disadvantaged business sources.

- (v) Records of internal guidance and encouragement provided to buyers through (A) workshops, seminars, training, etc., and (B) monitoring performance to evaluate compliance with the program's requirements.
- (vi) On a contract-by-contract basis, records to support award data submitted by the offeror to the Government, including the name, address, and business size of each subcontractor. Contractors having company or division-wide annual plans need not comply with this requirement.

(e) In order to effectively implement this plan to the extent consistent with efficient contract performance, the Contractor shall perform the following functions:

- (1) Assist small business and small disadvantaged business concerns by arranging solicitations, time for the preparation of bids, quantities, specifications, and delivery schedules so as to facilitate the participation by such concerns. Where the Contractor's lists of potential small business and small disadvantaged subcontractors are excessively long, reasonable effort shall be made to give all such small business concerns an opportunity to compete over a period of time.
- (2) Provide adequate and timely consideration of the potentialities of small business and small disadvantaged business concerns in all "make-or-buy" decisions.
- (3) Counsel and discuss subcontracting opportunities with representatives of small and small disadvantaged business firms.
- (4) Provide notice to subcontractors, similar to that in the solicitation provision at 52.219-1, concerning penalties for misrepresentations of business status as small business or small disadvantaged business for the purpose of obtaining a subcontract that is to be included as part or all of a goal contained in the Contractor's subcontracting plan.

(f) A master subcontracting plan on a plant or division-wide basis which contains all the elements required by (d) above, except goals, may be incorporated by reference as a part of the subcontracting plan required of the offeror by this clause; provided, (1) the master plan has been approved, (2) the offeror provides copies of the approved master plan and (3) goals and any deviations from the master plan deemed necessary by the

Contracting Officer to satisfy the requirements of this contract are set forth in the individual subcontracting plan.

(g) (1) If a commercial product is offered, the subcontracting plan required by this clause may relate to the offeror's production generally, for both commercial and noncommercial products, rather than solely to the Government contract. In these cases, the offeror shall, with the concurrence of the Contracting Officer, submit one company-wide or division-wide annual plan.

(2) The annual plan shall be reviewed for approval by the agency awarding the offeror its first prime contract requiring a subcontracting plan during the fiscal year, or by an agency satisfactory to the Contracting Officer.

(3) The approved plan shall remain in effect during the offeror's fiscal year for all of the offeror's commercial products.

(h) Prior compliance of the offeror with other such subcontracting plans under previous contracts will be considered by the Contracting Officer in determining the responsibility of the offeror for award of the contract.

(i) The failure of the Contractor or subcontractor to comply in good faith with (1) the clause of this contract entitled "Utilization of Small Business Concerns and Small Disadvantaged Business Concerns," or (2) an approved plan required by this clause, shall be a material breach of the contract.

3. Representation of Limited Rights Data and Restricted Computer Software (JUN 1987) FAR 52.227-15

(a) This solicitation sets forth the work to be performed if a contract award results, and the Government's known delivery requirements for data (as defined in FAR 27.401). Any resulting contract may also provide the Government the option to order additional data under the Additional Data Requirements clause at 52.227-16 of the FAR, if included in the contract. Any data delivered under the resulting contract will be subject to the Rights in Data--General clause at 52.227-14 that is to be included in this contract. Under the latter clause, a Contractor may withhold from delivery data that qualify as limited rights data or restricted computer software, and deliver form, fit, and function data in lieu thereof. The latter clause also may be used with its Alternates II and/or III to obtain delivery of limited rights data or restricted computer software, marked with limited rights or restricted rights notices, as appropriate. In addition, use of Alternate V with this latter clause provides the Government the right to inspect such data at the Contractor's facility.

(b) As an aid in determining the Government's need to include any of the aforementioned Alternates in the clause at 52.227-14, Rights in Data--General, the offeror's response to this solicitation shall, to the extent feasible, complete the representation in paragraph (b) of this clause to either state that none of the data qualify as limited rights data or restricted computer software, or identify which of the data qualifies as limited rights data or restricted computer software. Any identification of limited rights data or restricted computer software in the offeror's response is not determinative of the status of such data should a contract be awarded to the offeror.

REPRESENTATION CONCERNING DATA RIGHTS

Offeror has reviewed the requirements for the delivery of data or software and states (offeror check appropriate block)--

None of the data proposed for fulfilling such requirements qualifies as limited rights data or restricted computer software.

Data proposed for fulfilling such requirements qualify as limited rights data or restricted computer software and are identified as follows:

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NOTE: "Limited rights data" and "Restricted computer software" are defined in the contract clause entitled "Rights in Data--General."

4. Subcontracting With Disadvantaged Enterprises (FEB 1990)  
AIDAR 752.226-2

Note: This clause does not apply to prime contractors that qualify as disadvantaged enterprises as described below.

(a) Not less than ten (10) percent of the dollar value of this contract must be subcontracted to disadvantaged enterprises as described in paragraph (b) of this clause.

(b) "Disadvantaged enterprises" means U.S. organizations or individuals that are (a) business concerns (as defined in FAR 19.001) owned and controlled by socially and economically disadvantaged individuals, (b) institutions designated by the Secretary of Education, pursuant to 34 CFR 608.2, as historically black colleges and universities, (c) colleges and universities having a student body in which more than 40 percent of the

students are Hispanic American, or (d) private voluntary organizations which are controlled by individuals who are socially and economically disadvantaged.

"Owned and controlled by socially and economically disadvantaged individuals" means at least 51 percent owned by one or more individuals who are both socially and economically disadvantaged, or a publicly owned business having at least 51 percent of its stock owned by one or more socially and economically disadvantaged individuals and (2) has its management and daily business controlled by one or more such individuals.

"Socially and economically disadvantaged individuals", means Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Asian-Indian Americans, and other individuals found to be disadvantaged pursuant to section 8(a) of the Small Business Act.

(c) Contractors acting in good faith may rely on written representations by their subcontractors regarding their status as a disadvantaged enterprise.

5. Clauses Incorporated by Reference (JUN 1988) FAR 52.252-2

This contract incorporates the following clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available.

Federal Acquisition Regulation (48 CFR Chapter 1) Clauses

<u>FAR</u>	<u>Title</u>	<u>Date</u>
52.202-1	Definitions	Apr 1984
52.203-1	Officials Not to Benefit	Apr 1984
52.203-3	Gratuities	Apr 1984
52.203-5	Covenant Against Contingent Fees	Apr 1984
52.203-6	Restrictions on Subcontractor Sales to the Government	Jul 1985
52.203-7	Anti-Kickback Procedures	Oct 1988
52.203-10	Price or Fee Adjustment for Illegal or Improper Activity	Sep 1990
52.203-12	Limitation on Payments to Influence Certain Federal Transactions	Jan 1990
52.203-13	Procurement Integrity - Service Contracting	Sep 1990
52.204-2	Security Requirements	Apr 1984
52.209-6	Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment	May 1989

52.215-1	Examination of Records by the Comptroller General	Apr 1984
52.215-2	Audit-Negotiation	Dec 1989
52.215-22	Price Reduction for Defective Cost or Pricing Data	Apr 1988
52.215-23	Price Reduction for Defective Cost or Pricing Data-Modifications	Apr 1988
52.215-24	Subcontractor Cost or Pricing Data	Apr 1985
52.215-25	Subcontractor Cost or Pricing Data-Modifications	Apr 1985
52.215-27	Termination of Defined Benefit Pension Plans	Sep 1989
52.215-31	Waiver of Facilities Capital Cost of Money	Sep 1987
52.215-33	Order of Precedence	Jan 1986
52.216-7	Allowable Cost and Payment	Apr 1984
52.216-8	Fixed Fee	Apr 1984
52.219-8	Utilization of Small Business Concerns and Small Disadvantaged Business Concerns	Feb 1990
52.219-13	Utilization of Women-Owned Small Businesses	Aug 1986
52.220-1	Preference for Labor Surplus Area Concerns	Apr 1984
52.220-3	Utilization of Labor Surplus Area Concerns	Apr 1984
52.220-4	Labor Surplus Area Subcontracting Program	Apr 1984
52.222-3	Convict Labor	Apr 1984
52.222-26	Equal Opportunity	Apr 1984
52.222-28	Equal Opportunity Preaward Clearance of Subcontracts	Apr 1984
52.222-29	Notification of Visa Denial	Apr 1984
52.222-35	Affirmative Action for Special Disabled and Vietnam Era Veterans	Apr 1984
52.222-36	Affirmative Action for Handicapped Workers	Apr 1984
52.222-37	Employment Reports on Special Disabled Veterans and Veterans of the Vietnam Era	Jan 1988
52.222-41	Service Contract Act of 1965, as amended	May 1989
52.223-2	Clean Air and Water	Apr 1984
52.223-6	Drug-Free Workplace	Jul 1990
52.225-3	Buy American Act-Supplies	Jan 1989
52.225-11	Certain Communist Areas	Apr 1984
52.225-13	Restrictions on Contracting with Sanctioned Persons	May 1989
52.227-1	Authorization and Consent	Apr 1984
52.227-2	Notice and Assistance Regarding Patent and Copyright Infringement	Apr 1984
52.227-3	Patent Indemnity	Apr 1984
52.227-8	Reporting of Royalties (Foreign)	Apr 1984
52.227-11	Patent Rights--Retention by the Contractor (Short Form)	Jun 1989
52.227-13	Patent Rights--Acquisition by the Government	Jun 1989
52.227-14	Rights in Data--General	Jun 1987
52.227-14	Rights in Data--General, Alt. II	Jun 1987
52.227-14	Rights in Data--General, Alt. III	Jun 1987

52.227-14	Rights in Data--General, Alt. V	Jun 1987
52.227-16	Additional Data Requirements	Jun 1987
52.227-17	Rights in Data--Special Works	Jun 1987
52.227-19	Commercial Computer Software-- Restricted Rights	Jun 1987
52.228-3	Worker's Compensation Insurance (Defense Base Act)	Apr 1984
52.228-7	Insurance--Liability to Third Persons	Apr 1984
52.229-8	Taxes--Foreign Cost-Reimbursement Contracts	Mar 1990
52.230-3	Cost Accounting Standards	Sep 1987
52.230-4	Administration of Cost Accounting Standards	Sep 1987
52.230-5	Disclosure and Consistency of Cost Accounting Practices	Sep 1987
52.232-17	Interest	Apr 1984
52.232-20	Limitation of Cost	Apr 1984
52.232-23	Assignment of Claims	Jan 1986
52.232-25	Prompt Payment	Apr 1989
52.232-28	Electronic Funds Transfer Payment Methods	Apr 1989
52.233-1	Disputes	Apr 1984
52.233-1	Disputes--Alternate I	Apr 1984
52.233-3	Protest After Award	Aug 1989
52.242-1	Notice of Intent to Disallow Costs	Apr 1984
52.243-2	Changes-Cost Reimbursement	Aug 1987
52.243-2	Changes-Cost Reimbursement--Alternate II	Apr 1984
52.243-7	Notification of Changes	Apr 1984
52.244-2	Subcontracts Under Cost Reimbursement and Letter Contracts	Jul 1985
52.244-5	Competition in Subcontracting	Apr 1984
52.245-5	Government Property (Cost-Reimbursement, Time-and-Material, or Labor-Hour Contracts)	Jan 1986
52.247-63	Preference for U.S.-Flag Air Carriers	Apr 1984
52.247-64	Preference for Privately Owned U.S.-Flag Commercial Vessels	Apr 1984
52.249-6	Termination (Cost Reimbursement)	May 1986
52.249-14	Excusable Delays	Apr 1984
52.251-1	Government Supply Sources	Apr 1984

6. A.I.D. Acquisition Regulation (48 CFR Chapter 7) Clauses

<u>AIDAR</u>	<u>Title</u>	<u>Date</u>
752.202-1	AID Definitions Clause--Alternates 70 & 72	Jan 1990
752.203-1	Officials Not to Benefit	
752.204-2	Security Requirements	
752.219-8	Utilization of Small Business Concerns and Small Disadvantaged Business Concerns	

752.226-2	Subcontracting with Disadvantaged Enterprises	Jul 1990
752.228-3	Worker's Compensation Insurance (Defense Base Act)	
752.228-7	Insurance--Liability to Third Persons	
752.245-70	Government Property--AID Reporting Requirements	
752.245-71	Title to and Care of Property	Apr 1984
752.7001	Biographical Data	Dec 1988
752.7002	Travel and Transportation	Jan 1990
752.7003	Documentation for Payment	Apr 1984
752.7004	Source and Nationality Requirements	APR 1989
752.7005	Language, Weights and Measures	Apr 1984
752.7006	Notices	Apr 1984
752.7007	Personnel Compensation	Aug 1984
752.7008	Use of Government Facilities or Personnel	Apr 1984
752.7009	Marking	Apr 1984
752.7010	Conversion of U.S. Dollars to Local Currency	Apr 1984
752.7011	Orientation and Language Training	Apr 1984
752.7013	Contractor-Mission Relationships	Oct 1989
752.7014	Notice of Changes in Travel Regulations	Jan 1990
752.7015	Use of Pouch Facilities	Apr 1984
752.7025	Approvals	Apr 1984
752.7027	Personnel--Alternate 71	Apr 1984
752.7028	Differentials and Allowances	Dec 1988
752.7029	Post Privileges	Apr 1984
752.7031	Leave and Holidays	Oct 1989
752.7032	International Travel Approval and Notification Requirements	Jan 1990