

XD-1131-050 A
 6/19/85

PPIC Grant
 FY 85

AID 1350-1 (10-79)	UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY AGENCY FOR INTERNATIONAL DEVELOPMENT	1. Cooperating Country	Page 1 of 2 Pages			
		Centrally Funded				
PIO/T	PROJECT IMPLEMENTATION ORDER/TECHNICAL SERVICES	2. PIO/T No.	534-2514	3. <input checked="" type="checkbox"/> Original or Amendment No. _____		
		4. Project/Activity No. and Title 946-2005 Financial Markets				
DISTRIBUTION	5. Appropriation Symbol 72-1151021.6		6. Allotment Symbol and Charge PDAA-85-13480-DG-11 (546-34-099-00-69-51)			
	7. Obligation Status <input checked="" type="checkbox"/> Administrative Reservation <input type="checkbox"/> Implementing Document		8. Project Assistance Completion Date (Mo., Day, Yr.)			
	9. Authorized Agent AID/		10. This PIO/T is in full conformance with PRO/AG Date _____			
	11a. Type of Action and Governing AID Handbook <input checked="" type="checkbox"/> AID Contract (HB 14) <input type="checkbox"/> PASA/RSEA (HB 12) <input type="checkbox"/> AID Grant (HB 13) <input type="checkbox"/> Other			11b. Contract/Grant/PASA/RSEA Reference Number (if this is an Amendment)		
	12. Estimated Financing (A detailed budget in support of column (2) is attached as attachment no. _____)					
	Maximum AID Financing	SDA	(1) Previous Total	(2) Increase	(3) Decrease	(4) Total to Date
		A. Dollars		500,000		500,000
		B. U.S.-Owned Local Currency				
	13. Mission References	14a. Instructions to Authorized Agent				
		SER/CM/SOD is requested to negotiate a three year contract through open competition for a contractor to provide the services described herein. This PIO/T provides partial funding, \$500,000 of a total estimated cost of \$1,500,000.				
Estimated Start Date: 8/31/85 Estimated Completion Date: 8/30/88						
14b. Address of Voucher Paying Office AID/FM/PAD						
15. Clearances—Include typed name, office symbol, telephone number and date for all clearances:						
A. The project officer certifies that the specifications in the statement of work are technically adequate		Phone No. 235-2274	B. The statement of work lies within the purview of the initiating and approved agency programs			
PRE/PPR, Russell Anderson		Date 6/11/85	PRE/PPR, Robert Eckman			
C. PRE/PPR, Carolyn Weiskirch		Date 6/12/85	D. Funds for the services requested are available			
PRE/PPR, John Gelb		Date 6/11/85	RM/PAD, Richard Hemphill			
PRE/ADM, Gail Horner		Date 6/19/85	DAA/PRE, Lewis P. Reade			
16. For the cooperating country: The terms and conditions set forth herein are hereby agreed to		17. For the Agency for International Development				
Signature _____ Date _____		Signature <i>Neal Peden</i> Date JUN 19 1985				
Title _____		Title AA/PRE, Neal Peden				

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	4. Project/Activity No. and Title Financial Markets		

SCOPE OF WORK

18. THE SCOPE OF TECHNICAL SERVICES REQUIRED FOR THIS PROJECT ARE DESCRIBED IN ATTACHMENT NUMBER _____ HERETO ENTITLED "STATEMENT OF WORK".

19. SPECIAL PROVISIONS

- A. LANGUAGE REQUIREMENTS (SPECIFY) French and Spanish as appropriate for consultants
(IF MARKED, TESTING MUST BE ACCOMPLISHED BY AID TO ASSURE DESIRED LEVEL OF PROFICIENCY)
- B. ACCESS TO CLASSIFIED INFORMATION WILL WILL NOT BE REQUIRED BY TECHNICIAN
- C. DUTY POST(S) AND DURATION OF TECHNICIANS' SERVICES AT POST(S) (MONTHS)
AID/W 72 p/a (professional) consultants will vary
- D. DEPENDENTS WILL WILL NOT BE PERMITTED TO ACCOMPANY TECHNICIAN.
- E. WAIVER(S) HAVE BEEN APPROVED TO ALLOW THE PURCHASE OF THE FOLLOWING ITEM(S) (COPY OF APPROVED WAIVER IS ATTACHED)
- F. COOPERATING COUNTRY ACCEPTANCE OF THIS PROJECT (APPLICABLE TO AID/W PROJECTS ONLY)
 - HAS BEEN OBTAINED HAS NOT BEEN OBTAINED
 - IS NOT APPLICABLE TO SERVICES REQUIRED BY PIO/T
- G. OTHER (SPECIFY) NA

20. BACKGROUND INFORMATION (ADDITIONAL INFORMATION USEFUL TO AUTHORIZED AGENT)

21. SUMMARY OF ATTACHMENTS ACCOMPANY THE PIO/T (INDICATE ATTACHMENT NUMBER IN BLANK)

- A DETAILED BUDGET IN SUPPORT OF INCREASED FUNDING (BLOCK 12)
- B EVALUATION CRITERIA FOR COMPETITIVE PROCUREMENT (BLOCK 14)
- _____ JUSTIFICATION FOR NON-COMPETITIVE PROCUREMENT (BLOCK 14)
- C STATEMENT OF WORK (BLOCK 18)
- _____ WAIVER(S) (BLOCK 18) (SPECIFY NUMBER)

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	4. Project/Activity No. and Title Financial Markets		

22. Relationship of Contractor or Participating Agency to Cooperating Country and to AID

A. Relationships and Responsibilities

AID/W: Robert Beckman, Director, PRE/PPR or his designee (Tel. 632-1491)

B. Cooperating Country Liaison Official:

N/A

C. AID Liaison Officials

N/A

LOGISTIC SUPPORT

23. Provisions for Logistic Support	IN KIND SUPPLIED BY		FROM LOCAL CURRENCY SUPPLIED BY		TO BE PROVIDED OR ARRANGED BY SUPPLIER
	AID	COOPERATING COUNTRY	AID	COOPERATING COUNTRY	
A. Specific Items (Insert "X" in applicable column as right. If entry needs qualification, insert asterisk and explain below in C. "Comments")					
(1) Office Space					X
(2) Office Equipment					X
(3) Housing and Utilities					N/A
(4) Furniture					N/A
(5) Household Equipment (Stoves, Refrig., etc.)					N/A
(6) Transportation in Cooperating Country					X
(7) Transportation To and From Country					X
(8) Interpreter Services/Secretarial					X
(9) Medical Facilities					N/A
(10) Vehicles (official)					N/A
(11) Travel Arrangements/Tickets					X
(OTHER SPECIFY)					
(12)					
(13)					
(14)					
(15)					

B. Additional Facilities Available From Other Sources

APO/FPO

PX

COMMISSARY

OTHER (Specify, e.g., duty free entry, tax exemption)

Attachment A

Illustrative Budget

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Total</u>
1. Personnel:				
Project Director (36 pm)	55,125	64,312	64,313	183,750
Asst. Project Director (36 pm)	41,850	48,825	48,825	139,500
Support Staff (36 pm)	19,125	22,313	22,312	63,750
	<u>116,100</u>	<u>135,450</u>	<u>135,450</u>	<u>387,000</u>
2. Fringe Benefits (@ 25%)	29,025	33,862	33,863	96,750
3. Overhead (@ 80% of 1+2)	116,100	135,450	135,450	387,000
4. Travel and Per Diem	53,775	62,738	62,737	179,250
5. Consultants (90 pm @ \$5,000 pm)	135,000	157,500	157,500	450,000
TOTAL	<u>450,000</u>	<u>525,000</u>	<u>525,000</u>	<u>1,500,000</u>

Attachment B

Evaluation Criteria

I. Qualifications of Personnel Proposed for Project (TOTAL 40 POINTS)

- a. Experience in implementing and managing projects in the developing world (6 points).
- b. Substantial experience in examining and analyzing financial markets and related financial institutions in developing countries (11 points).
- c. Documented experience in investment and commercial banking activities, domestic and international (11 points)..
- d. Experience in dealing with governments in regulatory matters affecting financial markets (4 points).
- e. Foreign language capabilities especially in Spanish and French (10 points).

II. General Quality and Responsiveness of Proposal and Technical Approach (TOTAL 30 POINTS)

- a. Demonstrated understanding of the scope of work and its relation to A.I.D.'s program in the private sector (10 points).
- b. Adequacy of proposed approach for completing the scope of work, knowledge of appropriate techniques for achieving project objectives (10 points).
- c. Demonstrated ability to formulate imaginative and coherent approaches to financial markets policy work (10 points).

III. Institutional Capabilities (TOTAL 30 POINTS)

- a. Organizational resources and facilities to carry out financial analyses and technical assistance (6 points).
- b. Established procedures for executing, managing and evaluating subcontracts (2 points).
- c. Capability of selecting individual technical (outside) consultants (2 points).
- d. Successful history of good organization and management practices (4 points).

e. Demonstrated quality and timeliness of previous outputs in international work (4 points).

f. Extensive institutional experience and successful history of work in U.S. and international banking (6 points).

g. Demonstrated international reputation in financial analysis for business decision-making (6 points.)

NOTE: Price has not been assigned a numerical weighting. Although selection will be based primarily on technical criteria, the award will be made to the offeror whose overall proposal promises the greatest value to the Government, technical and price factors included.

Attachment C

Program Description

I. Background

The Bureau for Private Enterprise (PRE) provides leadership in the development of private enterprise approaches for use by USAID Missions in assisting host governments and private enterprises in Less Developed Countries (LDCs). PRE provides policy and program guidance and direct support services for private enterprise development for use in programs and projects by A.I.D. Missions. PRE serves as a laboratory to experiment with innovative private enterprise mechanisms and as an advisor, encouraging A.I.D. regional bureaus and Missions to utilize, whenever practical and cost effective, private enterprise alternatives to public delivery mechanisms.

PRE's functions have been divided into five major areas:

- a. Developing, testing and marketing cost effective strategies, programs, and projects (hereinafter called mechanisms), for use by A.I.D. Missions in addressing critical development problems in Lesser Developed Countries (LDCs).
- b. Providing support services to A.I.D. Missions to incorporate these mechanisms in their programs.
- c. Performing analyses and other support services which address critical private sector issues which may differ from country to country in LDCs, and providing A.I.D. with a better understanding of the role of private enterprise in development.
- d. Providing grant funding to selected programs which result from PRE's mechanisms.
- e. Financing private enterprise opportunities in LDCs through a Revolving Loan Fund.

These five major areas are currently focused on five functional sectors: agribusiness, health, intermediate financial institutions (IFIs), small and medium scale enterprises, and cooperatives.

PRE is now designing and promoting innovative mechanisms in the area of private sector financial markets development to support Missions which incorporate these mechanisms in an integrated fashion into their programs relating to indigenous private sector development. This calls for a review of those mechanisms to determine their level of acceptance by Missions and host governments and a capability to respond to requests by Missions which are incorporating the mechanisms into their programs.

PRE expects this effort to:

1. Focus on private sector financial markets development as a critical factor in the growth of indigenous private enterprise activities within LDCs.
2. Evaluate existing financial markets among selected LDCs and identify the appropriate types of institutions on which A.I.D. should concentrate its current and future programs.
3. Support PRE's leadership in the development of pragmatic programs and mechanisms aimed at private sector financial markets development based on the optimization of return on investment.
4. Assist PRE in providing program guidance and direct support services for USAID Missions.
5. Encourage A.I.D. regional bureaus and Missions to promote private sector institutions, as opposed to their public counterparts, as the optimum financing mechanisms in the stimulation of LDC economic development.

For the purpose of this study, financial markets institutions include, but are not limited to:

- Development finance corporations
- Merchant banks
- Investment banks
- Commercial banks
- Savings and loan associations
- Credit unions
- Venture capital firms
- Leasing companies
- Pension fund management organizations
- Export trading companies
- Insurance Companies

While the contract must examine the operations of all financial market operations within a given country or countries it will concentrate on indigenous private sector institutions; i.e. those controlled by ownership or other means by host country nationals. Also, the contract will examine the regulatory and legal frameworks in selected LDCs as they impact upon financial market development and operations.

II. Goals Purpose and Impact:

A. Goals

The goals of this contract are to:

1. Examine a wider spectrum of financial markets among selected LDCs.
2. Determine which types of institutions within these financial markets should be encouraged and assisted:
3. Examine, within selected LDCs, the policies, procedures, laws, regulations, etc. currently in existence regarding indigenous financial market institutions to determine how they may inhibit or stimulate the development and growth of these institutions,
 - a. In light of A.I.D.'s overall private sector promotion activities; and
 - b. In view of the efforts in this area by other development organizations (e.g., the World Bank/IFC, regional development banks, etc.
4. Develop generic and specific guidelines which can be utilized by PRE and the Missions in the assistance effort.

B. Purpose

The purpose of this study will be to assist A.I.D. in the development, refinement, and implementation of projects aimed at selected private sector institutions within selected LDC financial markets and to develop the program strategy framework for such projects.

C. Impact

1. Sustained growth of the private sector portion of LDC financial markets institutions.
2. Incorporation of PRE mechanisms into selected A.I.D. projects designed to foster financial market growth.

III. Scope of Work

A. For a period hereinafter set forth in the Schedule, the contractor shall make available its facilities and personnel to complete a program to enable PRE to assist selected private sector institutions currently operating or capable of operating within the financial markets of certain LDCs through the incorporation of appropriate mechanisms in A.I.D. funded projects. This shall be accomplished through the provision of both long-term and short-term technical assistance to PRE and to host governments and private indigenous enterprises, through A.I.D. Missions. The contractor must provide multidisciplinary technical assistance in:

1. Policy analysis related to financial markets constraints;
2. Financial markets assessment and analysis;
3. Institutional management;
4. Private enterprise financing;
5. Marketing of financial services;
6. Economic analysis;
7. Management training;
8. Accounting and auditing.
9. Investment and commercial banking; and
10. Regulatory and legal framework analyses.

Other specialized knowledge and experience may be needed for identification, design, implementation and evaluation of appropriate projects in developing countries.

The contractor shall also provide the necessary organizational, administrative and management ability, and capacity to plan and implement the contract in an effective, timely and efficient manner. Previous experience in developing countries is highly desirable.

Because of the need for frequent interaction (development of plans, coordination, communications, briefing, debriefing, information requests, etc.) the contractor shall establish an office within the Washington metropolitan area, preferably in close proximity to AID/PRE. The office should be self-sufficient to provide timely, effective service. A.I.D. reserves the right of approval of key personnel proposed by the contractor (See "Key Personnel").

The contractor should have direct, broad-based, multi-regional, developing country experience in financial markets and demonstrate a technical competence to understand and approach innovatively the issues surrounding private financial institution

development. Key personnel (and consultants and subcontractors) must be fluent (S-3, R-3) in appropriate foreign languages and be prepared to serve on technical assistance missions overseas, occasionally under short notice and under hardship conditions. The contractor, should have ready access to proven, subject speciality and geographic expertise.

B. Technical Assistance Activities

1. Long Term: (72 p/m - Professional, 36 p/m - Non professional)

The long-term technical assistance shall be provided by staff located in close proximity to PRE and shall provide the following services:

a. Management of contract activities, including all consultants and subcontracts;

b. Assistance to PRE in establishing cost-effective mechanisms for use by A.I.D. in promoting the development of private sector financial institutions as a means of accelerating economic growth in developing countries. This assistance shall include:

1. An analysis of the A.I.D. project portfolio to assess the level of use of the various mechanisms thus far developed by PRE. This shall be accomplished through a review of selected A.I.D. documents, including Congressional Presentations, Project Papers (PPs), evaluations and others, as appropriate. This should include approximately forty Congressional Presentations, forty PP's, and thirty evaluations. From this analysis the contractor shall develop an assessment of the needs of USAID Missions for various mechanisms, including suggested new mechanisms.

2. An analysis of the portfolios of the multilateral development institutions (IBRD, Inter American Development Bank and others) to determine the level and direction of related financial market activities being undertaken by these institutions. As a result of this analysis the contractor shall provide PRE recommendations on substantive areas in which PRE should focus its activities.

3. On going assistance to PRE in the review and analyses of A.I.D. Country Development Strategy Statements (CDSS), Project Identification Documents (PIDs), Project Papers (PPs) and other A.I.D. documents in order for PRE to provide guidance to A.I.D. Missions in program and project development. This on-going assistance should include approximately twenty CDSSs, fifty PIDs and forty PPs. The contractor shall analyze the documents and provide PRE with a analysis of the potential for institutional concentration and stimulation, USAID needs for expertise that may be provided by PRE, and a substantive analysis of the financial markets issues involved in each paper.

4. An analysis of the PRE work done thus far in developing mechanisms for use by A.I.D. Missions. This shall include substantive areas such as private investment promotion, intermediate financial institutions development, development finance corporation support, and others as determined by PRE. This analysis will include literature reviews and interviews.

5. The development of a comprehensive roster of individuals and firms with the ability to provide long-term and short-term expertise directly relevant to the stimulation of financial markets institutional growth in the developing countries. The roster shall be developed after sufficient analysis, called for in 1 through 4, above, has been done to determine the appropriate categories and levels of detail required to respond to USAID Mission needs. It is anticipated that the roster would includes approximately fifty firms and one-hundred individuals. The roster shall be accessible by A.I.D. and is considered a deliverable under this contract.

6. On-going assistance to PRE in the development of strategies and mechanisms that will further promote the growth of private sector financial markets institutions as a development tool in LDCs. This shall include monthly planning meetings with PRE personnel to review on-going work, exploration of new approaches to promote the use of private sector mechanisms, and providing short-term consultants for specific subject matter areas.

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2. Short-term (90 p/m)

The short-term technical assistance shall be made available to PRE to perform the following functions:

a. Support to long-term technicians to accomplish the functions listed above. Approximately 20 p/m of consultant time, with assignments of three to four weeks each, shall be provided, especially in the areas of policy analysis, country financial markets assessment and analysis, and financial enterprise management.

b. Support to PRE in developing long-term plans for integrated private sector financial markets institutions development strategies in approximately seven countries. Approximately 30 p/m of consultant time, with assignments overseas of three to six weeks, shall be provided, especially in the areas of policy analysis and country financial markets assessment and analysis.

c. Support to PRE to design, implement and evaluate proposed or existing PRE or USAID Mission projects. Approximately 40 p/m of consultant time, with assignments in both AID/W and overseas of three to six weeks, covering a broad range of expertise shall be required. Selection of projects will be based on an assessment by PRE of the relationship of the proposed project to furthering the A.I.D. private enterprise initiative by being new and innovative or having potential for replication by other A.I.D. Missions.

d. Develop a methodology and carrying out studies of the Housing and Urban Finance system in a given country within the context of the operations of the capital markets. This will take into account macroeconomic policies, operations of primary and secondary mortgage markets, resource mobilization, and government and private sector interventions in the operations of the financial markets. Such studies will be carried out to better understand the impact of capital market operations on resource mobilization to finance housing and urban services in the developing countries; and the development of appropriate policy responses to maximize private sector involvement in housing finance.

3. Use of Consultants

a. Consultant Roster: The contractor shall establish and maintain a consultant roster of both firms and individuals. The roster shall be maintained on a current basis and include names, addresses, telephone numbers, qualifications, rates, experience, language

capabilities, availabilities, restrictions or constraints on availability, etc. The consultants proposed by the contractor shall be included in this proposal and the contractor should anticipate periodic expansion of the roster at a rate of 50 per year in addition to the original cadre.

b. Quick Response Capability: The contractor shall maintain a staff and a consultant roster of personnel adequate to insure quick responses. The contractor shall obtain approval from the A.I.D. Cognizant Technical Officer for use of consultants under this roster.

c. Consultant Identification, Recruitment and Posting of Consultants on Assignment: Requests for technical assistance will be in the Annual Work Plan or may be communicated to the Contractor by the A.I.D. Cognizant Technical Officer. Specifics of work to be done should be negotiated by the contractor with the consultant(s) and finalized with a written consultant agreement.

d. Editing, Publication and Distribution of Consultants' Reports: Consultant agreements shall stipulate due dates, requirements for draft reviews, copies for U.S.A.I.D.s, translations (and by whom), and specific details for specific consultancies.

e. Evaluation: The contractor shall be responsible for follow-up evaluations of each consultant task. Evaluations shall be available to the A.I.D. Cognizant Technical Officer.

f. Estimating Consultant Costs: For purposes of cost uniformity, the contractor may assume some universal costs--i.e.,

Consultant fees	-\$225 per day
Per diem	-\$100 per day
Travel	-\$1500 per trip - averaging 20 consultant days per trip
Defense Base Act Insurance	(2.25% of consultant fees)

C. Development of Annual Work Plans: Implementation by the contractor shall be in accordance with an "Annual Work Plan". Annual Work Plans will be developed by the contractor in consultation with PRE. The Annual Work Plans shall reflect A.I.D. guidance, needs, priorities, and resources; and shall include all significant activities proposed, location, timing, budget (person-months and dollars); staff and skills proposed; and scheduling. The proposed Annual Work Plans shall be submitted for approval within 30 days following award of contract and subsequently, not less than 30 days prior to the beginning of the second and third contract years.

The Annual Work Plan shall be updated quarterly in consultation with the A.I.D. Cognizant Technical Officer. Proposed modifications in approved Annual Work Plans shall be submitted to the A.I.D. Cognizant Technical Officer for approval.

One copy of each approved (and amended) Annual Work Plan shall be provided to the A.I.D. Contract Officer and five copies shall be provided to the A.I.D. Cognizant Technical Officer.

- D. Responsibilities for Field Reports: The contractor is responsible for producing a final report for each activity for which field services are provided. The contractor's team should leave a draft report with each Mission before its departure. Four copies of the final report, screened by the contractor if consultants are used, should be shipped to the Mission within 30 days (translated reports may take 60 days) of return of the consultants or team members from the Mission consultancy. One copy shall be provided to PRE.

IV. LEVEL OF EFFORT

Person-months are used herein as an estimate of what is required to perform the contract services in order to establish a common ground for comparing proposals. Such information is advisory only and is not cause for restricting what the contractor believes to be a meritorious technical proposal.

The total life-of-contract effort is 198 person-months as follows:

Project Director	36 pm
Assistant Project Director	36 pm
Secretarial	36 pm
Consultants	90 pm

V. REPORTS

In addition to the requirement for submission of reports contained in AIDAR Provision No. 752.7026 entitled "Reports," the contractor shall submit to the Cognizant Technical Officer (CTO) the following management reports:

- a. A first year work plan (five copies) due within 30 days after the contract is signed. This plan will detail the contractor's proposed activities, calendar and allocations of human and financial resources, and overall strategy for Year I. This work plan shall be updated as required. In the event of any inconsistency between the terms of this contract and the contractor's work plan, the terms of this contract shall control.

b. The contractor shall prepare quarterly progress reports due three months after the contractor signing, and every three months thereafter. These shall describe the work accomplished and its relation to the work plan. They should also identify gaps in performance, the reasons for these, steps taken to address any problems, and recommended actions. The progress reports are to contain a financial summary of all expenditures by line item for the prime contract and for subcontracts by country, person-months, individual, and project activity in the work plan. The financial summary also shall project expenditure for the remainder of the funding period.

c. The contractor shall include in the quarterly reports submitted to the AID/CTO current and cumulative information relating to actual and accrued project expenditures by line item with an estimated budget for the remainder of the funding period. This report shall show obligations, accrued outlays, and balances for each separate source of contract funds, e.g., USAID Missions. In order to permit A.I.D.'s Office of Financial Management (FM) to charge each account appropriately, the Contractor shall attach this report to the financial reports required by the applicable Payment clause.

d. Within 30 days of field trips to any project country, the contractor will prepare and submit in draft to the CTO and USAID Mission a country assessment. This country assessment will set forth a proposed country strategy, the rationale behind that strategy, and the expected outcomes. The format of this assessment will be determined in consultation with the CTO prior to the first submission.

e. At the conclusion of project-related travel, contractor staff shall prepare a short paper describing the background, purposes, events, and contacts of the travel and discussing plans for future activities. The contractor shall submit seven copies of all trip reports to the AID/CTO and two copies to the USAID Mission for all overseas travel within thirty (30) days of completion of the trip.

f. A Final Report shall be submitted one month prior to the contract's termination. This report will summarize concisely all project activities and will assess the progress made toward the achievement of project goals. It shall synthesize what has been learned from the project and suggest opportunities for future private enterprise programs. The precise format of this report shall be jointly determined by the AID/CTO and the contractor at the beginning of Year III, the final year of this project.

g. Copies of all correspondence pertaining to substantive project matters between the contractor and foreign organizations shall be forwarded to the AID/CTO.

h. The precise format of these reports will be determined jointly by the AID/CTO and the contractor. A draft copy of the report will be sent to the AID/CTO for review and approval two weeks before the report is due. Seven copies of each approved report will be sent to the AID/CTO and one copy will be sent to the AID/W Contracting Officer (CO). The AID/CTO shall have the responsibility for distributing the report within the Agency and to the field missions.

VI. EVALUATION

The contractor's performance and the degree of success of the field technical assistance support activities will be evaluated during the course of the contract.

A Management review item, chaired by the Deputy Assistant Administrator, PRE, and including appropriate technical staff will review the project at the end of the first and second year of performance. The A.I.D. Cognizant Technical Officer will meet not less than biweekly with the Contractor's Project Director.

The annual evaluation will focus on:

- Appropriateness of scope of work
- Effectiveness of contract in achieving the stated purpose
- Adequacy and quality of A.I.D. and contractor resources, including budget.
- Adequacy of contractor performance, management, and implementation.
- Adequacy of A.I.D. management and coordination.
- Recommendations for modification, design, management, implementation, budget or time period.
- Value of the contract to A.I.D.
- Lessons learned for use in follow-on or subsequent activities and projects.

Section D - Special Provisions

In addition to the standard provisions of A.I.D. contracts, the contractor shall satisfy the following requirements:

- A. To enable the contract staff to work closely with A.I.D. personnel and files, the contractor shall be required to establish an office within Metropolitan Washington.
- B. The contractor must be able to respond promptly to requests for technical assistance by mobilizing the appropriate resources.
- C. All domestic and international travel supported under this project shall be cleared in advance by the A.I.D. Cognizant Technical Officer.
- D. Copies/transcripts of all correspondence, written or verbal, pertaining to substantive contract matters between the contractor and persons or institutions in the U.S. or other countries shall be forwarded to the A.I.D. Cognizant Technical Officer on a current, regular basis.
- E. When specialized services in support of contract activities are required, but are not available within the contractor's organization, they may be procured elsewhere, in accordance with standard A.I.D. guidelines and procedures and subject to the written approval of the A.I.D. Cognizant Technical Officer.
- F. The contractor shall be authorized to enter into sub-contracts with U.S. and LDC organizations and consultants when within the scope of work and in accordance with the review and approval procedures described in the General Provisions of the contract.
- G. All key personnel, at the-time of appointment, must physically qualify for field work under the hardship conditions. Key personnel will also be subject to language testing (i.e. S-3, R-3 in French, Spanish, if appropriate).
- H. Excessive number of individuals and lengths of resumes are not sought by A.I.D. but rather those persons with reasonable probability of participation in the project should the proposer win the award. Specific, written statements of availability by individuals may also enhance a proposal. This project is unlikely to use over 50 individuals during its life. Samples of consultant agreements and the proposed consultant registry would be useful. Also a life of project staffing pattern and a mobilization schedule.
- I. Relevant, multidisciplinary contractor experience in developing countries should be demonstrated: i.e. when, where, what, and, for whom. Previous contracts and experience with the private sector, A.I.D. and multilateral agencies.

SECTION E
INSPECTION AND ACCEPTANCE

E.1. Acceptance of Final Report

The Cognizant Technical Officer shall signify final acceptance of the final report through a letter to the Contractor.

SECTION F
DELIVERIES OR PERFORMANCE

F.1. Period of Performance

All work and services required hereunder including preparation, submission, review, and acceptance of the final report shall be completed on or before 37 months after the effective date of the contract. The effective date is the date of Contracting Officer signature and the estimated completion date is October 1987.

F.2. Draft and Final Report

(a) Draft of Final Report - The Contractor shall submit the draft of the final report within 35 months after date of contract. The Government will require 15 calendar days for review of the draft. The draft will be returned to the Contractor with approval and/or comments for incorporation into the document.

(b) Final Report - The Contractor shall deliver the final report within 36 months after date of contract. The Government will require 15 days to review and accept the final report.

F.3. Place of Delivery

Item F.2 shall be delivered to the Contracting Officer at the following address:

Agency for International Development
Office of Contract Management
Room 765A, SA-14
Washington, D.C. 20523

A copy(s) of item F.2 shall be delivered to the Contracting Officer's Technical Representative at:

Agency for International Development
Bureau for Private Enterprise
Room 635, SA-14
Washington, D.C. 20523

F.4. Schedule of Work

All tasks set forth in the Statement of Work shall be performed in accordance with the work schedule as negotiated. Performance shall begin on the effective date of the contract.

SECTION G

CONTRACT ADMINISTRATION DATA

G.1. Funds Available

(a) Currently funds in the amount of are obligated to this contract including costs and fixed fee.

(b) The clause entitled, "Limitation of Funds" applies to this contract. In the event that the contract is not funded beyond the obligated amount set forth in the schedule, the Contractor shall deliver to the Contracting Officer the data collected and the material produced or in process or acquired in connection with the performance of the project provided herein together with a summary report in five copies of its progress and accomplishments to date.

G.2. Payment

(a) The Contractor may be reimbursed for direct and indirect costs incurred in the performance hereof as are allowable under the provisions of Subpart 31.2, 31.3, 31.6, or 31.7 (as applicable) of the Federal Acquisition Regulation in the not-to-exceed amount of subject to the Limitation of Funds Clause.

(b) For the completion of the contractual requirements of this contract, the Government shall pay the Contractor the fixed fee in the amount of \$387,000.

G.3. Budget

Funds in the amount of have been obligated to fund fully the first year budget. These funds are authorized to be expended by the Contractor in furtherance of program objectives, as set forth in the Statement of Work. Within the grand total, the Contractor may adjust line item amounts as reasonably necessary for the performance of work hereunder. Total contract expenditures shall not exceed the grand total of funds obligated.

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

AGENCY FOR INTERNATIONAL DEVELOPMENT

ADVICE OF PROGRAM CHANGE

05745

	Date:
Country:	Worldwide
Project Title:	Capital Markets Analysis
Project Number:	940-2005
FY 1985 CP Reference:	Annex V, pp. 152 under 940-0002
Appropriation Category:	Selected Development Activities
Life of Project Funding:	Continuing
Intended FY 1985 Obligation:	\$750,000 Grant

This is to advise that AID intends to obligate \$750,000 for the Capital Markets Analysis project. We submitted a CN on this continuing project on May 4, 1984 and it was shown as part of a basket project (Investment Packaging, 940-0002) in the FY 1985 CP. We submitted a CN on May 4, 1984 under project 940-0002.05.

This project will provide financing of long-term advisors on capital/financial markets to selected developing country governments. These advisors will analyze capital markets to determine opportunities for debt, equity and other forms of financing for indigenous private enterprises and identify institutional, policy, legal and regulatory impediments to capital market development.

AGENCY FOR INTERNATIONAL DEVELOPMENT

ACTIV DATA SHEET

PROGRAM: CENTRALLY FUNDED



TITLE Capital Markets Analysis		FUNDING SOURCE Selected Development Activities	PROPOSED OBLIGATION (in thousands of dollars)		LIFE OF PROJECT (amb.) Continuing
NUMBER 940-2005		PRIOR REFERENCE FY 85 CP, ANNEX V, p. 152 under 940-0002; CM 5/4/84 under 940-0002 05	FY 1985	750	
GRANT <input type="checkbox"/> LOAN <input type="checkbox"/>	NEW <input type="checkbox"/> CONTINUING <input checked="" type="checkbox"/>		INITIAL OBLIGATION FY 1982	ESTIMATED FINAL OBLIGATION FY Continuing	ESTIMATED COMPLETION DATE OF PROJECT FY Continuing

Purpose: To analyze and determine deficiencies in the financial/capital market system which adversely affect positive private investment decisions in selected developing countries and provide recommendations on institutional, policy, legal and regulatory changes which will help correct them.

Background: It is virtually impossible for private enterprises to develop and grow in an environment which has severe deficiencies in the capital market system. The availability of and access to adequate and appropriate debt and equity financing is an absolute necessity for entrepreneurial activities to be initiated and grow into dynamic foreign exchange earning, employment creating enterprises. In all the target countries examined thus far, the absence of appropriate financing mechanisms has been identified as a critical constraint to private business development and expansion. Host governments are beginning to recognize this problem in several countries (e.g. Kenya, Sri Lanka, Peru and others) and have requested assistance in analyzing deficiencies and recommending appropriate courses of action to alleviate them.

Project Description: This project will finance long-term (e.g. up to one year) and short-term advisors on financial/capital markets to governments in selected developing countries. These advisors, at the request of the host governments, will analyze financial/capital markets to determine opportunities for debt, equity and other forms of financing, and identify institutional, policy, legal and regulatory impediments which may constrain the development and utilization of such markets by local entrepreneurs.

Advisors to selected LDC governments will address several areas in the assistance they provide, including (1) the availability and sources of equity capital and procedures for accessing it, the practice of private placements, laws governing equity ownership, existence and structure of a public stock exchange, and laws regulating participants in the operation of the stock exchange; (2) availability, sources and nature of instruments used for intermediate and long-term debt and procedures for obtaining it; (3) private

and public financing institutions and types of debt provided to meet needs of local businesses; (4) availability and nature of financing offered by other institutions, housing banks, postal savings banks, mutual funds, pension funds, investment companies, and others; and (5) policy, legal and regulatory environment affecting the operation of the capital market system such as tax legislation, interest rate ceilings, price controls, and others.

Relationship of Project to AID Strategy: The project provides direct support toward achieving the objective of promoting the establishment and expansion of indigenous private business enterprises. A dynamic capital market which provides local businesses access to equity and debt financing contributes to the creation of an environment conducive to the growth of local private enterprises.

Beneficiaries: Project beneficiaries will be those businesses, and all those employed therein, which, as a result of advisory assistance provided to the government, find an environment which offers access to needed financing and policies/laws/regulations favorable to further business development and expansion.

Host Country and Other Donors: AID will finance the direct costs (i.e. salary, travel, per diem) of the advisors. Host governments will be expected to provide all indirect support costs (i.e. office, secretarial services, local transportation).

A.I.D. Financed Inputs

FY 1985
(\$000s)

Grants for technical advisors

750

Major Outputs

All Years

Analyses of capital markets including recommended legislation and other changes which will remove impediments to the development of a strong capital market system.

Analyses for 10 countries

U.S. FINANCING (in thousands of dollars)				PRINCIPAL CONTRACTORS OR AGENCIES
	Obligations	Expenditures	Unobligated	
Through September 30, 1983	598	-	598	Various
Estimated Fiscal Year 1984	300	498		
Estimated Through September 30, 1984	898	498	400	
		Future Year Obligations	and Total Cost	
Fiscal Year 1985	750	Continuing	Inuing	

AWARD/CONTRACT

1. CERTIFIED FOR NATIONAL DEFENSE UNDER BDSA REG. 2 AND/OR DMS REG. 1

RATING

PAGE OF PAGES

1 | 35

2. CONTRACT (Proc. Inst. Ident.) NO.

DPE-2005-C-00-5060-00

3. EFFECTIVE DATE

September 30, 1985

4. REQUISITION/PURCHASE REQUEST/PROJECT NO.

5. ISSUED BY

Contracting Officer
Central Operations Division - PE Branch
Office of Contract Management
AID
Washington, D.C. 20523

CODE

6. ADMINISTERED BY (If other than Item 5)

Cognizant Technical Office
PRE/PPR

CODE

7. NAME AND ADDRESS OF CONTRACTOR (No., street, city, county, State and ZIP Code)

Arthur Young and Company
1025 Connecticut Avenue NW
Washington, D.C. 20036

DUNS No.: 07-781-2655

8. DELIVERY

FOB ORIGIN

OTHER (See below)

9. DISCOUNT FOR PROMPT PAYMENT

None

10. SUBMIT INVOICES (4 copies unless otherwise specified) TO THE ADDRESS SHOWN IN:

ITEM

Block 12

CODE

FACILITY CODE

11. SHIP TO/MARK FOR

CODE

12. PAYMENT WILL BE MADE BY

CODE

Office of Financial Management
FM/PAFD
AID Washington, D.C. 20523

13. THIS ACQUISITION WAS: (Check appl. box(es))

A. ADVERTISED

B. NEGOTIATED PURSUANT TO:

10 USC 2304(a) 41 USC 252(c)(15)

14. ACCOUNTING AND APPROPRIATION DATA

-See Page 2
Amount Obligated: \$620,000

15A. ITEM NO.

15B. SUPPLIES/SERVICES

15C. QUANTITY

15D. UNIT

15E. UNIT PRICE

15F. AMOUNT

The Contractor shall provide services as described hereunder.

Performance shall be in accordance with all terms and conditions herein.

15G. TOTAL AMOUNT OF CONTRACT \$ 1,920,460

16. TABLE OF CONTENTS

U)	SEC.	DESCRIPTION	PAGE(S)	U)	SEC.	DESCRIPTION	PAGE(S)
PART I - THE SCHEDULE				PART II - CONTRACT CLAUSES			
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X	B	SUPPLIES OR SERVICES AND PRICES/COSTS	3-7	PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACH.			
X	C	DESCRIPTION/SPECS./WORK STATEMENT	8-16	X	J	LIST OF ATTACHMENTS	35
	D	PACKAGING AND MARKING		PART IV - REPRESENTATIONS AND INSTRUCTIONS			
X	E	INSPECTION AND ACCEPTANCE	17		K	REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS	
X	F	DELIVERIES OR PERFORMANCE	18-19		L	INSTRS., CONDS., AND NOTICES TO OFFER	
X	G	CONTRACT ADMINISTRATION DATA	20-23		M	EVALUATION FACTORS FOR AWARD	
X	H	SPECIAL CONTRACT REQUIREMENTS	24-26				

CONTRACTING OFFICER WILL COMPLETE ITEM 17 OR 18 AS APPLICABLE

17. CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is required to sign this document and return 11 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 herein.)

18. AWARD (Contractor is not required to sign this document.) Your offer on Solicitation Number _____ including the additions or changes made by you which additions or changes are set forth in full above, is hereby accepted as to the items listed above and on any continuation sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your offer, and (b) this award/contract. No further contractual document is necessary.

19A. NAME AND TITLE OF SIGNER (Type or print)

20A. NAME OF CONTRACTING OFFICER

JUDITH D. JOHNSON

19B. NAME OF CONTRACTOR

19C. DATE SIGNED

20B. UNITED STATES OF AMERICA

20C. DATE SIGNED

BY _____
(Signature of person authorized to sign)

BY _____
(Signature of Contracting Officer)

Accounting and Appropriation Data

PIO/T No. : 5342514
Appropriation No. : 72-1151021.6
Allotment No. : 546-34-099-00-69-51
Budget Plan Code : PDAA-85-13480-DG-11
Obligated Amount : \$500,000

PIO/T No. : 5342514, Amendment #1
Appropriation No. : 72-1151021.3
Allotment No. : 546-34-099-00-69-51
Budget Plan Code : PDAA-85-13480-DG-11
Obligated Amount : \$100,000

PIO/T No. : 5342514, Amendment #2
Appropriation No. : 72-1151021.6
Allotment No. : 546-34-099-00-69-51
Budget Plan Code : PDAA-85-13480-DG-11
Obligated Amount : \$10,000

PIO/T No. : 5342524
Appropriation No. : 72-1151021.3
Allotment No. : 543-34-099-00-69-51
Budget Plan Code : PDAA-85-13480-DG-11
Obligated Amount : \$10,000

TOTAL AMOUNT OBLIGATED \$ 620,000

SECTION B

SUPPLIES OR SERVICES AND PRICES/COST

- B.1 Estimated Cost, Fixed Fee and Limitation of Funds
- B.2 Payment of Fixed Fee
- B.3 Budget
- B.4 Personnel Compensation
- B.5 Cost Reimbursable and Logistics Support to Contractor, U.S. Dollar Cost
- B.6 Establishment of Indirect Cost Rates
- B.7 Mission Participation

SECTION B

Supplies or Services and Prices/Costs

The contractor shall furnish all necessary facilities, materials, personnel and services to assist AID in the development, refinement and implementation of projects aimed at selected private sector institutions within elected Lesser Developed Countries' financial markets and to recommend the program strategy framework for such projects.

B.1 Estimated Cost, Fixed Fee and Limitation of Funds

- (a) The total estimated cost of this contract, exclusive of the fixed fee, is \$ 1,821,283. The fixed fee is \$ 99,176.
- (b) The total estimated cost plus fixed fee is \$ 1,920,460.
- (c) Pursuant to the Limitation of Funds provision in Section I hereunder, the amount of \$ 620,000 is hereby allotted for performance of work herein, such allotment estimated adequate to continue work through August 31, 1986. Contractor shall use this obligation base for reporting of effort completed consistent with paragraph (c) of the Limitation of Funds clause.
- (d) Notwithstanding the foregoing limitation, the amount or amounts allotted hereto and obligated herein may be increased from time to time by amendment to this contract. The Contractor shall notify the Contracting Officer in writing, at least 60 days prior to the time 85% of the allotted funds hereunder are fully expended, that additional funds will be required if performance is to continue under the contract. In the event that additional funds are not made available and allotted to this contract by the Government, and the Contractor has given timely notice as provided herein, the Contractor shall be entitled to a Notice of Termination in accordance with the clause of this contract entitled "Termination" and a settlement in accordance with the provisions of said clause; provided, that in no event shall the total of all payments to the Contractor under this contract, except for settlement expenses described in said "Termination" clause, exceed the total of all amounts allotted hereto.

B.2 Payment of Fixed Fee

As costs are reimbursed to the Contractor on account of allowable dollar costs, so shall fee be paid in the same ratio as costs reimbursed are to Total Estimated Costs, as Total Estimated Costs may be 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, Fee, Payment" and "Fixed Fee" APR 1984, will be followed.

B.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 the Article in this section entitled "Estimated Cost, Limitation of Funds, and Fixed Fee"). Without the prior written approval of the AID Project Officer (which must be retained by the Contractor for audit purposes, and a copy of which must be furnished to the Contracting Officer by the Contractor), the Contractor may not exceed the estimated dollar cost, or lesser proportionate amounts relative to available funding, for any individual line item of cost shown below by more than 15 % of such line item, except for indirect costs (e.g., overhead, G&A), which are governed by the article of this section entitled "Establishment of Indirect Cost Rates." The fee is fixed.

(b)

ITEMIZED BUDGET

Budget Amounts

<u>Category</u>	<u>10/85-9/86</u>	<u>10/86-9/87</u>	<u>10/87-9/88</u>
Salaries \$	<u>93,904</u>	<u>80,330</u>	<u>67,071</u>
Fringe Benefits	<u>23,476</u>	<u>20,083</u>	<u>16,768</u>
Consultants	<u>118,718</u>	<u>105,467</u>	<u>87,919</u>
Travel & Per Diem	<u>42,000</u>	<u>70,000</u>	<u>17,500</u>
Subcontracts	<u>254,601</u>	<u>234,965</u>	<u>160,753</u>
Other Direct Costs	<u>24,071</u>	<u>23,773</u>	<u>17,928</u>
Indirect Costs	<u>140,856</u>	<u>120,495</u>	<u>100,606</u>
TOTAL ESTIMATED COST	\$ <u>1,821,283</u>		
Fixed Fee		<u>99,176</u>	
TOTAL ESTIMATED COST PLUS FIXED FEE	\$ <u>1,920,460</u>		

31

- (c) The Contractor also 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. (See also C.4.3 below)

B.4 Personnel Compensation

(a) In addition to the requirements set forth in AIDAR clause entitled "Personnel Compensation" (Section I), the following criteria is required:

(1) Consultants

The use of consultants is authorized under this contract subject to technical concurrence of the cognizant technical officer (CTO) that the proposed consultant is suitable for the task assigned. Fees paid to consultants and reimbursed hereunder shall be reasonable in accordance with the applicable cost principles provision of the FAR entitled Professional Service Costs, and shall not exceed, without specific approval of the rate by 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: A Daily rate is determined by dividing the annual salary by 260 days.)

(2) Third Country (TCN) and Cooperating Country Nationals (CCN)

Compensation, including merit or promotion increases paid to TCNs and CCNs may not, without the approval of the Mission Director or the Assistant Administrator having program responsibility for the project, exceed the prevailing compensation paid to personnel performing comparable work in the cooperating country as determined by the AID Mission.

(3) Work Week

(a) Nonoverseas employee. The work week for the Contractor's nonoverseas employees shall not be less than the established practice of the Contractor.

(b) Overseas employee. The work week for the Contractor's overseas employees shall not be less than 40 hours and shall be scheduled to coincide with the work week

- (c) The Contractor also 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. (See also C.4.3 below)

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(a) In addition to the requirements set forth in AIDAR clause entitled "Personnel Compensation" (Section I), the following criteria is required:

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The use of consultants is authorized under this contract subject to technical concurrence of the cognizant technical officer (CTO) that the proposed consultant is suitable for the task assigned. Fees paid to consultants and reimbursed hereunder shall be reasonable in accordance with the applicable cost principles provision of the FAR entitled Professional Service Costs, and shall not exceed, without specific approval of the rate by 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: A Daily rate is determined by dividing the annual salary by 260 days.)

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(a) Nonoverseas employee. The work week for the Contractor's nonoverseas employees shall not be less than the established practice of the Contractor.

(b) Overseas employee. The work week for the Contractor's overseas employees shall not be less than 40 hours and shall be scheduled to coincide with the work week

for those employees of the AID Mission and the Cooperating Country associated with the work of this contract. Six day work weeks are subject to the approval of the applicable AID Mission Director.

(b) 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 service 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.

B.5 Cost Reimbursable and Logistic Support to the Contractor
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 the clause of this contract entitled "Allowable Cost and Payment" and the applicable cost principles as set forth in FAR Subpart 31.2.

B.6 Establishment of Indirect Cost Rates

Pursuant to the provisions of the clause of this contract entitled "Post - Determined Indirect Cost Rates" (APR 1984), a rate or rates shall be established for each of the Contractor's accounting periods which apply to this contract. Pending establishment of revised provisional or final indirect cost rates for each of the Contractor's accounting periods which apply to this contract, provisional payment on account of allowable indirect costs shall be made on the basis of the following negotiated provisional rate(s) applied to the base(s) which are set forth below:

<u>Type of Rate</u>	<u>Rate</u>	<u>Base</u>
Overhead	120%	Direct Labor Dollars and applied Fringe Benefits of the Washington, D.C. office

B.7 Mission Participation

From time to time, AID Missions will provide funding for work under this contract. These funds will be treated as incremental funding allocations for work anticipated and authorized by this contract, not as funding for additional effort not otherwise contemplated by this contract's statement of work. The scope of work, if any, attached to a Mission PIO/T associated with this contracted effort will represent part of the implementation plan for that country and will fall within the scope of work hereunder.

SECTION C
STATEMENT OF WORK

- C.1 Introduction**
- C.2 Scope of Work and Objectives**
- C.3 Task Requirements**
- C.4 Reports**
- C.5 Contractor Workforce and Key Personnel**

Section C - STATEMENT OF WORK

C.1 Introduction

The Bureau for Private Enterprise (PRE) provides leadership in the development of private enterprise approaches for use by USAID Missions in assisting host government and private enterprises in Less Developed Countries (LDCs). PRE provides policy and program guidance and direct support services for private enterprise development for use in programs and projects by AID Missions. PRE serves as a laboratory to experiment with innovative private enterprise mechanisms and as an advisor, encouraging AID regional bureaus and Missions to use, whenever practical and cost effective, private enterprise alternatives to public delivery mechanisms.

PRE's functions have been divided into five major areas:

- o Developing, testing and marketing cost effective strategies, programs and projects (hereinafter called mechanisms), for use by AID Missions in addressing critical development problems in Lesser Developed Countries (LDCs);
- o Providing support services to AID Missions to incorporate these mechanisms in their programs;
- o Performing analyses and other support services which address critical private sector issues which may differ from country to country in LDCs, and providing AID with a better understanding of the role of private enterprise in development;
- o Providing grant funding to selected programs which result in PRE's mechanisms; and
- o Financing private enterprise opportunities in LDCs through a Revolving Loan Fund.

PRE is now designing and promoting innovative mechanisms in the area of private sector development. This calls for a review of those mechanisms to determine their level of acceptance by Missions and host governments and a capability to respond to requests by Missions which are incorporating the mechanisms into their programs. The effort anticipated by this contract includes:

- o Focus on private sector financial markets development as a critical factor in the growth of indigenous private enterprise activities within LDCs;
- o Evaluation of existing financial markets among selected LDCs and recommendation of the appropriate types of institutions on which AID should concentrate its current and future programs;

- o Promotion of pragmatic programs and mechanisms aimed at private sector financial markets development based on the optimization of return on investment;

- o Promotion of private sector institutions, as opposed to their public counterparts, as the optimum financing mechanisms in the stimulation of LDC economic development.

For the purpose of this study, financial markets institutions include but are not limited to development finance corporations, merchant banks, investment banks, commercial banks, savings and loan associations, credit unions, venture capital firms, leasing companies, pension fund management organizations, export trading companies, and insurance companies.

C.2 Objectives and Scope of Work

C.2.1 The objectives of this contract are the provision of services to:

- A. Examine a wider spectrum of financial markets among selected LDCs;

- B. Determine which types of institutions within these financial markets should be encouraged and assisted;

- C. Within selected LDCs, examine the policies, procedures, laws, regulations and practices currently in existence regarding indigenous financial market institutions, to determine how they may inhibit or stimulate the development and growth of these institutions, both in light of AID's overall private sector promotion activities and in view of the efforts in this area by other development organizations (e.g., World Bank/IFC, regional development banks, etc); and

- D. Recommend generic and specific guidelines which can be used by PRE and the Missions in the assistance effort.

These services shall seek to sustain growth of the private sector portion of LDC financial markets institutions, and to incorporate PRE mechanisms into selected AID projects designed to foster financial market growth.

C.2.2 Scope of Work

The Contractor shall support PRE's general objectives by developing, refining and implementing projects aimed at selected private sector institutions within selected LDC financial markets, and shall recommend the program strategy framework for such projects. The Contractor shall develop a program to assist selected private sector institutions currently operating or capable of operating within the financial markets of certain LDCs through the incorporation of appropriate mechanisms in AID funded projects. This shall be accomplished through the provision of both long-term and short-term technical assistance to PRE and to host governments and private indigenous enterprises, through AID Missions. The Contractor shall provide multidisciplinary technical assistance in:

- A. Policy analysis related to financial markets constraints;
- B. Financial markets assessment and analysis;
- C. Institutional management;
- D. Private enterprise financing;
- E. Marketing of financial services;
- F. Economic analysis;
- G. Management training;
- H. Accounting and auditing;
- I. Investment and commercial banking; and
- J. Regulatory and legal framework analyses.

Other specialized knowledge and experience may be needed for identification, design, implementation and evaluation of appropriate projects in developing countries.

As directed by PRE, the Contractor will examine the operations of all financial market operations within a given country or countries, concentrating on indigenous private sector institutions (i.e., those controlled by ownership or other means by host country nationals).

C.3 Task Requirements

Technical Assistance Activities. The Contractor shall, as required by PRE, provide up to 198 person months of technical assistance for a period of 36 months toward accomplishing the goals of this contract.

NOTE: The assistance hereunder is identified as either project/contract management (i.e., long term) or task specific (i.e., short term) staff. It is expected that D.C. based personnel will provide the contract management and technical integration of activities performed in the field.

C.3.1. Project/Contract Management. The Contractor's project management staff, based principally in metropolitan Washington, D.C., shall recommend to AID/PRE staff cost effective mechanisms for promoting the development of private sector financial institutions as a means of accelerating economic growth in developing countries.

a) The Contractor shall support PRE's general objectives by developing and submitting for PRE approval methodologies for:

- 1) Evaluating the existing financial market structures in LDC's against accepted performance norms, the required role defined by market needs and the alternative, or lack of alternative functional capability.
- 2) Identifying the appropriate institutions, instruments and arrangements with the highest potential contribution to financial market functionality to guide AID in concentrating its current and future programs.

3) Designing mechanisms for inclusion in AID funded programs through which the identified institutions, instruments and arrangements can be brought into existence or fostered.

4) Promoting financial market development as a critical factor in the growth of indigenous private enterprise activities within LDCs;

5) Promoting private sector institutions, as opposed to their public counterparts, as the optimum financing mechanisms in the stimulation of LDC economic development.

b) As tasked by PRE, the contractor will apply these methodologies to perform:

1) Evaluations of existing financial market structures within selected LDCs., concentrating on indigenous private sector institutions (i.e., those controlled by ownership or other means by host country nationals).

2) Identification of the appropriate types of institutions, instruments and arrangements within selected LDCs on which AID should concentrate its current and future programs;

3) Design of mechanisms for inclusion in AID funded programs in selected LDCs through which the identified institutions, instruments and arrangements can be brought into existence or fostered.

4) Implementation of projects aimed at selected private sector institutions within selected LDC financial markets.

5) Recommendations of the program strategy framework for such projects.

c) Analyze as wide a spectrum of available relevant literature, to include:

1) AID project portfolios (e.g., Congressional Presentations, Project Papers, evaluations, etc). The Contractor shall assess the use level of the various mechanisms thus far developed and assess the needs of USAID Missions for various existing or novel mechanisms.

2) Portfolios of the multilateral development institutions (IBRD, Inter-American Development Bank, etc). The Contractor shall determine the level and direction of related financial market activities being undertaken by those institutions. From this analysis the Contractor shall recommend substantive areas in which to focus AID/PRE activities.

3) Country Development Strategy Statements (CDSSs), Project Identification Documents (PIDs), Project Papers (PPs) and other related AID documents. The Contractor shall develop recommendations to AID Missions in program and project development. The Contractor shall analyze the potential for institutional concentration and stimulation; analyze the financial markets issues involved in each document, and recommend potential PRE-sponsored resources to meet USAID needs.

d) Analyze existing accomplishments, through literature reviews and interviews with experts in the field, in developing mechanisms for use by AID Missions. This includes substantive areas such as private investment promotion, intermediate promotion, intermediate financial institutions development, development finance corporation support, as a sample list.

e) Develop strategies and mechanisms that will further promote the growth of private sector financial markets institutions as a development tool in LDCs. This shall include exploring new approaches to promote the use of private sector mechanisms, and supplying task specific consultants for specific subject matter areas.

C.3.2. Task Specific Assistance- As directed by PRE, the contractor/advisors shall:

a) Advise project management staff relative to the objectives noted above. (Approximately 20 person/months, with assignments of three to four weeks each, is anticipated in the areas of policy analysis, country financial markets assessment and analysis, and financial enterprise management.)

b) Develop and recommend long-term plans for integrated private sector financial markets institutions development strategies in approximately seven countries. (Approximately 30 person/months of three to six weeks each, including overseas assignments, shall be provided, especially in the areas of policy analysis and country financial markets assessment and analysis.)

c) As tasked by PRE, design and implement novel projects for PRE or USAID Missions; and evaluate the effectiveness and technical merit of mechanisms, excluding Contractor initiated projects, currently endorsed by PRE or USAID Missions. (Approximately 40 person/months of three to six weeks each, with assignments in both AID/W and overseas, covering a broad range of expertise shall be required.) Selection of projects will be based on an assessment by PRE of the relationship of the proposed project to furthering the AID private enterprise initiative by being new and innovative or having potential for replication by other AID Missions.

d) Develop a methodology and carry out studies of the Housing and Urban Finance system in a given country within the context of the operations of the capital markets. This will take into account macroeconomic policies, operations of primary and secondary mortgage markets, resource mobilization, and government and private sector interventions in the operations of the financial markets. Such studies will be carried out to better understand the impact of capital market operations on resource mobilization to finance housing and urban services in the developing countries; and the development of appropriate policy responses to maximize private sector involvement in housing finance.

C.3.3. The Contractor shall develop a comprehensive roster of individuals and firms with the ability to provide expertise directly relevant to the stimulation of financial markets institutional growth in the developing countries. The roster shall be developed subsequent to the analyses described above to determine the appropriate categories and levels of detail required to respond to USAID Mission needs. The roster shall be maintained on a current basis and include names, addresses, telephone numbers, qualifications, rates, experience, language capabilities, availabilities, restrictions or constraints on availability, etc. The Contractor shall obtain approval from the AID Cognizant Technical Office (CTO) before assigning any resource to any Mission-specific project under this contract, and shall obtain the Contracting Officer's approval for inclusion of any new specialist not previously identified in an approved Work Plan or the Contractor's initial proposal. Requests for project-specific assistance will be in the Annual Work Plan; or within any operating year, may be communicated by the CTO to the Contractor.

C.4 Reports The Contractor shall prepare (in a format consistent with good business practices) and submit the following documentation:

C.4.1. Annual Work Plans. Annual work plans will be developed by the contractor in consultation with PRE. The annual work plans shall reflect AID guidance, needs, priorities and resources; and shall include all significant activities proposed, location, timing, budget (person/ months and dollars), staff and skills proposed, and scheduling. The Contractor shall submit the first year work plan thirty (30) days after the effective date of this contract. The plan, submitted in five copies, will detail the contractor's proposed activities, calendar and allocations of human and financial resources, and overall strategy for the first year. Subsequent year plans shall be submitted for review and approval between 30 and 60 days prior to the beginning of the second and third contract years. The plans will be updated quarterly in consultation with the AID CTO, each update again requiring CTO review and approval. One copy of each approved plan (including updates) shall be provided to the AID Contracting Officer, and five copies to the CTO.

C.4.2. Field Reports. Within 30 days of field trips to any project country, the Contractor shall prepare and submit in draft to the CTO and USAID Mission a country assessment. This assessment will set forth a proposed country strategy, the rationale behind that strategy, and the expected outcomes. The format of this assessment will be determined in consultation with the CTO prior to the first submission. At the conclusion of project-related travel, the Contractor shall prepare a final report describing the background, purposes, events, contacts, accomplishments and suggested future activities arising from the intervention. The Contractor shall submit seven copies of each report to the CTO and two copies to the USAID Mission within thirty (30) days thereafter.

C.4.3. Quarterly Reports The Contractor shall submit quarterly reports describing the work accomplished to date and its relation to the work plan. The report should identify gaps in performance, the reasons therefor, steps taken to address any problems, and recommended solutions. The report shall integrate technical progress and objectives with experienced and projected cost data, to include a discussion on any incongruities apparent between technical and cost objectives. The progress report shall also contain a financial summary of all expenditures by individual cost element for the prime contract and for subcontracts by country, person-months, individual, and project activity in the work plan. The financial summary also shall project expenditures for the remainder of the funding period. The report shall include current and cumulative information relating to actual and accrued project expenditures by line item with an estimated budget for the remainder of the funding period. This report shall show obligations, accrued outlays, and balances for each separate source of contract funds, e.g., USAID Missions. In order to permit AID's Office of Financial Management (FM) to charge each account appropriately, the Contractor shall attach this report to the financial reports required by the applicable Payments clause of this contract.

C.4.4. Final Report The contractor shall submit, one month prior to the completion of this contract, a final report summarizing concisely individual and group project activities and assessing the progress toward achievement of objectives under this contract. The report shall synthesize what has been learned from the project and suggest opportunities for future private enterprise programs.

C.4.5. Other Documentation. Copies of all correspondence pertaining to substantive project matters between the contractor and foreign organizations shall be forwarded to the CTO.

C.5 Contractor Workforce and Key Personnel

The caliber of personnel proposed by the Contractor comprises the base level for measurement of skills requisite to perform under this

contract. The Contractor will retain responsibility for insuring maintenance of this skill base through the life of the contract. The Contractor shall furnish as key personnel under this contract a Project Director and an Assistant Project Director. Proposed changes in any of the professional staff skill base will require the written consent of the Contracting Officer with concurrence of the CTO. Prior to changing any of the specified individuals, the Contractor shall notify the CTO reasonably in advance and shall submit justification (including proposed substitutions) in sufficient detail to permit evaluation of the impact on the program. Failure to maintain this standard caliber of key personnel for performance of work hereunder may be deemed cause for termination of this contract.

SECTION E
INSPECTION AND ACCEPTANCE

E.1. Acceptance of Final Report

The Cognizant Technical Officer shall signify final acceptance of the final report through a letter to the Contractor.

SECTION F

DELIVERIES OR PERFORMANCE

F.1 Period of Performance

F.2 Reports

F.3 Place of Delivery

F.4 Schedule of Work

Section F - Deliveries or Performance

F.1. Period of Performance

All work and services required hereunder including preparation, submission, review, and acceptance of the final report shall be completed on or before 36 months after the effective date of the contract. The effective date is the date of Contracting Officer signature and the estimated completion date is September 30, 1988.

F.2. Reports

(a) Draft of Final Report - The Contractor shall submit the draft of the final report within 35 months after date of contract. The Government will require 15 calendar days for review of the draft. The draft will be returned to the Contractor with approval and/or comments for incorporation into the document.

(b) Final Report - The Contractor shall deliver the final report within 36 months after date of contract. The Government will require 15 days to review and accept the final report.

(c) Other Reports - All other reports as identified under Section C.4 of the Statement of Work will be submitted at the times specified thereunder.

F.3. Place of Delivery

Item F.2(b) shall be delivered to the Contracting Officer at the following address:

Agency for International Development
Office of Contract Management
Room 767A, SA-14
Washington, D.C. 20523

A copy of items under F.2 shall be delivered to the Contracting Officer's Technical Representative at:

Agency for International Development
Office of Population
Room 635, SA-14
Washington, D.C. 20523

F.4. Schedule of Work

All tasks set forth in the Statement of Work shall be performed in accordance with the work schedule as negotiated. Performance shall begin on the effective date of the contract.

SECTION G

CONTRACT ADMINISTRATION DATA

- G.1 Payment Due Date
- G.2 Invoice Requirements
- G.3 Method of Payment

Section G - Contract Administration Data

G.1 Payment Due Date

- (a) Payments under this contract will be due on the 30th calendar day after the latter of:
 - (1) The date of actual receipt of a proper invoice in the office designated to receive the invoice, or
 - (2) The date the services are accepted by the Government.
- (b) For the purpose of determining the due date for payment and for no other purpose, acceptance will be deemed to occur on the 30th calendar day after the date of delivery of the services in accordance with the terms of the contract.
- (c) If the services are rejected for failure to conform to the technical requirements of the contract, the provisions in paragraph (b) of this clause will apply to the new delivery of replacement services.
- (d) The date of the check issued in payment or the date of payment by wire transfer through the Treasury Financial Communications System shall be considered to be the date payment is made.

G.2 Invoice Requirements (APRIL 1984)

- (a) Invoices shall be submitted in an original and two copies to the Government office designated in this contract to receive invoices. 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 services.
 - (3) Description, price, and quantity of services actually delivered or rendered.
 - (4) Shipping and payment terms.
 - (5) Name (where practicable), title, phone number, and complete mailing address of responsible official to whom payment is to be sent.

- (6) Other substantiating documentation or information as 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.
- (c) All expenditures under this contract must be attributed to the appropriate AID funding source (AID/W or Mission Project) and be represented by an accounting system to reflect this. Invoices are to be submitted for reimbursement according to the AID project number under which the expenses were incurred. For each invoice submission (SF-1034 or like format), the following data must appear on the face of the submittal:

Contract No.:

Project No.: (940-2005 or Miss Proj #)

Project Office: PRE/PPR

G.3 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 has access to the Federal Reserve Communications System.)
- (iii) Recipient's name and account number at the receiving financial institution to be credited with the funds.
- (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 receives electronic fund transfer messages. If a correspondent financial institution is specified, also provide:
 - (A) Address and telegraphic abbreviation of the correspondent financial institution.
 - (B) 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.

SECTION H

SPECIAL CONTRACT REQUIREMENTS

- H.1 Copyrights/Licenses
- H.2 Government Property
- H.3 Technical Direction
- H.4 Emergency Locator Information
- H.5 Order of Precedence

Section H - Special Contract Requirements

H.1. Copyrights/Licenses

The contractor shall obtain, for all materials produced/published under this contract, an agreement by the author(s) which grants the United States Government and its officers, employees and agents, acting, within the scope of their official duties, a royalty-free nonexclusive and irrevocable license to reproduce, translate, and deliver those materials throughout the world.

H.2. Government Property

The Contractor shall obtain the prior written permission of the Contracting Officer before purchase of any equipment item valued in excess of \$1,000 under this contract. Title to all equipment authorized for purchase under this contract shall vest in the Government upon completion of work hereunder. Equipment not specifically proposed will not be subsequently approved for reimbursement. Thereafter, the Contractor shall be responsible for maintaining such property in accordance with the terms of FAR Subpart 45.5 and furnishing inventory schedules as required in paragraph (i) of FAR 52.245-5 entitled, "Government Property." One copy of all inventory schedules shall be furnished to the Contracting Officer (see Section B. Reports/Deliverables).

H.3. Technical Directions

Performance of the work hereunder shall be subject to the technical directions of the cognizant AID Scientific/Technical Office indicated on the Cover Page. As used herein, "Technical Directions" are directions to the Contractor which fill in details, suggest possible lines of inquiry, or, otherwise complete the general scope of the work. "Technical Directions" must be within the terms of this contract and shall not change or modify the terms in any way.

H.4. Emergency Locator Information

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

- (a) The individual's full name of the contract, and whether the individual is an employee or dependent.
- (b) The name and number of the contract, 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 of alternate contact persons.

H.5 Order of Precedence

Any inconsistency in this contract shall be resolved by giving precedence in the following order: (a) the Schedule, excluding the Statement of Work, (b) contract clauses, (c) the Statement of Work, (d) attachments to this contract, excluding the Contractor's proposals and revisions thereto, then (e) the Contractor's proposals, as revised, with most recent revisions accorded precedence.

PART II
SECTION I
CONTRACT PROVISIONS

52.252-2 CLAUSES INCORPORATED BY REFERENCE (APR 1984)

The 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.

NOTE: Actual contract clauses selected will be dependent on type of business, business size, dollar threshold, and other factors

I. FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1) CLAUSES

1. 52.202-1 Definitions (APR 1984)
2. 52.203-5 Covenant Against Contingent Fees (APR 1984)
3. 52.242-1 Notice of Intent to Disallow Costs (APR 1984)
4. 52.244-2 Subcontracts Under Cost-Reimbursement and Letter Contracts (APR 1984)
5. 52.203-1 Officials Not to Benefit (APR 1984)
6. 52.203-3 Gratuities (APR 1984)
7. 52.212-13 Stop Work Order--Alternate I (APR 1984)
8. 52.215-1 Examination of Records by Comptroller General (APR 1984)
9. 52.215-2 Audit--Negotiation (APR 1984)
10. 52.215-22 Price Reduction for Defective Cost or Pricing Data (APR 1984)
11. 52.215-23 Price Reduction for Defective Cost or Pricing Data--Modifications (APR 1984)
12. 52.215-24 Subcontractor Cost or Pricing Data (APR 1984)
13. 52.215-25 Subcontractor Cost or Pricing Data--Modifications (APP. 1984)

14. 52.215-30 Facilities Capital Cost of Money (APR 1984)
15. 52.215-31 Waiver of Facilities Capital Cost of Money (APR 1984)
16. 52.216-7 Allowable Cost and Payment (APR 1984)
17. 52.216-8 Fixed Fee (APR 1984)
18. 52.216-11 Cost Contract--No Fee (APR 1984)
19. 52.216-12 Cost-Sharing Contract--No Fee (APR 1984)
21. 52.219-8 Utilization of Small Business Concerns and Small Disadvantaged Business Concerns (APR 1984)
22. 52.219-9 Small Business and Small Disadvantaged Business Subcontracting Plan (APR 1984)
23. 52.219-13 Utilization of Women-Owned Small Businesses (APR 1984)
24. 52.220-1 Preference for Labor Surplus Area Concerns (APR 1984)
25. 52.220-3 Utilization of Labor Surplus Area Concerns (APR 1984)
26. 52.220-4 Labor Surplus Area Subcontracting Program (APR 1984)
27. 52.222-2 Payment for Overtime Premiums (APR 1984)
28. 52.222-3 Convict Labor (APR 1984)
29. 52.222-26 Equal Opportunity (APR 1984)
30. 52.222-28 Equal Opportunity Preaward Clearance of Subcontracts (APR 1984)
31. 52.222-29 Notification of Visa Denial
32. 52.222-35 Affirmative Action for Special Disabled and Vietnam Era Veterans (APR 1984)
33. 52.222-36 Affirmative Action for Handicapped Workers (APR 1984)
34. 52.223-2 Clean Air and Water (APR 1984)
35. 52.224-1 Privacy Act Notification (APR 1984)
36. 52.224-2 Privacy Act (APR 1984)

37. 52.225-11 Certain Communist Areas
38. 52.228-3 Workers' Compensation Insurance (Defense Base Act)
39. 52.228-7 Insurance--Liability to Third Persons (APR 1984)
40. 52.229-8 Taxes--Foreign Cost-Reimbursement Contracts (APR 1984)
41. 52.230-3 Cost Accounting Standards (APR 1984)
42. 52.230-4 Administration of Cost-Accounting Standards (APR 1984)
43. 52.230-5 Disclosure and Consistency of Cost Accounting Practices (APR 1984)
44. 52.232-17 Interest (APR 1984)
45. 52.232-22 Limitation of Funds. (APR 1984)
46. 52.232.23 Assignment of Claims (APR 1984)
47. 52.233-1 Disputes (APR 1984)
48. 52.233-2 Service of Protest (JUN 1984)
49. 52.243-2 Changes--Cost-Reimbursement--Alternate I (APR 1984)
50. 52.244-5 Competition in Subcontracting (APR 1984)
51. 52.245-5 Government Property (Cost-Reimbursement, Time-and-Material, or Labor-Hour Contracts) (APR 1984)
52. 52.246-25 Limitation of Liability--Services (APR 1984)
53. 52.247-63 Preference for U.S.-Flag Air Carriers (APR 1984)
54. 52.247-64 Preference for Privately Owned U.S. Flag Commercial Vessels
55. 52.249-6 Termination (Cost-Reimbursement) (APR 1984)
56. 52.249-14 Excusable Delays (APR 1984)

II. AGENCY FOR INTERNATIONAL DEVELOPMENT (48 Chapter 7) CLAUSES

1. 752.7005 Source and Nationality Requirements (APR 1984)
2. 752.228-70 Insurance-Worker's Compensation(Alternate 70)
Private Automobiles, Marine, and Air Cargo (APR
1984)
3. 752.232-70 Letter of Credit Advance Payment (APR 1984)
4. 752.7001 Biographical Data (APR 1984)
5. 752.7002 Travel and Transportation Expense (APR 1984)
(Alternate 70)
6. 752.7002 Travel Expenses and Transportation and Storage
Expenses (AUG 1984)(Alternate 73)
7. 752.7003 Payment (APR 1984) (Alternate 70)

Interest Overdue Payments (APR 1984)

Payment Due Dates. (APR 1984)

Invoice Requirements (APR 1984)

Documentation for Payment (APR 1984) (Alternate 71)
8. 752.7004 Source and Nationality Requirements for Procurement
of Goods and Services
9. 752.7005 Language, Weights, and Measures (APR 1984)
10. 752.7006 Notices (APR 1984)
11. 752.7007 Personnel Compensation (AUG 1984)
12. 752.7008 Use of Government Facilities or
Personnel (APR 1984)
13. 752.7009 Marking (APR 1984)
14. 752.7010 Conversion of U.S. Dollars to Local
Currency (APR 1984)
15. 752.7013 Contractor-Mission Relationships (APR 1984)
(Alternate 70 & 71)

16. 752.7014 Notice of Changes in Travel Regulations (APR 1984)
17. 752.7015 Use of Pouch Facilities (APR 1984)
18. 752.7016 Family Planning and Population Assistance Activities (AUG 1984)
19. 752.7017 Local Cost Financing with U.S. Dollars (APR 1984)
20. 752.7020 Organizational Conflicts of Interest (APR 1984)
21. 752.7025 Approvals (APR 1984)
22. 752.7026 Reports (APR 1984) (Alternate 70)
23. 752.7027 Personnel (APR 1984) (Alternate 71)
24. 752.7028 Differentials and Allowances (APR 1984)
25. 752.7029 Post Privileges (APR 1984)
26. 752.7031 Leave and Holidays (APR 1984) (Alternates 70, 71, 72, & 73)
27. 752.216-70 Post Determined Indirect Costs (APR 1984)

III. ALTERATIONS IN CONTRACT (APR 1984)

Portions of this contract are altered as follows:

1. FAR 52.202-1, "Definitions," is altered to add the following:
752.202 Definitions (APR 1984) (Alternate 70)
Definitions - Contracts Involving Performance Overseas (APR 1984) (Alternate 72)
2. FAR 52.201-1, "Officials Not to Benefit," is hereby modified to specify that it refers to United States Officials.
3. FAR 52.204-2, "Security Requirements," (APR 1984) is amended to add the following paragraph:
"(a) This clause applies to the extent that this contract involves access to classified ('Confidential,' 'Secret,' or 'Top Secret'), or administratively controlled ('Limited Official Use') information."
4. FAR 52.210-8, "Utilization of Small Business Concerns and Small Disadvantaged Business Concerns (APR 1984)," 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 (PRE/SDB), AID, Washington, DC 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 PRE/SDB:

- (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."

5. FAR '52.245-5, "Government Property (Cost-Reimbursement), Time-and-Material, or Labor-Hour Contracts," (APR 1984) is hereby amended to add the following:

Preface: to be inserted preceding the text of the FAR 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 AID substantially as follows:

ANNUAL REPORT OF GOVERNMENT PROPERTY
IN CONTRACTOR'S CUSTODY

(Name of Contractor)

As of (End of Contract Year, 19xx)

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

1/ 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.

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

3/ Explain if transactions were not processed through or otherwise authorized by AID.

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."

PART III

SECTION J

LIST OF ATTACHMENTS

1. Small Business and Small Disadvantaged Subcontracting Plan
2. Arthur Young and Company Technical and Business Management proposals titled "Proposal to Provide Assistance in the Formulation of Financial Market Program Strategy and Projects," dated September 5, 1985 (incorporated by reference)
3. Arthur Young and Company Addendum #1 to Attachment 2 above, dated September 23, 1985 (incorporated by reference), and Arthur Young and Company Best and Final Offer submission for RFP AID/STPE-5016, dated September 26, 1985 (incorporated by reference)

ATTACHMENT 1

**SUBCONTRACT PLAN FOR SMALL BUSINESS
CONCERNS AND SMALL DISADVANTAGED
BUSINESS CONCERNS**

This subcontracting plan is responsive to the requirements stipulated in Public Law 95-507, Title I, Amendments to the Small Business Investment Act of 1958, enacted October 24, 1978. These requirements, in summary, stipulate the following areas be addressed:

- Percentage goals for utilization of small business and disadvantaged small business concerns.
- Identification of an individual responsible for administering the subcontracting program.
- Efforts to assure opportunity to compete for subcontracts.
- Assurances of inclusion of similar clauses in subcontracts in excess of \$500,000, or \$1,000,000 for construction contracts.
- Assurances for the submission of periodic compliance reports.
- Recitation of records to be maintained to demonstrate procedures which ensure compliance with the subcontracting requirements.

Specific information concerning each of these areas is contained in the paragraphs below.

1. PERCENTAGE GOALS

As a prelude to establishing percentage goals for this AID engagement, recognition was given to three prime categories of firms through which subcontracting efforts could be aimed. They are:

- Small Business Concerns
- Small Disadvantaged Business Concerns
- Women-Owned Business Concerns.

Efforts are considered to provide subcontracting opportunities to firms in the above three categories.

As an office we actively solicit, review and maintain brochures from such firms seeking subcontracting opportunities. With this information available, we can determine on a contract-by-contract

basis, when appropriate, which firms possess the requisite expertise demanded by the prospective contracts.

While efforts in the past have been primarily concentrated in small business and disadvantaged small business concerns, efforts have been increased toward identifying woman-owned firms within the business community which possess the types of expertise most commonly needed in our type of business.

For this particular procurement, given the skills and areas of expertise required by the RFP, we identified several self-employed individuals who are able to meet the specified engagement requirements.

Our projection is that up to 3% of our proposed subcontract value may be represented by the anticipated use of small businesses, disadvantaged small business concerns or woman-owned firms. Additionally, we wish to make it known that we attempt, where economically advantageous, to acquire supplies and other overhead items through the small business, disadvantaged small business, and woman-owned business community.

Although the preceding narrative establishes our overall small business subcontracting goal as 3% of the estimated contract value, actual attainment of that goal is contingent on the actual availability of anticipated, qualified small business personnel during the contract performance period. Accordingly, Arthur Young reserves the right to achieve the stated goals by substituting comparable individuals or firms for the firm(s) cited above, subject to the provisions of the proposed subcontract.

2. SUBCONTRACTING PLAN ADMINISTRATOR

John S. Madden of Arthur Young & Company's Washington, D.C. Office has been assigned the responsibility for administering our small and disadvantaged small business subcontractor program. His duties are:

- ° To maintain lists of qualified small business concerns, small business concerns owned and controlled by socially and economically disadvantaged individuals, and woman-owned business concerns so that such small business concerns will have an opportunity to compete for subcontracts. A major source for such small business concerns is the Procurement Automated Source System (PASS);
- ° To constantly be on the lookout for additional sources of qualified small business concerns to be added to the list of potential subcontractors;
- ° To participate in the negotiation of percentage goals for the utilization of such small business concerns as subcontractors;

- To make certain that the clause stated in paragraph (3) of subsection 211 of Public Law 95-507 is included in all subcontracts which offer further subcontracting opportunities and that the Washington, D.C. Office of Arthur Young & Company will require all subcontractors who receive subcontracts in excess of \$500,000 to adopt a subcontract plan in compliance with PL 95-507;
- To submit such periodic reports and cooperate in studies or surveys as may be required by the Agency for International Development or the Small Business Administration in order to determine reasonable adherence by the Washington, D.C. Office of Arthur Young & Company;
- To establish and maintain records and procedures which have been adopted to comply with the requirements and goals set forth in this Plan; source lists of small business concerns, small business concerns owned and controlled by socially and economically disadvantaged individuals, and woman-owned concerns; and efforts to identify and award subcontracts to such small business concerns;
- Other reasonable duties that AID or the Small Business Administration deems necessary in order to insure that such qualified small business concerns are extended maximum practicable opportunity as subcontractors to the subject contract.

3. EFFORTS TO ASSURE EQUAL OPPORTUNITY IN SUBCONTRACTING

In the event that subcontracting other than as described in Section 1 above is necessary during the execution of the subject contract, it is the intent of Arthur Young & Company, in pursuit of the stated subcontractor goals (Section 1), to afford small, small disadvantaged, and woman-owned business concerns an equal opportunity to compete for the subcontract(s). The same holds true with respect to purchases of products and services which contribute to the performance of the subject contract directly or indirectly.

In order to achieve the above stated intent where opportunities for subcontracting arise, we will engage in the following efforts, as appropriate:

- Compile lists of qualified small and disadvantaged small business concerns, including woman-owned business concerns
- Access SBA computerized lists of small and small, disadvantaged business concerns to supplement the above stated lists
- Contact other government agencies (such as the Department of Commerce's Office of Minority Business Enterprise) or private organizations (such as Trade Associations) which

may provide leads to qualified small, small disadvantaged, and woman-owned business concerns

- Invite qualified small, small disadvantaged, and woman-owned business concerns to compete for the subcontracted work.

These efforts will be coordinated with the administrator of this subcontracting plan (see Section 2).

4. INCLUSION OF SUBCONTRACTING CLAUSE IN SUBCONTRACTS

Arthur Young & Company will include the clause entitled Small Business and Small, Disadvantaged Business Subcontracting Plan (Article IX of the subject proposed contract) in subcontracts which offer further subcontracting opportunities, and will require subcontractors (except small business concerns) who receive subcontracts in excess of \$500,000 to adopt a plan similar to the plan agreed to by Arthur Young & Company. Construction of a public facility is not in the scope of the subject contract.

5. SUBMISSION OF REPORTS

Arthur Young & Company will submit such reasonable periodic reports and cooperate in any reasonable studies or surveys as may be required by AID or the Small Business Administration in order to determine the extent of compliance by Arthur Young & Company with the subcontracting plan. Such reports may include statements of efforts, progress and accomplishments in the achievement of the subcontracting plan goals.

6. RECORDS

Arthur Young & Company will maintain the following records to demonstrate its performance under this subcontracting plan.

- Purchase orders and invoices for products and services which contribute to the performance of the subject contract
- Subcontracts and related documentation under the subject contract
- Files of the source lists referred to in Section 3
- Records of contacts with private organizations and government agencies for the purpose of identifying qualified small, small disadvantaged, and woman-owned business concerns
- Records documenting procedures followed in the award of subcontracts.