



# USAID | MONGOLIA

FROM THE AMERICAN PEOPLE

## FUNDING OPPORTUNITY COVER PAGE

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Subject: Request for Applications (RFA) Number: **USAID-Mongolia- RFA-438-11-000002**  
RFA Title: **Strengthening Transparency and Governance (STAGE) in Mongolia**

Ladies and Gentlemen:

The United States Agency for International Development (USAID) is seeking applications for Assistance Agreements from all U.S. and non-U.S. qualified organizations for funding to support a program entitled "Strengthening Transparency and Governance (STAGE)." The overall goal of the award of the RFA will be to provide technical assistance in order to support judicial and administrative reform and combat corruption in Mongolia. The authority for the RFA is found in the Foreign Assistance Act of 1961, as amended.

While for-profit firms may participate, pursuant to 22 CFR 226.81, it is USAID policy not to award profit under assistance instruments such as cooperative agreements. However, all reasonable, allocable, and allowable expenses, both direct and indirect, which are related to the grant program and are in accordance with applicable cost standards (22 CFR 226, OMB Circular A-122 for non-profit organization, OMB Circular A-21 for universities, and the Federal Acquisition Regulation (FAR) Part 31 for-profit organizations), may be paid under the Cooperative Agreement.

Applicants under consideration for an award that have never received funding from USAID will be subject to a pre-award audit to determine fiscal responsibility, ensure adequacy of financial controls and establish an indirect cost rate.

USAID expects to award one (1) Cooperative Agreement based on this RFA. Subject to the availability of funds, USAID intends to provide approximately \$7,000,000 in total USAID funding to be allocated over the five (5) year period. USAID reserves the right to fund any or none of the applications submitted.

Awards will be made to the responsible applicants whose applications offer the greatest value to the U.S. Government. Issuance of this RFA does not constitute an award commitment on the part of the Government, nor does it commit the Government to pay for costs incurred in the preparation and submission of an application.

This RFA and any future amendments can be downloaded from <http://www.grants.gov>. Select "Find Grant Opportunities," then click on "Browse by Agency," and select the "U.S. Agency for International Development" and search for the RFA. In the event of an inconsistency between the documents comprising this RFA, it shall be resolved at the discretion of the Agreement Officer.

All guidance included in this RFA takes precedence over any reference documents referred to in the RFA. If there are problems in downloading the RFA from the Internet, please contact the Grants.gov help desk at 1.800.518.4726 or [support@grants.gov](mailto:support@grants.gov) for technical assistance.

For the purposes of this RFA, the term "Grant" is synonymous with "Cooperative Agreement"; "Grantee" is synonymous with "Recipient"; and "Grant Officer" is synonymous with "Agreement Officer".

The applicant shall submit applications in electronic copy.

Applications must be received by the closing date and time indicated at the top of this cover letter. Late or incomplete applications will not be considered for award. Applications must be directly responsive to the terms and conditions of this RFA. Telegraphic or fax applications (entire proposal) are not authorized for this RFA and will not be accepted.

Sincerely,

/S/

Dion L. Glisan  
Contracting & Agreement Officer  
USAID / Philippines  
For USAID / Mongolia

## **SECTION I. FUNDING OPPORTUNITY DESCRIPTION/PROGRAM DESCRIPTION**

### **A. Executive Summary**

In 2010, USAID Mongolia underwent an extensive assessment and strategic planning process that included consultation with an array of government representatives, elected officials, civil society, the business community, other donors, US Embassy and USAID Mission staff. Throughout the assessment and strategic planning process, USAID consulted extensively with the Government of Mongolia. The priorities and activities outlined in this program description stem from an analysis of where USAID can make the greatest impact with the available funds.

As the only democratic nation in a region occupied by authoritarian regimes, Mongolia is a uniquely placed ally for the U.S. Government (USG) and has supported Mongolia since its transition to democracy in 1990. During this early period of adjustment, USAID provided emergency and energy assistance followed by policy and institutional support to build a macroeconomic framework and lay the foundations for a stable and sovereign democracy. Focusing largely on economic growth and democracy, USAID has maintained a limited, and highly focused program of assistance in Mongolia. These efforts have successfully assisted small business and rural enterprise, spurred financial sector reforms and macroeconomic policy while strengthening the judicial sector, supporting electoral and parliamentary reforms and enhancing anticorruption efforts. However, with the discovery of a wealth of natural resources, the increasing power of parliamentary authority and the confluence of interests between the business sector and politicians, further democratic progress has been stymied by corruption, an increasing income gap, a weakened civil society and a generally perceived conflict of interest within the realm of politics and business. It is often said that Mongolia now stands at a crossroads; its leaders must choose to seek greater enforcement of democratic principles to achieve prosperity and secure human rights, or accept the consolidation of political power and economic interests in the hands of a few. Mismanagement of the country's resources and unchecked abuse of power will jeopardize the political and economic advances of the last 20 years and derail potential gains of its mining prospects and acquiesce democratic achievements to a narrow margin of special interests.

In response to these challenges, USAID Mongolia proposes a new five-year program, that once approved will begin in or around November 2011. The focus of the Democracy and Governance (DG) project will target Good Governance and Rule of Law. This strategy evolved from numerous discussions with civil society, politicians, business leaders and donors and helped frame an approach by which USAID can leverage its past successes and relative advantages in policy and business assistance to build local capacity, adapt to the current challenges, complement the efforts of international donors, and meet US Government priorities for Mongolia. This approach is designed to complement USAID's Economic Growth project, Business Plus Initiative (BPI), which is designed to support an enhanced role for the private sector through improving business enabling policies, strengthen private sector capacity and competitiveness and increase the financial sector's capacity to contribute to growth.

The BPI project will focus on key challenges that include weak institutional capacity, an underdeveloped financial sector and weak economic governance. By strengthening policy implementation and emphasizing rule of law, the Strengthening Transparency and Governance (STAGE) project can serve as a cross-cutting program that will address deficiencies within the legal, institutional and administrative processes and frameworks that have stymied both democratic reforms and economic growth. More specifically, the project goals are to; build a more transparent and accountable regulatory and legislative environment, ensure principles of checks and balances and address weaknesses in the judicial sector.

### **B. Program Background**

After 70 years as a Soviet satellite state, Mongolia peacefully transitioned to an electoral democracy via an intelligentsia-led democratic movement, achieved without a single act of violence. The first free, multiparty election for a two-year caretaker government took place in July 1990. The Mongolian Revolutionary People's Party (MPRP), recently renamed the Mongolian People's Party (MPP) – the ruling political party since the early days of Soviet occupation and communist rule, won in a landslide. The first two years of transition brought national difficulties. An unusually cold winter or “*zud*” caused herders to lose millions of animals. Further complicating matters, Soviets removed all economic and political assistance. Hyperinflation, massive unemployment, and growing poverty tested the new system's survival. International donors, including USAID, provided considerable energy assistance and contributed to building the foundations of democracy.

The country's first Constitution passed in 1992, established a sovereign state, a popularly elected president as head of state and provided the Parliament, or State Great Hural (SGH), with unlimited legislative power, the authority to form a cabinet to wield executive power and that was headed by the Prime Minister.<sup>1</sup>

Nineteen ninety-six (1996) marked the coalition's 'watershed', yet short lived, success in wresting power from the MPRP. In 2004, no party managed to win a majority, forcing a coalition between the MPRP and Democratic Party (DP). Formed in 2000, the DP represents the five most influential opposition parties in Mongolia, and remains the second largest political party in Mongolia.

This cycle of elections created a process through which Mongolia's political parties struggled to define their platforms and identities. These trials helped the democratic process take root in an insulated and previously highly authoritative regime, creating a nascent, yet vibrant democratic state. During this period, political parties managed to consolidate their powers through a series of constitutional amendments designed to shift executive powers to parliament. These measures were an early indication of the growing power of parliamentary authority and revealed a shift in the balance of powers that would weaken Mongolia's democratic foundations and affect its future progress.

On June 29, 2008, Mongolia held its fifth parliamentary election since the 1990 transition. Conflicting results and growing frustration towards the MPRP led DP supporters to protest and demonstrate in front of the MPRP building. Within days, the situation had devolved, looting and violence led to five deaths and 700 arrests. Allegations of abuse and human rights violations in detention centers were also reported. National outrage over the violence and allegations of election fraud overshadowed MPRP's election victory leading the MPRP to urge the DP to join their government to restore a sense of "national solidarity". In the eventual resolution of these elections, the implications were far reaching. An Amnesty Law designed to pardon jailed demonstrators and protestors also covered high level bureaucrats indicted for corruption. The Amnesty Law remains in place to this day and is seen as a serious impediment to anticorruption efforts. Such actions are an indication of a political system that serves to protect its own and, when convenient, selectively enforce the law. This political culture enables individuals to appropriate financial and political resources for personal gain and disenfranchises voters and investors alike.

With some of the world's largest untapped gold, copper and coking-coal reserves the anticipation of unparalleled mineral-driven growth presents accompanying economic, environmental, social and capacity issues that will test a government that is increasingly plagued by allegations of corruption, political party collusion, a narrowing of public debate, limits on public participation and decreasing accountability to constituents. While mining and related prospects could double GDP by 2015 and quadruple it by 2020, there is the risk of special interests in the government or even business interests appropriating these economic benefits for personal gain. This reallocation of revenue intended for public benefit, for unemployment, social welfare and poverty programs would increase discontent with the Government, lead to social unrest and result in an ultimate consolidation of power among an elite ruling class. USAID believes Mongolia's economic prosperity to be closely intertwined with its governance and political stability.

## 1. Key Areas of Assistance

As a result, of the above information, USAID has identified key areas of assistance that will address government weaknesses and contribute to achieving the goals of the economic growth portfolio.

### a. Good Governance:

- **Corruption:** The increasing coalescence of interests between political and business elites combined with a weak administrative capacity and lack of transparency has marred perceptions of good governance, and with it, the country's ability to oversee an economic growth strategy that benefits its citizens broadly and equitably. In addition, the Amnesty Law limits the ability of the Independent Agency Against Corruption (IAAC) to root out and stem high level corruption. Since 2005, Mongolia's rankings on indicators of effectiveness and accountability have fallen substantially, contributing to the body of evidence that corruption is an increasingly incapacitating factor in the country's development.

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<sup>1</sup> Munkh-Erdene, Lhamsuren, The Transformation of Mongolia's Political System. Asia Survey, Vol. 50. No. 2 pp 311 – 334. <http://www.ucpressjournals.com>

- Administrative Accountability and Effectiveness: Parliament is increasingly responsible for the promulgation of legislation, however draft laws are not widely circulated and there is little formal oversight and review of proposed legislation from either the President's office, the Ministry of Justice and Home Affairs or by the public. In addition, while numerous laws exist to substantiate civil liberties, protect the environment and regulate the financial sector, few are effectively implemented and oversight is weak, leading to arbitrary or unequal enforcement by civil servants. This environment also cedes power to powerful elite and enables petty corruption and bribery.

b. Rule of Law

Judicial Sector: The judiciary is viewed as the second most corrupt institution in Mongolia. Lacking procedures to ensure uniform application of the law, it is unable to assert its role as an independent arbiter of the rule of law. Low wages and a weak governing structure leave the judicial system susceptible to external influence and judges prone to bribes and manipulation. In this operating environment the balance of power favors the executive branch which holds authority over budgets and judges' salaries.

Traditionally an informal and tertiary check on government, civil society and the media have been under increasing pressure from politicians and business men who are also often their benefactors. State Secrecy Laws curtail access to government information and citizens are often unaware of available recourse against abuses of power. Members of Parliament are often accused of suppressing media freedom and freedom of speech, and restrict the role of civil society and NGO's. These checks and balances have diminished over the years, a trend that can be attributed to the increasing control of a minority elite over the purse strings of both private and public enterprise. While this project does not require the implementer to focus on civil society reforms, there may be opportunities to incorporate civil society activities into the project. Citizens groups, NGO's, the media and minority groups should have an integral role in demanding and seeking institutional changes from their government, political parties and representatives.

## 2. Past and Current DG Programming in Mongolia

With a democratic transition that started in Mongolia in 1990, Mongolia has emerged as a multi-party democracy that can point to 10 Parliamentary and Presidential elections in the past 20 years. Mongolia has developed civilian-led political bodies, a legal framework, and evolving democratic processes. Current Government of Mongolia (GoM) representatives and civil society remember that USAID was one of the first donors to provide assistance in the early 1990's. Since then, USAID has operated under two strategic objectives (SO's). Economic Growth, or SO1, is the larger of the two and has focused on broadening sustainable private sector led economic growth. SO 2, Democracy and Governance and the focus of this RFA will target government accountability and transparency and the judicial sector. While distinct, the two are seen as mutually reinforcing.

USAID has provided assistance to the GoM in the areas of good governance and rule of law since its democratic transition in 1991. USAID's focus on policy reforms in both sectors has been well received and lauded for its contributions to systemic change. This approach has enabled USAID to have significant impact with limited funds. The 2011 – 2016 strategy will move ahead with needed reforms in this area by building on the lessons learned and best practices of past programs. This is especially important given the funding limitations, \$7 million over five years. Accomplishments of the major DG programs of the past have been highlighted below for the purposes of ensuring consistency in future program design with past USAID projects.

The *Judicial Reform Project* (2001-2009) was based on the President's Strategic Reform Plan for the judicial sector and focused on improving the professional and institutional capacity of the judiciary for greater accountability and transparency and improved ethical standards. This was achieved through continuing legal education implemented through the National Legal Center. Automated procedures for case management and case assignment opened access and availability of information to court cases and decisions. The introduction of terminals for public use further opened up court decisions to the general public. As a result of the project, nearly all of the courts are now fully automated. These efforts were complemented by public education campaigns through TV dramas and radio programs that educated citizens of their rights and trainings for journalists to report on legal issues. Support to the management and oversight capacities of the General Council of Courts enhanced the entity's independence and role in the judicial system. Higher standards of professionalism were introduced through an examination process

and standard qualifications for lawyers. The project encouraged greater judicial independence and provided training and equipment to improve case management.

The *Mongolia National Consensus Building Program* (April 2010- October 2011) works with local governments and their constituents to develop better lines of communication, strengthen citizen inputs into the legislative process as well as garner more citizen input, including youth groups, into government decision making. The project also works with the SGH to strengthen parliamentary research and legislative drafting capacity. Overall, efforts are aimed to increase government responsiveness to citizen needs.

The *Parliament and Political Party Strengthening Project* (November 2005- September 2009) consolidated democracy in Mongolia and encouraged a more open and pluralistic political system. The project targeted all political parties with technical assistance to achieve a balance of power, strengthening Parliament's effectiveness and accountability through passage of ethics rules to govern the conduct of Members of Parliament. The project passed rules of procedure for five out of the seven standing parliamentary committees, improved constituency services through training of MP's and public forums convened by MP's, introduced an election monitoring program, trained poll watchers and international observers and increased the proportion of women represented in the MPP and DP as well as the Civil Will party's decision making bodies.

The *Mongolia Anti-Corruption Support* (MACS) project (November 2005- July 2011) assisted with the establishment of the IAAC that seeks to prevent corruption, and is authorized to investigate and refer for prosecution corruption cases, including those at the highest levels of government. The body has been intimately involved with national efforts to entrench an attitude of zero tolerance towards corruption and to develop and broadly implement anti-corruption plans at the national and provincial level, as well as in the majority of state owned enterprises. This project has helped establish a special panel of judges to deal with corruption cases and provides training and assistance to government officials. MACS is scheduled to end in July 2011 but has, since 2005, approached anticorruption programs by focusing on public perceptions of corruption and petty bribery and targeting government capacities to stem and root out corruption. Ongoing support to the IAAC has improved the investigation and referral of corruption cases to the general prosecutor's office. MACS has also provided ongoing training and education to MP's on anti-corruption reforms, assisting with the development of anticorruption plans and their implementation, helped introduce a special panel of judges to address corruption cases and has plans to introduce anticorruption activities at the local level, that will include civil society and NGO's.

## 1. Government of Mongolia's Development Priorities

Realistically, USAID's limited resources preclude it, or any single donor, from helping to address all of Mongolia's development challenges. Human and financial resources mean that USAID must be highly selective in choosing areas for concentrated focus. Decisions are based on USAID/Mongolia's Results Framework. Most importantly, the Results Framework and SO's consistently align with the GoM's priorities. As indicated, USAID solicited extensive feedback from the GoM during the DG and EG assessment processes which informed the subsequent strategic planning effort. This RFA also takes into consideration the President's expressed focus on improving administrative procedures, strengthening judicial reform and anticorruption efforts.

Mongolia's development priorities and policies are discussed in detail in the 'Millennium Development Goals-based Comprehensive National Development Strategy of Mongolia' (MDGCDS) adopted in 2009. The 16-year Strategy is divided in to two phases, the first running to 2015. Its national democracy strategy emphasizes public administration reform, the practice of open and 'predictable' policies, court independence, developing a transparent and accountable civil service responsive to its citizens and free of corruption. It further seeks to implement legal, judicial, public administration and civil service reform, strengthen legal frameworks to improve the implementation of laws and encourage more citizen participation in decision making. The strategy acknowledges in a review of its achievements towards the MDG's that it has not shown strong improvements in governance and should focus on separation of legislative, executive and judiciary powers, linking the performance of the state and its officials to citizen demands to consolidate its democratic practices through efficient public administration.<sup>2</sup>

USAID's proposed strategy should contribute to the achievement of the goals laid out in the MDGCDS,

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<sup>2</sup> MDGCDS

including in health, education, human rights, good governance, and the use of science and technology to improve standards of living. Any efforts to focus on governance will have broader implications for social and economic goals. In addition, good governance is the focus of MDG-9 and includes the following objectives: (1) Fully respect and uphold the Universal Declaration of Human Rights, ensure the freedom of media, and provide the public with free access to information, (2) Mainstream democratic principles and practices into life, and (3) Develop a zero-tolerance environment to corruption in all spheres of society. By adopting this goal, Mongolia became the first country in the world to formulate a governance MDG and emphasize the role of democratic governance in successfully achieving MDGs and other socio-economic development goals. By incorporating the targets on human rights and democratic governance, MDG-9 impacts the process of implementing other MDGs. This should be emphasized, particularly as an opportunity to assist the GoM in implementing its own stated goals and its international commitments.

With USG encouragement, Mongolia recently accepted a leadership role as chair of the Community of Democracies (COD), a global intergovernmental coalition of democratic countries that promote democratic rules and strengthen democratic norms and institutions around the world.<sup>3</sup> One of the agenda items for 2011-2012 is to increase the role of women and improve the enabling environment for NGO's. Mongolia's chairmanship of this high-profile international effort has the potential to influence its policies toward women, civil society and marginalized groups in political leadership at home, especially with support and encouragement from partner countries like the United States.

## 2. Statement Of Problem

Over the course of Mongolia's 20-year history of democracy, and following 70 years of Soviet rule, the country has made significant strides towards the consolidation of its democratic ideals. Elections, freedom of movement, speech and choice, a growing private sector and coveted reserves of natural resources have thrown Mongolia onto the global stage. Mongolia's economic potential hinges largely on attracting foreign investors to its mining sector and parlaying these investments into diversifying the economy, increasing private investment, improving infrastructure and strengthening the financial sector. The integrity of the administrative process and transparency of the legal framework will attract foreign and private investment, a cornerstone strategy for Mongolia's long term economic growth and economic diversification.

The enabling environment for both economic growth and democratic progress is contingent on resolving a weakening system of checks and balances, the blurring between business and political power, and inconsistent implementation of law and execution of government functions. The exploitation of Mongolia's mineral wealth will either exacerbate the shortcomings of the democratic system or, with stronger governance mechanisms in place, help consolidate democracy and stimulate economic growth. Issues of governance, transparency, corruption and lack of political will are noted as challenges in both economic growth and democracy and governance assessments and, as such, synergies between the two sectors should be carefully considered for the new program.

### C. Program Purpose – Development Objectives

Through a strategic assessment process that has incorporated consultations with the GoM, other donors and the US Embassy, USAID has determined the best application of its resources and efforts in the DG sector to be on;

- 1) Targeting the endemic causes of corruption;
- 2) Enhancing transparency and accountability in the administrative process and;
- 3) Strengthening the judicial sector.

These objectives are drawn from the USG's draft Country Development Cooperation Strategy (CDCS) for FY2011 – 2016. Activities designed under these objectives will create more effective and accountable governance which in turn will contribute to Mongolia's self defined goals for sustained development and a gradual departure from donor assistance. This approach is widely acknowledged by key stakeholders—GoM senior officials, the donor community, and civil society. Senior-level Mongolian officials readily recognize the impact of corruption on society in general, and the need for greater transparency and accountability. They also are well aware of the current “window of opportunity” a period of five to seven years, to build a strong economy and a stable democracy. President Elbegdorj has introduced a Strengthening Judicial Reform program that has been approved by the National Security Council of Mongolia. The program proposes four new draft laws: 1) Law on Legal Status of Judges, 2) Law on Court

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<sup>3</sup> [www.community-democracies.org](http://www.community-democracies.org).

Structure, 3) Law on General Council of Courts, and 4) Law on Judicial Community. Included in these draft laws are proposals to eliminate external influence on judges, changes to the current structure of the courts (creating an appellate administrative court) redesigning the nomination of judges and creating an independent judicial association to free judges from external influence and professionalize the practice. The concepts and drafts are posted on the President's Citizens' Hall website for public feedback. In addition, justice sector institutions, including the Supreme Court and the General Prosecutor's Office developed action plans for 2011-2016 to support the President's Program. The Ministry of Justice and Home Affairs takes seriously the need for administrative reform and has established a working group to draft a law on administrative procedures. They have welcomed technical assistance from USAID to draft and implement laws.

The new DG program should be cross-cutting in nature with USAID's Development Objective 1 - *Expanded Equitable and Sustainable Private Sector Led Economic Growth* that seeks to expand private sector growth in a more equitable and sustainable way. The focus will be on policy implementation, improvements in institutional and human resource capacity and an enabling environment to encourage private investment. Weak administrative capacity, lack of citizen participation in policy formulation, poor oversight and mismanagement of public resources stall economic growth prospects and can be addressed through activities identified in Development Objective 2.

Development Objective 2 – *More Effective and Accountable Governance* seeks to enhance government effectiveness and accountability through administrative reform, anti-corruption and, and justice sector strengthening. It will be responsive to lessons learned, best practices, and investments made to date. These include; host country buy-in; linkages between DG and EG; developing programs that go beyond technical assistance and focus on sustainability. Finally, USAID assistance could be enhanced by complementary international donor activities. Where possible, the implementer may consider working with donor and host country working groups to identify synergies in the rule of law and good governance sectors.

#### **D. Program Components**

USAID has identified three programmatic interventions intended to achieve its development objectives. The proposed interventions provide a framework for design while the corresponding illustrative activities serve as suggestions for implementation and are not meant to limit the scope or definition of activities. They are provided to encourage innovative approaches, be responsive to legislative and political developments in Mongolia, integrate best practices and link to other donor and partner activities. Given the funding limitations and protracted time frame, the implementer may focus on a limited set of activities and/or government institution(s) in order to ensure more tangible results and a better use of funds. Priority should be given to the activities that will have greatest impact and to which the implementer can dedicate experienced technical and staff resources. The implementer may also want to consider areas of cross cutting advantage where resources can be leveraged within the program framework or with other donors and partners in Mongolia.

It is USAID's intent that one entity undertake the programmatic interventions outlined below. However, the agency strongly encourages the lead entity to work with a variety of partners and sub-grantees to implement the program. In particular, USAID encourages the active and substantive involvement of local civil society organizations, local consultants/businesses and other partners during implementation. Finally, the proposed interventions and activities will need to be implemented in consultation with the appropriate government ministries and agencies.

As indicated, the activities outlined below are illustrative in nature. USAID encourages the submission of applications that propose innovative activities and approaches that will contribute to the DO 2.

##### **1. Strengthen Anti-corruption Efforts**

Corruption is a persistent and pervasive problem in Mongolia. USAID will continue to work in this area and expand support to the actors and institutions that strive to inculcate a culture of zero tolerance of corruption including at all levels of government down to the grass roots level. Through capacity building and technical assistance to politicians and stakeholders, USAID will support programs that enhance the enabling (policy, legal frameworks) environment towards rooting out and/or minimizing high-level corruption. It will also support the Government to implement its anti-corruption action plans Stakeholders and institutions that are best positioned and capable of contributing to these efforts will be identified by the implementer. Further, a determination of the causal modalities of grand corruption in Mongolia may assist in identifying appropriate interventions.

Interventions should also look to replicate best practices such as reducing opportunities for corruption. Coordination with other legal and procedural reform efforts is critical and should be integrated where possible.

a. Illustrative activities:

- Strengthen the legal environment to reduce the opportunity for corrupt practices;
- Assist with the passage of appropriate laws, codes of ethics and professional standards;
- Provide technical assistance and training to relevant civil society organizations (CSOs) and government actors to be used as a force to promote increased transparency Results should focus more on outcomes rather than training;
- Engage civil society in advocacy against corruption within particular sectors such as mining and other extractive industries. Activities could include: training of civil society in their watchdog role, investigative process and procedures, local government use of mining revenues, and other activities;
- Enhance investigative powers of the IAAC and the prosecutorial authorities of the General Prosecutor's office;
- Assist with the implementation of the government anticorruption plans;
- Undertake other innovative activities that will strengthen anti-corruption efforts in Mongolia.

b. Anticipated Results

- The IAAC further consolidates authority over investigating and referring corruption cases, in particular those cases involving grand corruption
- Civil society takes a more active role in monitoring and exposing bribery and corruption within the government
- Culture of zero tolerance towards bribery and corruption is enhanced;
- Each administrative area has a publicized and acknowledged anticorruption plan;

## 2. Improving Administrative Reform

Administrative law is the most important nexus between government and citizens. It guides executive agencies through the process of promulgating rules and regulations. Administrative law has the potential to standardize the rule making process and regulatory proceedings, develop standards for adjudication and provide guidance on recourse for individuals and corporations.

While Mongolia's system of administrative courts is structured to review decisions, there is no legal framework to govern bureaucratic and regulatory decision making nor does it have the procedures to protect basic rights in the legislative process. The implementation of procedures and standards is inconsistent among and between government branches.

In January 2011, the Ministry of Justice and Home Affairs established a Working Group (WG) on drafting an Administrative Procedure Law under the chairmanship of the Vice-Minister. The WG includes representatives from the government, judiciary, Hans-Seidel Foundation, and academia. The WG created a research team to assess theories, international practices and local legislation related to the administrative procedure.

Given the broad scope of work required to reform this sector, efforts should be made to complement other donor activities and programs. Similarly, in order to focus limited resources and achieve concrete results in this broad sector, it is advisable to select aspects of administrative reform within a pilot or anchor agency initially. The implementer may consider weaving in efforts to restore government checks and balances and address conflict of interest among MP's and at the ministerial level into program design. Expanding work to other entities over the life of the project may be an option but will be based on the success of these reform efforts and the agreement of the target agency.

a. Illustrative activities within a pilot entity may include:

- Technical Assistance to assess administrative legal framework including preliminary efforts underway by the Ministry of Justice and Home Affairs;

- Provide technical assistance to the government's efforts to draft and enact the administrative procedure law; and implement the law in the pilot entity(ies);
- Provide support to cross-sectoral working group with the relevant foreign and domestic policy and technical experts to analyze and make recommendations for administrative procedures laws;
- Strengthen-administrative decision-making capacity of executive agencies connected with the pilot entity(ies);
- Strengthen-open and transparent practices within the executive such as opening draft legislation to the public for comment and civic oversight of hearings;
- Emphasize standardization of practices across and from the top down in the pilot entity(ies);
- Assess obstacles to reform in the pilot entity(ies) and use as a platform to build public awareness, as appropriate, through the involvement of civil society; and
- Undertake other innovative activities that will improve administrative reform.

b. Anticipated Results

- Draft administrative reform law receives public comment and input.
- Administrative procedure law is finalized and if enacted is properly implemented
- Administrative procedures are published and distributed public comment is invited
- Increased accessibility/transparency to targeted pilot entity
- Government discretionary decision making reduced
- A system of checks and balances is introduced in the pilot entity(ies), with potential for replication among other ministries/organizations.

3. **Strengthening the Judicial Sector**

The Judicial sector is widely viewed as a highly politicized institution that is prone to conflicts of interest, has too few staff, reflects poor management, and lacks transparency. Judges are underpaid, making them more vulnerable to bribes and kickbacks. Political influence in the selection of judges and limited court budgets further hinders neutrality and independence.

Mindful of the extensive technical assistance that has already been provided to the Mongolian courts in such areas as information technology and legal documentation information, USAID assistance will be more narrowly focused and concentrated primarily around strengthening judicial independence. This could include a restructuring of the nomination, appointment and promotion of judges, disciplining of judges, judicial benefits, and judicial budgeting.

a. Illustrative activities may include:

- Conduct an assessment of potential areas of reform for judicial oversight and management;
- Provide technical assistance to help rationalize and refine the changes in the judicial structure as proposed by the President in the 2011 Parliamentary agenda;
- Build public awareness among civil society to advocate for changes that will protect their rights;
- Provide technical assistance and encourage the incorporation of public hearings and/or public postings of hearings and court decisions;
- Provide technical assistance to improve rules and procedures for appointing and disciplining judges;
- Provide technical assistance and support to depoliticize judicial nominations and appointments; and
- Undertake other innovative activities to strengthen the judicial sector.

b. Anticipated Results

- Processes that shield the judiciary from outside influence are institutionalized
- Citizens are more informed about judicial decisions and better understand judicial processes
- President's reform agenda for judiciary is accepted by a parliamentary majority
- Procedures for appointing judges are revised and made public
- Legislation/proposals for an independent body overseeing the judiciary is drafted.

As indicated, USAID recognizes that broad reform may not be possible and that a narrower scope of activities may be necessary given limited resources. USAID welcomes proposals that respond to country priorities and needs and that can deliver sustained impact in the identified areas. The agency is also open to innovative activities that leverage resources, involves a coalition/partnership, and encourages collaboration with other donors.

#### **E. Linkage To U.S. Government Priorities, USAID Strategy And Other Donors**

As discussed, the USG has, since 1990, been a steadfast advocate of Mongolia's democratic and economic reforms. Mongolia's continued commitment to a strong market-based democracy makes it an important USG partner in the region. It continues to support internal efforts that institutionalize and consolidate democratic gains that strike a balance between the pursuit of economic opportunities and their equitable distribution. The USG endeavors to encourage the adoption of policies that encourage private sector led growth that is responsibly regulated, and it seeks a commitment from the government to address corruption, strengthen the implementation of its laws and create greater transparency, accountability and inclusion in its political systems and processes.

USG foreign policy priorities in Mongolia align well with core areas of focus under the Presidential Policy Directive on Global Development, especially core areas of building sustainable governance and investing in country-owned models of inclusive growth and development that are well-governed, economically stable, globally connected and market-oriented. The envisioned approaches and illustrative activities are designed to create a body of political, judicial and social actors who are sensitive to the implications of further corruption and elite capture. These activities should speak to the different stakeholders and solicit broad based buy-in through shared objectives and goals. Among the key priorities of the USG is the opening of Mongolia's markets, ensuring its mining practices are transparent and environmentally sustainable and the benefits are distributed equally.

Through the USAID/Mongolia's proposed strategy, USAID is the lead USG agency in development assistance and works collaboratively with the State Department/US Embassy to implement a set of mutually reinforcing reform based activities in the political and economic sectors. USAID, the State Department and Department of Defense (DOD) work in partnership to achieve the foreign assistance goals. Working alongside USAID, STATE and DOD are the Millennium Challenge Corporation and Peace Corps.

#### **F. Relationship To Other Donor Activities**

The World Bank, United Nations and Asian Development bank among numerous other bilateral donors are actively involved in anticorruption, civil society, judicial reform and decentralization programs. USAID makes a concerted effort to periodically meet and discuss respective projects with its colleagues to coordinate and complement projects, leverage its funds and capacities as well as avoid duplication or overriding others' efforts. The awardee is expected to actively coordinate and, where appropriate, collaborate with other donors so that USAID resources can be efficiently used to achieve its objectives. The DG project should take account of lessons learned from previous USAID-funded projects and other donors. These efforts will also meet the goals of improved donor coordination as set forth in the Paris Declaration and Accra Accord.

Coordination may entail participation in working group meetings as well as formal and informal information exchange with other bilateral donors and multilateral organizations. USAID's relatively small size in Mongolia heightens the importance of leveraging donor coordination to maximize results. A brief summary of major donor activities in the sector follows.

*The World Bank:* Assistance to the Government to improve the efficiency and effectiveness of governance processes in the management of public finances, promote transparency and accountability in the performance of public sector functions, and foster the investment climate in Mongolia, has also provided assistance to the IAAC. On the administrative reform side The World Bank has assisted the Ministry of Justice with the inventory of administrative decisions made by executive branch. Ends 2012.

*Asian Development Bank:* Has provided a technical assistance loan for Capacity Building for Governance Reforms (CBGR) to enhance government capacity to implement key governance measures through job training program and technical support. CBGR covers (i) financial management reforms in the public sector, (ii) support for strategic planning in relation to the Public Sector Management and Finance Law implementation; and (iii) software and limited hardware support to undertake financial statement and performance audits efficiently. Ends May 2011.

*GIZ:* Focuses on legal and judicial policy for greater legislative effectiveness. Support is given to the institutions responsible for providing suitable workflows and structures for better legislation. The project supports reform processes in the areas of legislation and the judiciary. It contributes to adapting the Mongolian legal and judicial systems to the structures of a constitutional state and of a market economy. The intermediaries are management personnel and experts at the partner ministry, as well as other players, particularly the Supreme Court and the Public Prosecutor, but also courts of appeal and courts of first instance, the National Legal Centre and relevant professional associations. Ends August 2011.

*UNDP:* The UNDP has targeted four areas for assistance. *Parliament and Election Support:* focuses on strengthening the oversight functions and representative role of the Parliament and its independent research capabilities, capacity- building for the Parliamentary Standing Committees to develop pro-poor and gender-sensitive policies, provides support to strengthening the electoral processes with a special emphasis on voter's education and increasing women's political participation and number of women candidates for parliament and local elections. *Integrity, ethics and anti-corruption:* supports the strengthening of national integrity institutions including the Agency for Anti-Corruption, and building the capacity of civil society organizations, media and private sector as well as partnership between them to implement and monitor the United Nations Convention Against Corruption (UNCAC). *Sub-national Governance:* supports decentralized democratic governance in urban and rural areas to improve service delivery and promote regional and local development. Improves accountability and transparency mechanisms and strengthens public administration. It also focuses on streamlining legal and institutional frameworks for local governance, developing capacities of elected representatives, and promoting increased citizens' participation in local governance.

*Access to Justice and Human Rights:* Works closely with the Government, National Human Rights Commission and civil society to empower the marginalized groups to exercise their rights through the promotion of easy access to justice and diverse range of legal services. Address gender based violence and gender discrimination by addressing the causes and effects power relations between men and women. No end date provided.

*Swiss Development Corporation:* Is addressing improvements in the legal system in particular over land rights, mining licenses for artisanal mineworkers and customer-oriented governmental service provision, it also assists with strengthening NGO's

## **G. Additional Significant Information**

### **1. Gender Issues**

USAID has a special interest in the participation of women and is working to improve women's equality and empowerment in developing countries. The Agency is increasingly integrating gender into its program planning process. A gender assessment is mandatory for the design of strategic plans and development objectives. USAID completed a gender analysis in 2005, which showed that women have a higher share of jobs in professional and white collar occupations than men. However, the higher education levels for women have not directly translated into higher salaries, senior-management, or decision-making positions. Mongolian women have lower levels of income for similar work, and higher levels of unemployment and poverty than men.<sup>4</sup> Women are virtually absent from Parliament and senior decision-making positions in government, holding only three out of 76 seats in the SGH.

With this in mind, the awardee shall update this gender analysis as an initial task under this project. The contractor shall develop a strategy for building gender into the work plan in accordance with USAID requirements. Illustrative examples could include encouraging greater political participation at all levels by women, focusing on areas within the administrative law component that are of greatest importance to women or strengthening female-led CSO capacity to understand and advocate for their rights. Progress of all related activities will be measured and verified using indicators that are disaggregated by gender and will be part of the PMP.

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<sup>4</sup> Fitch, p. 4

## 2. Cost Sharing

It is a USAID policy that the principle of cost sharing is an important element of the USAID-recipient relationship. Among other things, cost sharing enables USAID to mobilize additional resources for a program where USAID funding is limited and demonstrates the recipient organization's commitment to the program.

In order to enhance the success of this program, and to demonstrate commitment, applicants are highly encouraged to propose cost sharing in the range of 15%.

Cost sharing includes contributions, both cash and in-kind, which are necessary and reasonable to achieve program objectives and which are verifiable from the recipient's records. Cost sharing contributions may include volunteer services provided by professional and technical personnel, and unrecovered indirect costs.

## 3. Substantial Involvement

Substantial involvement during the implementation of this Agreement shall entail:

- a. Approval of annual implementation plan, including timeline and planned achievement of milestones or outputs;
- b. Review and approval of annual budget plans including the transfer of funds among categories or programs, functions and activities when this transfer is to exceed 10% of the total budget to include request for extensions
- c. Designation of key positions and approval of key personnel. Key personnel will be the Country Director and Program Manager;
- d. USAID approval of initial and subsequent monitoring and evaluation plans, that will include USAID periodic involvement in monitoring progress towards the achievement of program objectives during the course of the cooperative agreement.
- e. Approval of sub-awards and/or the transfer or contracting out of work under the award, that will include concurrence on substantive provision of sub awards (22CFR 226.5Approval of sub-grants/sub-awards )
- f. USAID prior approval will be required for; changes in key personnel, a reduction of 25% of time devoted to the project by the approved project director, a transfer of funds for indirect costs to direct costs, or vice versa; change in scope or objective of the project; a revision of total required for completion of the project;

## 4. Description of Monitoring and Evaluation Plan (M&E)

The monitoring and evaluation plan shall: (1) address the overall program objective and intermediate results; (2) have measurable, achievable and time-phased results for each of the outcomes; (3) focus on programmatic outcome/impact; (4) specify how often evaluation will be conducted; (5) specify who will be responsible for leading monitoring & evaluation efforts; and (6) discuss how the results of the evaluation and lessons learned will be used on an on-going basis during project implementation. Evaluation should be designed and implemented at the beginning of the project and occur throughout the project.

As a results-oriented cooperative agreement, STAGE will formulate a rigorous monitoring and evaluation system that will incorporate staffing, technical support and a routine data collection system. Applicants are encouraged to propose alternative or additional indicators to the illustrative indicators that will measure program success more effectively; such as the use of surveys and public opinion polls as part of their monitoring and evaluation plans. For example, polls could be used to measure citizen opinion on government transparency, or of perceived level of efforts of reforms within a pilot entity. Such surveys should include baseline measures prior to assistance being delivered in addition to post-assistance measures.

In addition, USAID/Mongolia and the successful applicant will jointly develop a performance monitoring plan to track progress. The successful applicant will be expected to establish baselines and benchmarks during the first three months of the program.

Robust monitoring and evaluation of this program will be critical. Without real information of whether or not this program made a difference in the targeted areas, it is highly unlikely that there will be an option for extension of funding. Applicants are encouraged to be creative in their M&E planning to measure whether planned program interventions deliver anticipated results (and if not, why not).

An effective monitoring and evaluation system should directly align with the proposed program approach and intermediate results. As such, STAGE shall document: the impact of policy-focused activities; the effectiveness of specific behavioral interventions at the community level; the effectiveness of economic strengthening interventions at the community level; and the overall effectiveness of the comprehensive program approach.

A framework for a final and mid-term evaluation should be proposed before the end of mid-term of program implementation. In the first 2 months after the award is made, the successful applicant will work closely with USAID/Mongolia to refine indicators and performance targets for each indicators based on the most recent results.

Monitoring and evaluation expenses will be approximately 5% of the program budget. The implementing organization should plan to conduct a “mid-term” evaluation at the mid-point of the life of project (after the presidential election, to help plan for the parliamentary election). A final evaluation should also be performed immediately prior to the end of the project.

## 5. Performance Monitoring

The AOTR will be designated by USAID/Mongolia’s Agreement Officer at the time the award is made. The AOTR will monitor and evaluate the recipient’s overall performance in accordance with the progress towards deliverables and expected performance against agreed upon indicators. Semi-annual performance reviews (SARS) will be conducted through the life of the project based on USAID/Mongolia’s SARS calendar. USAID may conduct external evaluations of the program two years after the award is made as well as towards the end of the award. USAID may also conduct management reviews of work progress during the life of the program.

## 6. Reporting

The DG Project implementing partner is required to provide the following reports.

- a. **Annual Work Plans:** The Recipient shall submit an Annual Work Plan within four weeks from the date of the award. The AOTR will review and provide comments (when necessary) on the work plan and request a revised version for approval. The Work Plan will include major activities that will be undertaken, rationale behind these activities, anticipated results of these efforts and how they will be measured, any outside technical assistance that may be required to complete the activity, and a timeframe for when activities will commence and end.
- b. **Monitoring and Evaluation Plan:** The Recipient shall submit an M&E Plan with the Annual Work Plan. The M&E Plan will be approved at the same time and with a similar approval process as the Annual Work Plan. The M&E Plan shall track progress towards indicators proposed by the DG implementing partner. The M&E Plan shall be updated and revised as needed in collaboration with USAID.
- c. **Quarterly Reports:** The Recipient shall deliver quarterly progress reports to USAID within 30 days from the end of the quarter. These reports shall include a descriptive analysis of the activities conducted during the life of the project; a quantitative and/or qualitative description of actual achievements versus planned activities for the life of the project, in both narrative and in data performance table formats; and targets for the next reporting period. The fourth quarter report should serve as an annual report and should cover activities of the quarter as well as overall assessment of performance and progress for the year.

- d. **Monthly Chief of Party Meetings:** The Recipient will be expected to participate in the Ambassador led Monthly CoP Meetings. This requires a succinct written monthly summary of activities as well as a verbal report during the meeting.
- e. **Final Report:** The Recipient shall submit a final report of the program within 60 calendar days after the expiration or termination of the award. The final report contents shall meet requirements as set in 22CFR226.51. The final report will consolidate activities and analyses of all partners into one document and their activities and progress towards results.

**END OF SECTION I. FUNDING OPPORTUNITY DESCRIPTION/PROGRAM DESCRIPTION**

## **SECTION II. APPLICATION, SUBMISSION, AND AWARD INFORMATION**

### **A Application**

Applicant's Point of Contact  
Dion Glisan

All applications must use forms:  
SF-424, Application for Federal Assistance  
SF-424A, Budget Information – Non-construction Programs, and  
SF-424B, Assurances – Non-construction Programs.

USAID expects to make one (1) award, based on this RFA. The anticipated total federal funding amount is \$7,000,000 over the five year period of the Cooperative Agreement. The cost share for the partner organization is expected to be fifteen percent (15%). The period of performance is five (5) years (11/01/2011 – 10/31/2016) with an anticipated start date of November 1<sup>st</sup> 2011.

The Government may issue one or more awards resulting from this RFA to the responsible applicant(s) whose application(s) conforming to this RFA are the most responsive to the objectives set forth in this RFA. The Government may (a) reject any or all applications, (b) accept other than the lowest cost application, (c) accept more than one application, (d) accept alternate applications, and (e) waive informalities and minor irregularities in applications received.

The Government may make award on the basis of initial applications received, without discussions or negotiations. Therefore, each initial application should contain the applicant's best terms from a cost and technical standpoint. The Government reserves the right (but is not under obligation to do so), however, to enter into discussions with one or more applicants in order to obtain clarifications, additional detail, or to suggest refinements in the program description, budget, or other aspects of an application.

Neither financial data submitted with an application nor representations concerning facilities or financing, will form a part of the resulting agreement(s).

The Agreement Officer is the only individual who may legally commit the Government to the expenditure of public funds. No costs chargeable to the proposed award may be incurred before receipt of either a fully executed cooperative agreement or a specific, written authorization from the Agreement Officer.

#### **1. Method of Application Submission**

Offerors must submit their applications electronically, via internet email, with attachments compatible with Adobe Acrobat (PDF) and Excel MSOffice 2010 in an MS Windows environment, to: [aidmnlorp@usaid.gov](mailto:aidmnlorp@usaid.gov), with a copy to [orpmailbox@usaid.gov](mailto:orpmailbox@usaid.gov). Each email must not exceed 5mb in size. And all files are to be PDF except for cost spreadsheets, which are to be provided as Excel files with cell formulas intact and not exceeding 5mb in file size.

Should offerors send multiple files, they are to be clearly named to allow sequential viewing and/or printing, and the offeror should include instructions in regards to the number of files and their names. Technical and cost proposals are to remain separate. All emails containing proposal files must be received by the closing date and time and should in the address line state "SOL-438-11-000001 Technical or Cost Proposal email number X."

For this RFA, written inquiries may be submitted via email, identifying solicitation number SOL-438-11-000001, to the Agreement Officer at [dglisan@usaid.gov](mailto:dglisan@usaid.gov) with copy to Procurement Secretary Irene Narag at [aidmnlorp@usaid.gov](mailto:aidmnlorp@usaid.gov). Any inquiries, however, must be submitted no later than the designated date and time as specified in the cover letter of this RFA.

Applicants are requested to submit applications for both technical and cost portions. Technical applications must not make reference to pricing data in order that the technical evaluation may be made strictly on the basis of technical merit.

To be eligible for award, the applicant must provide all required information in its application, including the requirements found in any attachments to the [www.grants.gov](http://www.grants.gov) opportunity. Final award of any

resultant cooperative agreement(s) cannot be made until funds have been fully appropriated, allocated, and committed through internal USAID procedures. While it is anticipated that these procedures will be successfully completed, potential applicants are hereby notified of these requirements and conditions for award. Applications are submitted at the risk of the applicant; shall circumstances prevent award of a cooperative agreement, all preparation and submission costs are at the applicant's expense.

Answers to all questions received by the time specified will be issued as an amendment to the RFA. For all inquiries and questions, please provide a contact person's name, phone number and email address. To allow adequate response time, questions must be received by 9 September, 2011; 1400 Manila, Philippines Local Time.

2. Address to Request Application Package

This application is found on the internet at [www.grants.gov](http://www.grants.gov). Potential applicants that cannot download application materials electronically may request paper copies of the RFA by contacting:

*Dion Glisan (Ms.)  
Contracting and Agreement Officer  
Office of Regional Procurement (ORP)  
USAID/Philippines for USAID/Mongolia  
Tel.: 63 2)552-9925  
Fax: (63 2)551-9297  
Email: [dglisan@usaid.gov](mailto:dglisan@usaid.gov)*

3. Eligibility Information

- a. USAID will administer the awards resulting from this RFA in accordance with ADS Chapter 303 Grants and Cooperative Agreements to Non-Government Organizations
- b. Cost Sharing or Matching (repeated from Section G. 2)

It is a USAID policy that the principle of cost sharing is an important element of the USAID-recipient relationship. Among other things, cost sharing enables USAID to mobilize additional resources for a program where USAID funding is limited and demonstrates the recipient organization's commitment to the program.

In order to enhance the success of this program, and to demonstrate commitment, applicants are highly encouraged to propose cost sharing in the range of 15%.

Cost sharing includes contributions, both cash and in-kind, which are necessary and reasonable to achieve program objectives and which are verifiable from the recipient's records. Cost sharing contributions may include volunteer services provided by professional and technical personnel, and unrecovered indirect costs.

4. Review Process

- a. All technical applications which meet the eligibility and program requirements, and conform to the application preparation and submission instructions, will be reviewed and scored using adjectival ratings as described in the matrix below by a panel of USAID reviewers in accordance with the evaluation criteria set forth later in this section.

Adjective Rating	Definition and Criteria
EXCELLENT	The application strengths demonstrate an excellent understanding of the requirements and the new or proven approach significantly exceeds performance or capability standards. The application has several exceptional strengths that will significantly benefit the government. The application has no weaknesses; normal recipient effort and normal government monitoring will be sufficient to minimize risk. The application is extensive, detailed, and exceeds all requirements and objectives; the institution and the proposed key personnel has the relevant expertise and experience in the areas to be covered by the

	project, therefore, has a high probability of meeting the requirements with little or no risk to the government.
GOOD	The application demonstrates a good understanding of the requirements and the approach exceeds performance or capability standards. The application has one or more strengths that will benefit the government. Any application weakness has little potential to cause a disruption of schedule, an increase in cost, or a degradation of performance. Normal recipient effort and normal government monitoring will probably be able to overcome difficulties. The application generally exceeds requirements in minor areas; therefore, has a good probability of meeting the requirements with little risk to the government.
SATISFACTORY	The application demonstrates an acceptable understanding of the requirements and the approach meets performance or capability standards. The application has no strengths that will benefit the government. The application has no material weaknesses. Any application weakness can potentially cause a disruption of schedules, an increase in cost, or a degradation of performance. Special recipient emphasis and close government monitoring will probably minimize any difficulties of risk. The application generally meets requirements; therefore, has an acceptable probability of meeting the requirements.
MARGINAL	The application demonstrates a limited understanding of the requirements and the approach only marginally meets performance or capability standards necessary for minimal performance. The application has minor omissions and demonstrates a misunderstanding of the requirement that may be corrected or resolved through discussions without a complete revision of the proposal. The approach has weaknesses that can potentially cause some disruption of schedule, increase in cost, or degradation of performance even with special recipient emphasis, and close government monitoring.
UNSATISFACTORY	The application demonstrates a misunderstanding of the requirements and the approach fails to meet performance or capability standards. The application has major omissions and inadequate detail to assure the evaluators that the applicant has an understanding of the requirements. The application proposes an unacceptable risk and cannot meet the requirements without major revisions.

b. For the past performance segment of the technical application, firms will be reviewed and scored using risk assessment ratings as described in the matrix below in accordance with the evaluation criteria set forth later in this section.

<i>Assessment of Risk</i>	<i>Standards</i>
LOW	The applicant meets all the requirements and/or standards with regard to past performance. This indicates that the applicant has an excellent likelihood of achieving the objectives of the project.
MODERATE	The applicant does not meet some of the requirements and/or standards with regard to past performance. This indicates that the applicant has an adequate likelihood of achieving the objectives of the project.
HIGH	The applicant does not meet all the requirements and/or standards with regard to past performance. This indicates that the applicant has a marginal likelihood of achieving the objectives of the project.

- c. The budget narrative of all applications under consideration for award will be reviewed for what are necessary and reasonable costs to support the program. Upon completion of the initial review of applications, USAID may, as it deems necessary and appropriate, conduct written and/or oral discussions with those Applicants whose applications remain in the competitive range. The decision to conduct such discussions should not be considered a reflection of a final decision about which organization will receive an award, but rather would be part of the evaluation process.

## **5. Technical Evaluation Criteria and Weighting**

Applications will be reviewed on the technical merit of the proposed approaches to the defined development challenge with adjectival ratings of: Excellent, Good, Satisfactory, Marginal and Unsatisfactory. In the rating system, members of the evaluation panel will rate the following areas with the adjectival ratings.

- a. Technical Approach (50 points)
  - 1) The degree to which: the proposed approach is technically and managerially sound, meets the objectives of the project as described in this solicitation, is based on theory of change to address the development challenge through activities which must prove to be logical and appropriate to the cultural and national context presented , provides a logical and sequential approach indicating achievable milestones through measurable outputs and outcomes, seeks to maximize results within budgeted resources, proving cost effectiveness and reflecting, realistically, the cost of design, implementation and finalization of project.
  - 2) The degree to which the Monitoring and Evaluation Plan demonstrates; a robust program which understands the critical nature of the work, innovative approaches to measurements and quality selection of methods that result in effective and useful data collection.
  - 3) The degree to which the application seeks to build local capacity and sustainability to the extent possible, involves a variety of partners with specific expertise in the proposed activities, including local civil society, local consultants/businesses, or others and demonstrates and understanding of the political, governance, anti-corruption, and operational challenges and opportunities in Mongolia.
- b. Qualifications of Proposed Personnel and Management Plan (35 points)
  - 1) Demonstrated ability and experience of the Country Director to lead this project, including proven ability to work constructively in the areas of anti-corruption, administrative reform, judicial reform, rule of law, civil society development, gender and cross-sectoral programming at senior levels of government as well as engage civil society, non-governmental organizations as well as other government actors as stakeholders.
  - 2) Qualifications of the Key-Personnel as well as other long-term specialists and the management structure and the appropriateness of their experience in anti-corruption, administrative reform, judicial reform, gender and cross-sectoral programming.
  - 3) Ability to identify and engage appropriate sub-awardee with expertise needed for the purpose of achieving objectives under the RFA.
- d. Past Performance of the Organization (15 points)

Demonstrated relevant experience, including quality of performance in promoting similar democracy and governance programs country with challenges resembling those in Mongolia. Areas of relevant experience would include; engaging civil society and government, mobilization and education processes, behavioral change, NGO training and capacity building. USAID will evaluate the relevance of the past work and how well this work was performed/quality of past performance.

Each applicant should provide a list of all contracts, grants or cooperative agreements involving similar or related program during the past three years. List must include performance location, description of the work performed, and performance references.

## **6. Cost Evaluation Criteria**

a. Cost Effectiveness and Cost Realism of the Application

- Is the budget for the proposed project detailed, realistic, reasonable, and cost-effective?
- Has provision been made for the evaluation and monitoring of the proposed project?

Evaluation points will not be awarded for cost. Cost will primarily be evaluated for realism, allowability, and reasonableness. This evaluation will consist of a review of the cost portion of an Applicant's application to determine if the overall costs proposed are realistic for the work to be performed, if the costs reflect the applicant's understandings of the requirements, and if the costs are consistent with the Technical Application.

b. Evaluation of Cost Applications will consider, but not be limited to, the following:

- Cost reasonableness, cost realism and completeness of the cost application and supporting documentation;
- Overall cost control/cost savings evidenced in the application (avoidance of excessive salaries, excessive home office visits, and other costs in excess of reasonable requirements).

c. Cost realism is an assessment of accuracy with which proposed costs represent the most probable cost of performance, within each Applicant's technical and management approach. A cost realism evaluation shall be performed as part of the evaluation process as follows:

- Verify the Applicant's understanding of the requirements.
- Assess the degree to which the Cost Applications accurately reflect the technical and management approach as well as the risk that the Applicant will be successful in providing the supplies or services for the costs proposed.
- Assess the degree to which the costs included in the Costs Applications accurately represent the work effort included in the respective Technical Applications.

d. Cost Application Format

The Cost or Business Application is to be submitted as separate document/package from the technical application. Certain documents are required to be submitted by an applicant in order for an Agreement Officer to make a determination of responsibility. However, it is USAID policy not to burden applicants with undue reporting requirements if that information is readily available through other sources.

Present the summary budget by year for proposed activity including uses of USAID funds and any other cost share. Clearly indicate the applicant's commitment to match funds separate from other donor support. The portion of this matching fund which will qualify as cost-share under 22 CFR 226 shall be clearly identified.

Include a budget, in US Dollars, with an accompanying budget narrative in MS Word to facilitate USAID's determination that costs are allowable, allocable, and reasonable. Detailed budget notes and supporting justification of all proposed budget line items which provide in detail the total costs for implementation of the program your organization is proposing should be included. In addition, a summary of the budget must be submitted using Standard Form 424 and 424A which can be downloaded from the USAID web site:

[http://www.usaid.gov/procurement\\_bus\\_opp/procurement/forms/sf424/](http://www.usaid.gov/procurement_bus_opp/procurement/forms/sf424/).

e. The budget shall include:

1. The breakdown of all costs associated with the program according to costs of, if applicable, headquarters, regional and/or country offices;
2. The breakdown of all costs according to each partner organization or subcontractor/subgrantee involved in the program;
3. The costs associated with external, expatriate technical assistance and those associated with local in-country technical assistance;
4. The breakdown of the financial and in-kind contributions of all organizations involved in implementing this Cooperative Agreement;

5. Potential contributions of non-USAID or private commercial donors to this Cooperative Agreement;
  6. A procurement plan for commodities.
- f. A copy of the latest Negotiated Indirect Cost Rate Agreement if your organization has such an agreement with the US Government;
- g. Applicants which do not currently have a Negotiated Indirect Cost Rate Agreement (NICRA) from their cognizant agency shall, upon request from the Agreement Officer, also submit the following information:
1. Copies of the applicant's financial reports for the previous 3-year period, which have been audited by a certified public accountant or other auditor satisfactory to USAID;
  2. Projected budget, cash flow and organizational chart; and
  3. A copy of the organization's accounting manual.
- h. Applicants may be asked to submit additional evidence of responsibility if deemed necessary for the Agreement Officer to make a determination of responsibility. The information submitted should substantiate that the Applicant:
1. Has adequate financial resources or the ability to obtain such resources as required during the performance of the award.
  2. Has the ability to comply with the award conditions, taking into account all existing and currently prospective commitments of the applicant, nongovernmental and governmental.
  3. Has a satisfactory record of performance. Past relevant unsatisfactory performance is ordinarily sufficient to justify a finding of non-responsibility, unless there is clear evidence of subsequent satisfactory performance.
  4. Has a satisfactory record of integrity and business ethics; and
  5. Is otherwise qualified and eligible to receive a cooperative agreement under applicable laws and regulations (e.g., EEO).
- i. Required Certifications, assurances and other statements for the prime and sub recipients as indicated in Section III of this RFA.

## **7. Submission**

Applicants are expected to review, understand, and comply with all aspects of this RFA.

After you have sent your application by email, please immediately check your own email to confirm that the attachments you intended to send were indeed sent. If you discover an error in your transmission, please send the material again and note in the subject line of the email that it is a "corrected" submission. Please do not wait for USAID to advise you that certain documents intended to be sent were not received, or that certain documents contained errors in formatting, missing sections, etc. Each applicant is responsible for its submissions, so please inspect your own emails.

Please do not send the same email more than one time unless there has been a change, and if so, please note that it is a corrected email. If multiple copies of the same email are sent, it will be difficult to know if there has been any change from one email to the next.

The Applicant will appoint one person to send the email submissions. If USAID receives email submissions from more than one person from a particular Applicant, it will be difficult to know who the authorized person is, and USAID cannot tell whether there has been a change from one email to the next without considerable effort.

If the application is sent by multiple emails, please indicate in the subject line of the email whether the email relates to the technical or cost application, and the desired sequence of multiple emails (if more than one is sent) and of attachments (e.g. "no. 1 of 4", etc.). For example, if the Applicant's name is ABXY Consulting, and the cost application is divided and being sent in as two emails, the first email shall have a subject line which says this clearly; otherwise USAID may not be sure of the correct order of the separate parts of the application. USAID's preference will be that each technical and each cost application be submitted as a single email attachment, e.g. that the Applicant need to consolidate the various parts of a

technical application into a single document before sending it. But if this is not possible, please provide instructions on how the multiple parts are supposed to fit together, especially the sequence. What is obvious to the Applicant as the preparer of the document may not be obvious to USAID. The application may not get optimal treatment if USAID is confused regarding the order and composition of the application.

**a. Application Contents:**

The technical application may contain the following sections, as more fully explained below: Cover Page, Table of Contents, Technical Application/Applicant Program Description Appendix attachments which contain biographical information for proposed candidates (i.e. resumes/CVs and other documentation provided by the Offeror), the Branding Strategy, Marking Plan, Proposed Timeline for Task Order Activities, and Contractor Performance Report.

The technical applications are to be limited to twenty-five (25) pages and shall be written in English. Offerors shall use only 8 ½" x 11" paper (210 mm by 297 mm paper), single space, 12 point font Times New Roman or similar font with margins no less than one inch on each border. Each page should be numbered consecutively. **Pages that exceed the twenty-five (25) page limitation will not be evaluated.**

A page in the technical application, which contains a table, chart, graph, etc. not otherwise excluded below, is subject to the page limitation.

Not included in this page limitation are the following:

- Cover Page
- Table of Contents
- Dividers
- Appendix attachments which contain biographical information for proposed candidates (i.e. resumes/CVs and other documentation provided by the Offeror).
- Branding Strategy and Marketing Plan
- Proposed Timeline for Task Order Activities; and

All critical information from appendices should be summarized in the technical proposal.

Unnecessarily Elaborate Applications – Unnecessarily elaborate brochures or other presentations beyond those sufficient to present a complete and effective application in response to this RFA are not desired and may be construed as an indication of the applicant's lack of cost consciousness. Elaborate art work, expensive paper and bindings, and expensive visual and other presentation aids are neither necessary nor wanted.

Acknowledgement of Amendments to the RFA - Applicants shall acknowledge receipt of any amendment to this RFA by signing and returning the amendment. The Government must receive the acknowledgement by the time specified for receipt of applications.

Proprietary Information – Applicants which include data that they do not want disclosed to the public for any purpose or used by the U.S. Government except for evaluation purposes, should mark the pages as such.

**C. AWARD INFORMATION**

Following selection of an awardee, USAID will inform the successful applicant concerning the award. A notice of award signed by the Agreement Officer is the official authorizing document, which USAID will provide either electronically or in hard copy to the successful applicant's main point of contact. USAID also will notify unsuccessful applicants concerning their status after selection has been made.

**END OF SECTION II. APPLICATION, SUBMISSION and AWARD INFORMATION**

**SECTION III. OTHER INFORMATION**

**A. CERTIFICATIONS, ASSURANCES, OTHER STATEMENTS OF RECIPIENT REQUIRED FOR COOPERATIVE AGREEMENT AWARD**

Note: When these Certification, Assurances, and Other Statements of Recipient are used for cooperative agreements, the term “Grant” means “Cooperative Agreement”.

**PART I - CERTIFICATIONS AND ASSURANCES**

**1. ASSURANCE OF COMPLIANCE WITH LAWS AND REGULATIONS GOVERNING NON-DISCRIMINATION IN FEDERALLY ASSISTED PROGRAMS**

\_\_\_\_\_ (hereinafter called the “Applicant”)  
(Name of Applicant)

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

- (1) Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352, 42 U.S.C. 2000-d), which prohibits discrimination on the basis of race, color or national origin, in programs and activities receiving Federal financial assistance;
- (2) Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination on the basis of handicap in programs and activities receiving Federal financial assistance;
- (3) The Age Discrimination Act of 1975, as amended (Pub. L. 95-478), which prohibits discrimination based on age in the delivery of services and benefits supported with Federal funds;
- (4) Title IX of the Education Amendments of 1972 (20 U.S.C. 1681, et seq.), which prohibits discrimination on the basis of sex in education programs and activities receiving Federal financial assistance (whether or not the programs or activities are offered or sponsored by an educational institution); and
- (5) USAID regulations implementing the above nondiscrimination laws set forth in Chapter II of Title 22 of the Code of Federal Regulations.

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

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

## 2. CERTIFICATION REGARDING LOBBYING (SEE 22 CFR 227)

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, United States Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

### Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that: If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

## 3. PROHIBITION ON ASSISTANCE TO DRUG TRAFFICKERS FOR COVERED COUNTRIES AND INDIVIDUALS (ADS 206)

USAID reserves the right to terminate this Agreement, to demand a refund or take other appropriate measures if the Grantee is found to have been convicted of a narcotics offense or to have been engaged in drug trafficking as defined in 22 CFR Part 140. The undersigned shall review USAID ADS 206 to determine if any certifications are required for Key Individuals or Covered Participants.

If there are COVERED PARTICIPANTS: USAID reserves the right to terminate assistance to, or take or take other appropriate measures with respect to, any participant approved by USAID who is found to have been convicted of a narcotics offense or to have been engaged in drug trafficking as defined in 22 CFR Part 140.

## 4. CERTIFICATION REGARDING TERRORIST FINANCING IN ACCORDANCE WITH AAPD 04-14

By signing and submitting this application, the prospective recipient provides the certification set out below:

1. The Recipient, to the best of its current knowledge, did not provide, within the previous ten years, and will take all reasonable steps to ensure that it does not and will not knowingly provide, material support or resources to any individual or entity that commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has committed, attempted to commit, facilitated, or participated in terrorist acts, as that term is defined in paragraph 3.

2. The following steps may enable the Recipient to comply with its obligations under paragraph 1:
  - a. Before providing any material support or resources to an individual or entity, the Recipient will verify that the individual or entity does not (i) appear on the master list of Specially Designated Nationals and Blocked Persons, which list is maintained by the U.S. Treasury's Office of Foreign Assets Control (OFAC) and is available online at OFAC's website : <http://www.treas.gov/offices/eotffc/ofac/sdn/t11sdn.pdf>, or (ii) is not included in any supplementary information concerning prohibited individuals or entities that may be provided by USAID to the Recipient.
  - b. Before providing any material support or resources to an individual or entity, the Recipient also will verify that the individual or entity has not been designated by the United Nations Security (UNSC) sanctions committee established under UNSC Resolution 1267 (1999) (the "1267 Committee") [individuals and entities linked to the Taliban, Osama bin Laden, or the Al Qaeda Organization]. To determine whether there has been a published designation of an individual or entity by the 1267 Committee, the Recipient should refer to the consolidated list available online at the Committee's website: <http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm>.
  - c. Before providing any material support or resources to an individual or entity, the Recipient will consider all information about that individual or entity of which it is aware and all public information that is reasonably available to it or of which it should be aware.
  - d. The Recipient also will implement reasonable monitoring and oversight procedures to safeguard against assistance being diverted to support terrorist activity.
3. For purposes of this Certification-
  - a. "Material support and resources" means currency or monetary instruments or financial securities, financial services, lodging, training, expert advice or assistance, safehouses, false documentation or identification, communications equipment, facilities, weapons, lethal substances, explosives, personnel, transportation, and other physical assets, except medicine or religious materials."
  - b. "Terrorist act" means-
    - (i) An act prohibited pursuant to one of the 12 United Nations Conventions and Protocols related to terrorism (see UN terrorism conventions Internet site: <http://untreaty.un.org/English/Terrorism.asp>); or
    - (ii) An act of premeditated, politically motivated violence perpetrated against noncombatant targets by sub-national groups or clandestine agents; or
    - (iii) any other act intended to cause death or serious bodily injury to a civilian, or to any other person not taking an active part in hostilities in a situation of armed conflict, when the purpose of such act, by its nature or context, is to intimidate a population, or to compel a government or an international organization to do or to abstain from doing any act.
  - c. "Entity" means a partnership, association, corporation, or other organization, group or subgroup.
  - d. References in this Certification to the provision of material support and resources shall not be deemed to include the furnishing of USAID funds or USAID-financed commodities to the ultimate beneficiaries of USAID assistance, such as recipients of food, medical care, micro-enterprise loans, shelter, etc., unless the Recipient has reason to believe that one or more of these beneficiaries commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has committed, attempted to commit, facilitated or participated in terrorist acts.
  - e. The Recipient's obligations under paragraph 1 are not applicable to the procurement of goods and/or services by the Recipient that are acquired in the ordinary course of business through contract or purchase, e.g., utilities, rents, office supplies, gasoline, etc., unless the Recipient has reason to believe that a vendor or supplier of such goods and services commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has committed, attempted to commit, facilitated or participated in terrorist acts.

This Certification is an express term and condition of any agreement issued as a result of this application, and any violation of it shall be grounds for unilateral termination of the agreement by USAID prior to the end of its term.

**5. CERTIFICATION OF RECIPIENT**

By signing below the recipient provides certifications and assurances for (1) the Assurance of Compliance with Laws and Regulations Governing Non-Discrimination in Federally Assisted Programs, (2) the Certification Regarding Lobbying, (3) the Prohibition on Assistance to Drug Traffickers for Covered Countries and Individuals (ADS 206) and (4) the Certification Regarding Terrorist Financing Implementing Executive Order 13224 above.

RFA/APS No.	_____
Application No.	_____
Date of Application	_____
Name of Recipient	_____
Typed Name and Title	_____
Signature	_____
Date	_____

**6. CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS**

(a) Instructions for Certification

- (1) By signing and/or submitting this application or grant, the recipient is providing the certification set out below.
- (2) The certification set out below is a material representation of fact upon which reliance was placed when the agency determined to award the Cooperative Agreement. If it is later determined that the recipient knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, the agency, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.
- (3) For recipients other than individuals, Alternate I applies.
- (4) For recipients who are individuals, Alternate II applies.

(b) Certification Regarding Drug-Free Workplace Requirements

Alternate I

- (1) The recipient certifies that it will provide a drug-free workplace by:
  - (A) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the applicant's/grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
  - (B) Establishing a drug-free awareness program to inform employees about--
    - 1. The dangers of drug abuse in the workplace;
    - 2. The recipient's policy of maintaining a drug-free workplace;
    - 3. Any available drug counseling, rehabilitation, and employee assistance programs; and
    - 4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
  - (C) Making it a requirement that each employee to be engaged in the performance of the Cooperative Agreement be given a copy of the statement required by paragraph (b)(1)(A);
  - (D) Notifying the employee in the statement required by paragraph (b)(1)(A) that, as a condition of employment under the Cooperative Agreement, the employee will—

1. Abide by the terms of the statement; and
  2. Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction;
- (E) Notifying the agency within ten days after receiving notice under subparagraph (b)(1)(D)1. from an employee or otherwise receiving actual notice of such conviction;
- (F) Taking one of the following actions, within 30 days of receiving notice under subparagraph (b)(1)(D)2., with respect to any employee who is so convicted—
1. Taking appropriate personnel action against such an employee, up to and including termination; or
  2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- (G) Making a good faith effort to continue to maintain a drug- free workplace through implementation of paragraphs (b)(1)(A), (b)(1)(B), (b)(1)(C), (b)(1)(D), (b)(1)(E) and (b)(1)(F).
- (2) The recipient shall insert in the space provided below the site(s) for the performance of work done in connection with the specific Cooperative Agreement:

Place of Performance (Street address, city, county, state, zip code)

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Alternate II

The recipient certifies that, as a condition of the Cooperative Agreement, he or she will not engage in the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance in conducting any activity with the Cooperative Agreement.

**7. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS -- PRIMARY COVERED TRANSACTIONS [3]**

(a) Instructions for Certification

1. By signing and submitting this application, the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the department or agency to whom this application is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "application," and "voluntarily excluded," as used in this clause, have the meaning set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. [4] You may contact the

department or agency to which this application is being submitted for assistance in obtaining a copy of those regulations.

6. The prospective primary participant agrees by submitting this application that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.
7. The prospective primary participant further agrees by submitting this application that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transaction," [5] provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the methods and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Non-procurement List.
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealing.
10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.
  - (b) Certification Regarding Debarment, Suspension, and Other Responsibility Matters--Primary Covered Transactions
    - (1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
      - (A) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
      - (B) Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
      - (C) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(B) of this certification; (D) Have not within a three-year period preceding this application/application had one or more public transactions (Federal, State or local) terminated for cause or default.
    - (2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this application.

**PART II - KEY INDIVIDUAL CERTIFICATION NARCOTICS OFFENSES AND DRUG TRAFFICKING**

I hereby certify that within the last ten years:

1. I have not been convicted of a violation of, or a conspiracy to violate, any law or regulation of the United States or any other country concerning narcotic or psychotropic drugs or other controlled substances.
2. I am not and have not been an illicit trafficker in any such drug or controlled substance.
3. I am not and have not been a knowing assistor, abettor, conspirator, or colluder with others in the illicit trafficking in any such drug or substance.

Signature: \_\_\_\_\_  
Date: \_\_\_\_\_ (MM/DD/YYYY)  
Name: \_\_\_\_\_  
Title/Position: \_\_\_\_\_  
Organization: \_\_\_\_\_  
Address: \_\_\_\_\_  
Date of Birth: \_\_\_\_\_

NOTICE:

1. You are required to sign this Certification under the provisions of 22 CFR Part 140, Prohibition on Assistance to Drug Traffickers. These regulations were issued by the Department of State and require that certain key individuals of organizations must sign this Certification.
2. If you make a false Certification you are subject to U.S. criminal prosecution under 18 U.S.C. 1001.

**PART III - PARTICIPANT CERTIFICATION NARCOTICS OFFENSES AND DRUG TRAFFICKING (SEE ADS 206)**

1. I hereby certify that within the last ten years:
  - a. I have not been convicted of a violation of, or a conspiracy to violate, any law or regulation of the United States or any other country concerning narcotic or psychotropic drugs or other controlled substances.
  - b. I am not and have not been an illicit trafficker in any such drug or controlled substance.
  - c. I am not or have not been a knowing assistor, abettor, conspirator, or colluder with others in the illicit trafficking in any such drug or substance.
2. I understand that USAID may terminate my training if it is determined that I engaged in the above conduct during the last ten years or during my USAID training.

Signature: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Date: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 \_\_\_\_\_  
 Date of Birth: \_\_\_\_\_

**NOTICE:**

1. You are required to sign this Certification under the provisions of 22 CFR Part 140, Prohibition on Assistance to Drug Traffickers. These regulations were issued by the Department of State and require that certain participants must sign this Certification.
2. If you make a false Certification you are subject to U.S. criminal prosecution under 18 U.S.C. 1001.

**PART IV - "PROHIBITION ON THE PROMOTION OR ADVOCACY OF THE LEGALIZATION OR PRACTICE OF PROSTITUTION OR SEX TRAFFICKING (ASSISTANCE) (APRIL 2010)**

(a) The U.S. Government is opposed to prostitution and related activities, which are inherently harmful and dehumanizing, and contribute to the phenomenon of trafficking in persons. None of the funds made available under this agreement may be used to promote or advocate the legalization or practice of prostitution or sex trafficking. Nothing in the preceding sentence shall be construed to preclude the provision to individuals of palliative care, treatment, or post-exposure pharmaceutical prophylaxis, and necessary pharmaceuticals and commodities, including test kits, condoms, and, when proven effective, microbicides.

(b)(1) Except as provided in (b)(2) and (b)(3), by accepting this award or any subaward, a nongovernmental organization or public international organization awardee/subawardee agrees that it is opposed to the practices of prostitution and sex trafficking because of the psychological and physical risks they pose for women, men, and children.<sup>[9]</sup>

<sup>[9]</sup> The following footnote should only be included in awards to Alliance for Open Society International (AOSI), Pathfinder, or a member of the Global Health Council (GHC) or InterAction (with the exception of DKT International, Inc.):

“Any enforcement of this clause is subject to Alliance for Open Society International v. USAID, 05 Civ. 8209 (S.D.N.Y., orders filed on June 29, 2006 and August 8, 2008) (orders granting preliminary injunction) for the term of the Orders.”

The lists of members of GHC and InterAction can be found at:

[http://www.usaid.gov/business/business\\_opportunities/cib/pdf/GlobalHealthMemberlist.pdf](http://www.usaid.gov/business/business_opportunities/cib/pdf/GlobalHealthMemberlist.pdf)

(b)(2) The following organizations are exempt from (b)(1): the Global Fund to Fight AIDS, Tuberculosis and Malaria; the World Health Organization; the International AIDS Vaccine Initiative; and any United Nations agency.

(b)(3) Contractors and subcontractors are exempt from (b)(1) if the contract or subcontract is for commercial items and services as defined in FAR 2.101, such as pharmaceuticals, medical supplies, logistics support, data management, and freight forwarding.

(b)(4) Notwithstanding section (b)(3), not exempt from (b)(1) are recipients, subrecipients, contractors, and subcontractors that implement HIV/AIDS programs under this assistance award, any subaward, or procurement contract or subcontract by:

(i) providing supplies or services directly to the final populations receiving such supplies or services in host countries;

(ii) providing technical assistance and training directly to host country individuals or entities on the provision of supplies or services to the final populations receiving such supplies and services; or

(iii) providing the types of services listed in FAR 37.203(b)(1)-(6) that involve giving advice about substantive policies of a recipient, giving advice regarding the activities referenced in (i) and (ii), or making decisions or functioning in a recipient's chain of command (e.g., providing managerial or supervisory services approving financial transactions, personnel actions).

(c) The following definitions apply for purposes of this provision:

“Commercial sex act” means any sex act on account of which anything of value is given to or received by any person.

“Prostitution” means procuring or providing any commercial sex act and the “practice of prostitution” has the same meaning.

“Sex trafficking” means the recruitment, harboring, transportation, provision, or obtaining of a person for the purpose of a commercial sex act. 22 U.S.C. 7102(9).

(d) The recipient shall insert this provision, which is a standard provision, in all subawards, procurement contracts or subcontracts.

(e) This provision includes express terms and conditions of the award and any violation of it shall be grounds for unilateral termination of the award by USAID prior to the end of its term.

**PART V - CERTIFICATION OF COMPLIANCE WITH THE STANDARD PROVISIONS ENTITLED “CONDOMS” AND “PROHIBITION ON THE PROMOTION OR ADVOCACY OF THE LEGALIZATION OR PRACTICE OF PROSTITUTION OR SEX TRAFFICKING.”**

*Applicability: This certification requirement only applies to the prime recipient. Before a U.S. or non-U.S. non-governmental organization receives FY04-FY08 HIV/AIDS funds under a grant or cooperative agreement, such recipient must provide to the Agreement Officer a certification substantially as follows:*

“[Recipient's name] certifies compliance as applicable with the standard provisions entitled “Condoms” and “Prohibition on the Promotion or Advocacy of the Legalization or Practice of Prostitution or Sex Trafficking” included in the referenced agreement.”

RFA/APS No.	_____
Application No.	_____
Date of Application	_____
Name of Applicant/Subgrantee	_____
Typed Name and Title	_____
Signature	_____

## **PART VI - "ORGANIZATIONS ELIGIBLE FOR ASSISTANCE (ASSISTANCE) (JUNE 2005)**

An organization that is otherwise eligible to receive funds under this agreement to prevent, treat, or monitor HIV/AIDS shall not be required to endorse or utilize a multi-sectoral approach to combating HIV/AIDS, or to endorse, utilize, or participate in a prevention method or treatment program to which the organization has a religious or moral objection.

## **PART VII - CONDOMS (ASSISTANCE) (JUNE 2005)**

Information provided about the use of condoms as part of projects or activities that are funded under this agreement shall be medically accurate and shall include the public health benefits and failure rates of such use and shall be consistent with USAID's fact sheet entitled, "USAID: HIV/STI Prevention and Condoms. This fact sheet may be accessed at:

[http://www.usaid.gov/our\\_work/global\\_health/aids/TechAreas/prevention/condomfactsheet.html](http://www.usaid.gov/our_work/global_health/aids/TechAreas/prevention/condomfactsheet.html)

## **PART VIII - SURVEY ON ENSURING EQUAL OPPORTUNITY FOR APPLICANTS**

*Applicability: All RFA's must include the attached Survey on Ensuring Equal Opportunity for Applicants as an attachment to the RFA package. Applicants under unsolicited applications are also to be provided the survey. (While inclusion of the survey by Agreement Officers in RFA packages is required, the applicant's completion of the survey is voluntary, and must not be a requirement of the RFA. The absence of a completed survey in an application may not be a basis upon which the application is determined incomplete or non-responsive. Applicants who volunteer to complete and submit the survey under a competitive or non-competitive action are instructed within the text of the survey to submit it as part of the application process.)*

## **PART IX - SUPPORTING USAID'S DISABILITY POLICY IN COOPERATIVE AGREEMENTS**

"USAID Disability Policy - Assistance (December 2004)

(a) The objectives of the USAID Disability Policy are (1) to enhance the attainment of United States foreign assistance program goals by promoting the participation and equalization of opportunities of individuals with disabilities in USAID policy, country and sector strategies, activity designs and implementation; (2) to increase awareness of issues of people with disabilities both within USAID programs and in host countries; (3) to engage other U.S. government agencies, host country counterparts, governments, implementing organizations and other donors in fostering a climate of nondiscrimination against people with disabilities; and (4) to support international advocacy for people with disabilities. The full text of the policy paper can be found at the following website:

<http://www.usaid.gov/about/disability/DISABPOL.FIN.html>

(b) USAID therefore requires that the recipient not discriminate against people with disabilities in the implementation of USAID funded programs and that it make every effort to comply with the objectives of the USAID Disability Policy in performing the program under this cooperative agreement. To that end and to the extent it can accomplish this goal within the scope of the program objectives, the recipient should demonstrate a comprehensive and consistent approach for including men, women and children with disabilities."

## **PART X - OTHER STATEMENTS OF RECIPIENT**

### **1. AUTHORIZED INDIVIDUALS**

The recipient represents that the following persons are authorized to negotiate on its behalf with the Government and to bind the recipient in connection with this application or grant:

Name	Title	Telephone No.	Email Address

**2. TAXPAYER IDENTIFICATION NUMBER (TIN)**

If the recipient is a U.S. organization, or a foreign organization which has income effectively connected with the conduct of activities in the U.S. or has an office or a place of business or a fiscal paying agent in the U.S., please indicate the recipient's TIN:

TIN: \_\_\_\_\_

**3. CONTRACTOR IDENTIFICATION NUMBER - DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER**

(a) In the space provided at the end of this provision, the recipient should supply the Data Universal Numbering System (DUNS) number applicable to that name and address. Recipients should take care to report the number that identifies the recipient's name and address exactly as stated in the application.

(b) The DUNS is a 9-digit number assigned by Dun and Bradstreet Information Services. If the recipient does not have a DUNS number, the recipient should call Dun and Bradstreet directly at 1-800-333-0505. A DUNS number will be provided immediately by telephone at no charge to the recipient. The recipient should be prepared to provide the following information:

- (1) Recipient's name.
- (2) Recipient's address.
- (3) Recipient's telephone number.
- (4) Line of business.
- (5) Chief executive officer/key manager.
- (6) Date the organization was started.
- (7) Number of people employed by the recipient.
- (8) Company affiliation.

(c) Recipients located outside the United States may obtain the location and phone number of the local Dun and Bradstreet Information Services office from the Internet Home Page at <http://www.dbisna.com/dbis/customer/custlist.htm> . If a recipient is unable to locate a local service center, it may send an e-mail to Dun and Bradstreet at [globalinfo@dbisma.com](mailto:globalinfo@dbisma.com) .

The DUNS system is distinct from the Federal Taxpayer Identification Number (TIN) system.

DUNS: \_\_\_\_\_

**4. LETTER OF CREDIT (LOC) NUMBER**

If the recipient has an existing Letter of Credit (LOC) with USAID, please indicate the LOC number:

LOC: \_\_\_\_\_

**5. PROCUREMENT INFORMATION**

(a) Applicability. This applies to the procurement of goods and services planned by the recipient (i.e., contracts, purchase orders, etc.) from a supplier of goods or services for the direct use or benefit of the recipient in conducting the program supported by the grant, and not to assistance provided by the recipient (i.e., a subgrant or subagreement) to a subgrantee or sub recipient in support of the sub grantee's or sub recipient's program. Provision by the recipient of the requested information does not, in and of itself, constitute USAID approval.

(b) Amount of Procurement. Please indicate the total estimated dollar amount of goods and services which

the recipient plans to purchase under the grant:

\$ \_\_\_\_\_

- (c) Nonexpendable Property. If the recipient plans to purchase nonexpendable equipment which would require the approval of the Agreement Officer, please indicate below (using a continuation page, as necessary) the types, quantities of each, and estimated unit costs. Nonexpendable equipment for which the Agreement Officer's approval to purchase is required is any article of nonexpendable tangible personal property charged directly to the grant, having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

TYPE/DESCRIPTION (Generic)	QUANTITY	ESTIMATED UNIT COST
----------------------------	----------	---------------------

- (d) Source, Origin, and Componentry of Goods. If the recipient plans to purchase any goods/commodities which are not of U.S. source and/or U.S. origin, please indicate below (using a continuation page, as necessary) the types and quantities of each, estimated unit costs of each, and probable source and/or origin. "Source" means the country from which a commodity is shipped to the cooperating country or the cooperating country itself if the commodity is located therein at the time of purchase. However, where a commodity is shipped from a free port or bonded warehouse in the form in which received therein, "source" means the country from which the commodity was shipped to the free port or bonded warehouse. Any commodity whose source is a non-Free World country is ineligible for USAID financing. The "origin" of a commodity is the country or area in which a commodity is mined, grown, or produced. A commodity is produced when: through manufacturing, processing, or substantial and major assembling of components, a commercially recognized new commodity results, which is substantially different in basic characteristics or in purpose or utility from its components. Merely packaging various items together for a particular procurement or relabeling items does not constitute production of a commodity. Any commodity whose origin is a non-Free World country is ineligible for USAID financing. "Components" are the goods which go directly into the production of a produced commodity. Any component from a non-Free World country makes the commodity ineligible for USAID financing.

TYPE/DESCRIPTION PROBABLE (Generic)	QUANTITY	ESTIMATED UNIT COST	GOODS COMPONENTS SOURCE	PROBABLE GOODS COMPONENTS ORIGIN
-------------------------------------	----------	---------------------	-------------------------	----------------------------------

- (e) Restricted Goods. If the recipient plans to purchase any restricted goods, please indicate below (using a continuation page, as necessary) the types and quantities of each, estimated unit costs of each, intended use, and probable source and/or origin. Restricted goods are Agricultural Commodities, Motor Vehicles, Pharmaceuticals, Pesticides, Rubber Compounding Chemicals and Plasticizers, Used Equipment, U.S. Government-Owned Excess Property, and Fertilizer.

TYPE/DESCRIPTION (Generic)	QUANTITY	ESTIMATED UNIT COST	PROBABLE SOURCE	INTENDED USE ORIGIN
----------------------------	----------	---------------------	-----------------	---------------------

- (f) Supplier Nationality. If the recipient plans to purchase any goods or services from suppliers of goods and services whose nationality is not in the U.S., please indicate below (using a continuation page, as necessary) the types and quantities of each good or service, estimated costs of each, probable nationality of each non-U.S. supplier of each good or service, and the rationale for purchasing from a non-U.S. supplier. Any supplier whose nationality is a non-Free World country is ineligible for USAID financing.

TYPE/DESCRIPTION (Generic)	QUANTITY	ESTIMATED UNIT COST (Non-US Only)	PROBABLE SLUPPIER NATIONALITE RATIONALE for NON-US
----------------------------	----------	-----------------------------------	--

- (g) Proposed Disposition. If the recipient plans to purchase any nonexpendable equipment with a unit acquisition cost of \$5,000 or more, please indicate below (using a continuation page, as necessary) the proposed disposition of each such item. Generally, the recipient may either retain the property for other uses and make compensation to USAID (computed by applying the percentage of federal participation in the cost of the original program to the current fair market value of the property), or sell the property and reimburse USAID an amount computed by applying to the sales proceeds the

percentage of federal participation in the cost of the original program (except that the recipient may deduct from the federal share \$500 or 10% of the proceeds, whichever is greater, for selling and handling expenses), or donate the property to a host country institution, or otherwise dispose of the property as instructed by USAID.

TYPE/DESCRIPTION(Generic) QUANTITY ESTIMATED UNIT COST PROPOSED DISPOSITION

**6. PAST PERFORMANCE REFERENCES**

On a continuation page, please provide a list of the most recent and/or current U.S. Government and/or privately-funded contracts, grants, cooperative agreements, etc., and the name, address, and telephone number of the Contract/Agreement Officer or other contact person.

**7. TYPE OF ORGANIZATION**

The recipient, by checking the applicable box, represents that -

- (a) If the recipient is a U.S. entity, it operates as  a corporation incorporated under the laws of the State of \_\_\_\_\_,  an individual,  a partnership,  a nongovernmental nonprofit organization,  a state or local governmental organization,  a private college or university,  a public college or university,  an international organization, or  a joint venture; or
- (b) If the recipient is a non-U.S. entity, it operates as  a corporation organized under the laws of \_\_\_\_\_ (country),  an individual,  a partnership,  a nongovernmental nonprofit organization,  a nongovernmental educational institution,  a governmental organization,  an international organization, or  a joint venture.

**8. ESTIMATED COSTS OF COMMUNICATIONS PRODUCTS**

The following are the estimate(s) of the cost of each separate communications product (i.e., any printed material [other than non- color photocopy material], photographic services, or video production services) which is anticipated under the grant. Each estimate must include all the costs associated with preparation and execution of the product. Use a continuation page as necessary.

FORMATS\GRNTCERT: Rev. 06/16/97 (ADS 303.6, E303.5.6a) When these Certifications, Assurances, and Other Statements of Recipient are used for cooperative agreements, the term "Grant" means "Cooperative Agreement". The recipient must obtain from each identified subgrantee and sub-contractor, and submit with its application/proposal, the Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion -- Lower Tier Transactions, set forth in Attachment A hereto. The recipient should reproduce additional copies as necessary. See ADS Chapter E303.5.6a, 22 CFR 208, Annex1, App A. For USAID, this clause is entitled "Debarment, Suspension, Ineligibility, and Voluntary Exclusion (March 1989)" and is set forth in the grant standard provision entitled "Debarment, Suspension, and Related Matters" if the recipient is a U.S. nongovernmental organization, or in the grant standard provision entitled "Debarment, Suspension, and Other Responsibility Matters" if the recipient is a non-U.S. nongovernmental organization.

**ANNEX I - MANDATORY PROVISIONS**

1. Mandatory Standard Provisions for U.S. Nongovernmental recipients can be accessed through USAID's website <http://www.usaid.gov/policy/ads/300/303maa.pdf> .
2. Mandatory Standard Provisions for Non-U.S., Nongovernmental recipients can be accessed through USAID's website <http://www.usaid.gov/policy/ads/300/303mab.pdf> .

## **ANNEX II - BUDGET PREPARATION GUIDANCE**

The following object class categories are those required on USAID Form 424A (Section B – Budget Categories):

### **Personnel**

The category includes the salary of each long-term and short-term, paid position for the total estimated life-of-project, except consultants, and the projected cost-of-living or bonus/merit increase for each position.

### **Fringe Benefits & Allowances**

This category includes the amount and percentage of fringe benefits for each headquarters and field personnel identified above. Include here all allowances such as housing, schooling, leave benefits and other items.

### **Travel & Per Diem**

This category includes all projected travel, per diem and other related costs for personnel except consultants. Include the method by which airfare costs were determined; i.e. quotes for coach and if per diems are based on established policies.

### **Equipment & Supplies**

In accordance with 22 CFR 226, 'equipment' means tangible non-expendable personal property, including exempt property charged directly to the award having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. Information should be included in the application on how pricing was determined for each piece of the equipment.

There are statutory constraints relating to the purchase of agricultural commodities, motor vehicles, pharmaceuticals, pesticides, rubber compounding chemicals and plasticizers, used equipment and fertilizer with USAID project funds. Applicants may obtain specific information on these regulations on USAID Web Site at <http://www.usaid.gov/pubs/ads>.

In accordance with 22 CFR 226, 'supplies' means all personal property excluding equipment, intangible property, debt instruments and interventions.

### **Contractual Services**

This category is for all subcontracts with organizations, which will provide services to the project and any short- or long-term consultant cost including fees, travel and per diem. This category is not to be used for sub-grant, which should be included in other direct costs.

### **Construction**

N/A

### **Other Direct Costs**

Applicants are to identify all costs associated with training of project personnel. Applicants planning to use USAID funds to send project staff or local counterparts for training in the U.S. or a country other than the host country, will be required to follow the guidance on USAID Participant Training Regulations, which may be found on the USAID Web Site <http://www.usaid.gov/pubs/ads>.

The Applicant should provide information on any costs attributed to the project not associated above; i.e., communications, facilitate, fuel vehicles, repair, maintenance and insurance.

### **Sub-agreements**

Include in this budget class category all subgrants.

**Indirect Costs/Charges**

Include a copy of the Applicant’s most recent negotiated indirect cost rate agreement (NICRA) from the cognizant audit agency showing the overhead and/or general administrative rate. In the absence of a NICRA all costs must be charged as direct costs.

USAID Form 424A, Section C should reflect the Applicant’s and other sources’ cash contribution to this program, if applicable. A cash match means that funds are used to support the budget elements discussed above. The cash value of donated equipment or supplies must be documental.

A narrative that justifies the costs as appropriate and necessary for the successful completion of the program should be attached to USAID Form 424. The narrative must provide clear explanations for cost reasonableness, particularly when proposed costs exceed market rates.

The Cooperative Agreement Budget generally has four (4) different categories called Budget Cost Elements: Program, Training, Procurement, and Indirect Costs. A sample Agreement Budget is included below. On Standard Form 424A, Section B-Budget Categories, all eleven Object Class Categories have a footnote number next to them. The footnote numbers next to the Object Class Categories correspond to one of the four Cost Elements of the Cooperative Agreement Budget. The 11 Object Class Categories fit within the four Cost Elements of the Cooperative Agreement Budget. For this application, submit only the Standard Form 424 and 424A, with the corresponding eleven (11) Object Class Categories, supported by a detailed narrative.

**SAMPLE COOPERATIVE AGREEMENT BUDGET**

SF 424, Sec. B, Item 6

Budget Cost Element	Object Class Category	Budget Amount
Program	Line a, b, c, & h	\$ _____
Procurement	Line d, e and f	\$ _____
Training	Line h	\$ _____
Indirect Costs	Line j	\$ _____
Program’s Total Budget		\$ _____
Funding arrangement:		
Total USAID Amount		\$ _____
Recipient’s Cost Share, if applicable		\$ _____
Total Program Funding		\$ _____

## ANNEX III - ENVIRONMENTAL CONCERNS

### 1. Conditions for Award:

The Foreign Assistance Act of 1961, as amended, Section 117 requires that the impact of USAID's activities on the environment be considered and that USAID include environmental sustainability as a central consideration in designing and carrying out its development programs. This mandate is codified in Federal Regulations (22 CFR 216) and in USAID's Automated Directives System (ADS) Parts 201.5.10g and 204 (<http://www.usaid.gov/policy/ads/200/>), which, in part, require that the potential environmental impacts of USAID-financed activities are identified prior to a final decision to proceed and that appropriate environmental safeguards are adopted for all activities. *Applicant's environmental* compliance obligations under these regulations and procedures are specified in the following paragraphs of this RFA.

Implementing agencies must adhere to USAID's Environmental Compliance Procedures, Title 22, Code of Federal Regulations, Part 216 (22 CFR 216.3). Specific procedures for every new and/or amended program or project are set forth in this guidance. In addition, the Contractor/Recipient must comply with host country environmental regulations unless otherwise directed in writing by USAID. In case of conflict between host country and USAID regulations, the latter shall govern.

No activity funded under this Cooperative Agreement will be implemented unless an environmental threshold determination, as defined by 22 CFR 216, has been reached for that activity, as documented in a Request for Categorical Exclusion (RCE), Initial Environmental Examination (IEE), or Environmental Assessment (EA) duly signed by the Bureau Environmental Officer (BEO). (Hereinafter, such documents are described as "approved Regulation 216 environmental documentation").

### 2. Environmental Regulations and References

USAID's general launching point for information relating to environmental assessments and guidelines are available at:

- a) [http://www.usaid.gov/our\\_work/environment/compliance/index.html](http://www.usaid.gov/our_work/environment/compliance/index.html)
- b) USAID's list of key contacts (Environmental Officers) in Bureaus and Missions at [http://www.usaid.gov/our\\_work/environment/compliance/officers.html#aec](http://www.usaid.gov/our_work/environment/compliance/officers.html#aec)
- c) USAID's Environmental Training Course Materials, including Title 22 of the Code of Federal Regulations, Part 216 that governs the U.S. government's environmental impact abroad. The site also contains various forms and templates relating to Initial Environmental Examinations. <http://www.encapafrika.org/EPTM.htm>

**ANNEX IV - SAMPLE COOPERATIVE AGREEMENT FORMAT AND SCHEDULE**

Mr. X  
President  
XYZ, Organization  
Anywhere, U.S.A.

Subject: Award Number \_\_\_\_\_

Dear Mr. Doe:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the U.S. Agency for International Development (hereinafter referred to as "USAID" or "Grantor") hereby awards to the XYZ Organization (herein after referred to as "XYZ" or "Recipient"), the sum of \$\_\_\_\_\_ to provide support for a program in \_\_\_\_\_ as described in the Schedule of this agreement and the Attachment 2, entitled "Program Description."

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

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

[NOTE - Do not include reference to 22 CFR 226 if Agreement is with a Non-US Organization]

Please sign the original and each copy of this letter to acknowledge your organization's receipt of the grant, and return the original and all but one copy to the Agreement Officer.

Sincerely yours,

Agreement Officer

Attachments:

1. Schedule
2. Program summary
3. Standard Provisions

ACKNOWLEDGED:

XYZ Organization

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

FISCAL DATA

A. GENERAL

- 1. Total Estimated USAID Amount: \$ \_\_\_\_\_
- 2. Total Obligated USAID Amount: \$ \_\_\_\_\_
- 3. Cost-Sharing Amount (Non-Federal): \$ \_\_\_\_\_
- 4. Project Number: \_\_\_\_\_
- 5. USAID Project Office: \_\_\_\_\_
- 6. Tax I.D. Number: \_\_\_\_\_
- 7. DUNS Number: \_\_\_\_\_
- 8. LOC Number: \_\_\_\_\_

B. SPECIFIC

(as appropriate)

- 1. MAARD Number: \_\_\_\_\_
- 2. Appropriation: \_\_\_\_\_
- 3. Allocation: \_\_\_\_\_

Part II Sample Cooperative Agreement Format

A. Purpose of Agreement

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

B. Period of Agreement

- 1. The effective date of this Agreement is \_\_\_\_\_. The estimated completion date of this Agreement is \_\_\_\_\_.

[Note - For incrementally funded agreements or where pre-award expenses are authorized, add the following sentence:]

- 2. Funds obligated hereunder are available for program expenditures for the estimated period \_\_\_\_\_ to \_\_\_\_\_ as shown in the Agreement budget below.

C. Amount of Award and Payment

[Note - For fully funded agreements use the following:]

- 1. USAID hereby obligates the amount of \$ \_\_\_\_\_ for purposes of this Agreement.
- 2. Payment shall be made to the Recipient by \_\_\_\_\_ (Note - state method) in accordance with procedures set forth in \_\_\_\_\_ [Note - for U.S. Organizations cite 22 CFR 226; for Non-US Organizations reference attached Standard Provisions. Agreement Officer must select a method of payment in accordance with the applicability requirements set forth in 22 CFR 226; i.e., letter of credit, advance payment, or reimbursement.]

- or -

[For incrementally funded awards use the following in lieu of the above:]

- 1. The total estimated amount of this Award for the period shown in B.1 above is \$ \_\_\_\_\_.
- 2. USAID hereby obligates the amount of \$ \_\_\_\_\_ for program expenditures during the period set forth in B.2. above and as shown in the Budget below. The recipient will be given written notice by the Agreement Officer if additional funds will be added. USAID is not obligated to reimburse the recipient for the expenditure of amounts in excess of the total obligated amount.
- 3. Payment shall be made to the Recipient by \_\_\_\_\_ (Note - state method) in accordance with procedures set forth in \_\_\_\_\_. [Note - for U.S. Organizations cite 22 CFR 226; for Non-US

Organizations reference attached Standard Provisions. Agreement Officer must select a method of payment in accordance with the applicability requirements set forth in 22 CFR 226; i.e., letter of credit, advance payment, or reimbursement.]

4. Additional funds up to the total amount of the grant shown in C.1 above may be obligated by USAID subject to the availability of funds, satisfactory progress of the project and continued relevance to USAID programs.

D. Budget

[Note - the items included in the Budget, including local cost financing items, should relate to the results, activities or functions described in Attachment 2 - Program summary, not to specific cost items (such as salaries or travel) except for those listed at items 4-6 below. However, at the discretion of the Agreement Officer, an alternative budget may be appropriate.]

The following is the Agreement Budget, including local cost financing items, if authorized. Revisions to this budget shall be made in accordance with \_\_\_\_\_. [Note - For U.S. Organizations cite 22 CFR 226.25; for Non-US refer to Standard Provision entitled "Revision of Grant Budget."]

Total*	From**__to**__ From**__to**__	From**__to**__	
Cost Element	\$U.S. Local Currency	\$U.S. Local Currency	\$U.S. Local Currency
1.			
2.			
3.			
4. Training			
5. Procurement			
6. Indirect Costs overhead	_____	_____	_____
7. Total \$	_____	_____	_____
_____			

\* Use all three columns for incrementally funded grants, otherwise use only this column.

\*\* Insert effective and expiration dates of grant or obligation/funding dates.

E. Reporting and Evaluation

1. Financial Reporting

The Recipient shall submit \_\_\_\_ (an original and two copies of \_\_\_\_\_) [Note – Agreement Officer to determine type of report, frequency of reporting periods and address]. Financial Reports shall be in keeping with \_\_\_\_\_[Note - for US Organizations add: 22 CFR 226.52; for Non-US refer to appropriate Standard Provision]. For U.S. Organizations under Letter of Credit the following language shall be used:

“In accordance with 22 CFR 226.52 the SF 425 and 425A will be required on a quarterly basis. The recipient shall submit these forms in the following manner:

1) The SF 425 and 425a (if necessary) will be submitted via electronic format to the U.S. Department of Health and Human Services (<http://www.dpm.psc.gov>) . The SF 425 or 425a (as appropriate) shall be submitted to the Agreement Officer Technical Representative with one copy to the Agreement Officer [NOTE: if Agreement Officer desires a copy].

\* 2) In accordance with 22 CFR 226.70 - 72 [Note: for Non-US organizations refer to appropriate Standard Provision] the original and two copies of final financial reports shall be submitted as follows: M/FM, the Agreement Officer (if requested) and the CTO. The electronic version of the final SF 425 or 425a shall be submitted to HHS in accordance with paragraph (1) above.

2. Program Reporting

The Recipient shall submit \_\_\_\_ [Note - specify number of copies, not to exceed the original and two copies] of a performance report to \_\_\_\_ [Note - specify name and title of Agreement Officer Technical Representative and the Agreement Officer, if desired, along with address]. The performance reports are required to be submitted \_\_\_\_ [Note - state frequency, not to exceed quarterly] and shall contain the following information \_\_\_\_\_ [Note - state reporting requirements, as related to the Program Description].

#### Final Report

The Recipient shall submit the original and one copy to \_\_\_\_ [Note - specify name and title of Agreement Officer Technical Representative and the Agreement Officer, if desired, along with address] and one copy to USAID Development Experience Clearinghouse, ATTN: Document Acquisitions, 1611 N. Kent Street, Suite 200, Arlington, VA 22209-2111 (or e-mail: [docsubmit@dec.cdie.org](mailto:docsubmit@dec.cdie.org)). (NOTE – Agreement Officer to verify ADS 540 for detailed information on which categories of development experience documents should or should not be submitted to CDIE and appropriate format for electronic transmission.) The final performance report shall contain the following information \_\_\_\_\_ [Note – state reporting requirements, as related to the Program Description].

#### F. Special Provisions

[Note - Use this paragraph to delete inapplicable Standard Provisions or to add provisions of special applicability as authorized. Included should be waivers, including authorized local cost financing, and any alterations to the Standard Provisions or 22 CFR 226 which have been approved as deviations for the specific award.]

#### G. Indirect Cost Rate

[Note - Establish the applicable indirect cost rate(s), base(s) on which they apply, and the Grantee's accounting period(s) they cover, as provided in the appropriate Standard Provision. If an Indirect Cost Rate Agreement has been executed by USAID or a cognizant Federal agency, such rate(s) are required to be incorporated herein if such costs are covered by the grant. The most current overhead information should be obtained from the Overhead and Special Costs and Contract Close-Out Branch (M/OP/PS/OCC).]

#### H. Title to Property

[Note - Specify to whom title will vest for property, by category if appropriate.]

[Note - For awards having a procurement element greater than \$250,000, add the following:]

#### I. Authorized Geographic Code

The authorized geographic code for procurement of goods and services under this grant is \_\_\_\_\_.

[Note - For awards with a cost-share element add the following:]

J. Cost Sharing

The Recipient agrees to expend an amount not less than \_\_\_\_\_ [Note - put in percentage] of the total activity costs.

[For awards with US or Non-US Organizations which may generate Program Income add the following:]

K. Program Income

The Recipient shall account for Program Income in accordance with 22 CFR 226.24 (or the Standard Provision entitled Program Income for non-U.S. organizations). Program Income earned under this award shall be applied and used as follows: [Note – Agreement Officers in consultation with the Technical Officer must decide how Program Income will be applied: 1) added to the Project; 2) used to finance the non-Federal share; or 3) deducted from the total Federal share. All three may be picked as long as a descending order (i.e., "excess amounts may be applied to another alternative") is established in accordance with 22 CFR 226.24. Agreement Officers are encouraged to be as specific as possible in detailing the appropriate types of activities Program Income may be applied for when using the additive option as described at 226.24(b)(1).

**ANNEX IV - PAST PERFORMANCE INFORMATION**

**PAST PERFORMANCE INFORMATION**

<b>CONTRACTOR PERFORMANCE REPORT - SHORT FORM</b>	
<b>PART I: Contractor Information (to be completed by Prime)</b>	
1.	Name of Contracting Entity:
2.	Contract Number:
3.	Contract Type:
4.	Contract Value (TEC): (if subcontract, subcontract value)
5.	Problems: (if problems encountered on this contract, explain corrective action taken)
6.	Contacts: (Name, Telephone Number and E-mail address)
6a.	Contracting officer:
6b.	Technical Officer (CTO):
6c.	Other:
7.	Contractor:
8.	Information Provided in Response to RFP No. :
<b>PART II: Performance Assessment (to be completed by Agency)</b>	
1.	Quality of product or service, including consistency in meeting goals and targets, and cooperation and electiveness of the Prime in fixing problems. Comment:
2.	Cost control, including forecasting costs as well as accuracy in financial reporting. Comment:
3.	Timeliness of performance, including adherence to contract schedules and other time-sensitive project conditions, and effectiveness of home and field office management to make prompt decisions and ensure efficient operation of tasks. Comment:
4.	Customer satisfaction, including satisfactory business relationship to clients, initiation and management of several complex activities simultaneously, coordination among subcontractors and developing country partners, prompt and satisfactory correction of problems, and cooperative attitude in fixing problems. Comment:
5.	Effectiveness of key personnel including: effectiveness and appropriateness of personnel for the job: and prompt and satisfactory changes in personnel when problems with clients where identified. Comment:

[Note: the actual dollar amount of subcontracts, if any, (awarded to the Prime) must be listed in Block 4 instead of the Total Estimated Cost (TEC) of the overall contract. In addition, a Prime may submit attachments to this past performance table if the spaces provided are inadequate; the evaluation factor(s) must be listed on any attachments.]

**END OF SECTION III. OTHER INFORMATION**