



USAID | WEST BANK/GAZA

Issue Date: May 5, 2021

Deadline for Question: May 17, 2021

Closing Date: June 10, 2021

Closing Time: 16:00 Tel Aviv Time

Subject: Small and Medium Enterprise Assistance for Recovery and Transition (SMART) Activity / Notice Of Funding Opportunity (NOFO) Request for Application Number 72029421RFA00002

Ladies/Gentlemen:

The United States Agency for International Development (USAID) is seeking applications from qualified entities to implement the USAID/West Bank and Gaza Small and Medium Enterprise Assistance for Recovery and Transition (SMART) Activity.

USAID intends to make an award to the applicant who best meets the objectives of this funding opportunity based on the merit review criteria described in this NOFO and subject to a risk assessment. Eligible parties interested in submitting an application are encouraged to read this NOFO thoroughly to understand the program sought application submission requirements and selection process.

To be eligible for award, the applicant must provide all information as required in this NOFO and meet eligibility standards in Section C of this NOFO. This funding opportunity is posted on www.grants.gov, and may be amended. It is the responsibility of the applicant to regularly check the website to ensure they have the latest information pertaining to this notice of funding opportunity and to ensure that the NOFO has been received from the internet in its entirety. USAID bears no responsibility for data errors resulting from transmission or conversion process. If you have difficulty registering on www.grants.gov or accessing the NOFO, please contact the Grants.gov Helpdesk at 1-800-518-4726 or via e-mail at support@grants.gov for technical assistance.

USAID may not award to an applicant unless the applicant has complied with all applicable unique entity identifier and System for Award Management (SAM) requirements detailed in Section D. The registration process may take many weeks to complete. Therefore, applicants are encouraged to begin registration early in the process.

Please send any questions to the point(s) of contact identified in Section D. The deadline for questions is shown above. Responses to questions received prior to the deadline will be furnished to all potential applicants through an amendment to this notice posted to www.grants.gov.

RFA Number: 72029421RFA00002

Small and Medium Enterprise Assistance for Recovery and Transition (SMART) Activity

Issuance of this notice of funding opportunity does not constitute an award commitment on the part of the Government nor does it commit the Government to pay for any costs incurred in preparation or submission of comments/suggestions or an application. Applications are submitted at the risk of the applicant. All preparation and submission costs are at the applicant's expense.

Thank you for your interest in USAID programs.

Sincerely,

/s/

Dana Rose
Agreement Officer
USAID/West Bank and Gaza

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SECTION A: PROGRAM DESCRIPTION

This funding opportunity is authorized under the Foreign Assistance Act (FAA) of 1961, as amended.

I. OVERVIEW

Through a package of technical assistance and grants, the Small and Medium Enterprise Assistance for Recovery and Transition (SMART) Activity, aims to rapidly recover the Palestinian small and medium enterprises (SMEs) and put them on a path to revitalization following the unprecedented COVID-19 crisis. SMART will help SMEs regain productivity, grow, and expand. It will promote economic growth and self-reliance in the West Bank and Gaza.

II. BACKGROUND

Country Context

Since the signing of the Oslo Accords in 1993, the Palestinian people have struggled through more than two decades of conflict, instability, and internal division. Throughout that time, the West Bank and Gaza economy, increasingly fragmented and heavily constrained by Israeli security controls and restrictions, has moved erratically from periods of rapid expansion and rising employment to periods of contraction or jobless growth, with average GDP growth offset by an equivalent growth in population. As external support declines, the Palestinian economy is failing to generate the employment and incomes that are needed to absorb a growing labor force and improve living standards. The situation is particularly dire in Gaza, where the decade-long blockade has left residents poorer today than they were 25 years ago.

The Palestinian private sector is not growing fast enough to create jobs at a rate sufficient to employ new entrants to the labor force, nor absorb working-age Palestinians, many of whom are jobless. To keep the unemployment rate in the West Bank and Gaza - currently 23.4% - from worsening, net job creation must be at least 50,000 per year. Government efforts to reduce unemployment have resulted in a large and expanding public sector workforce - 22% of the total workforce - and an unsustainable wage bill that stands at 17% of GDP.

The only solution to this dilemma, private sector growth, is limited by extremely low levels of private investment, primarily stemming from numerous constraints on movement, access, and trade both within the West Bank and Gaza and internationally. These constraints manifest themselves in the form of higher transaction costs to businesses, including high costs of transport and storage, long waiting times at Israeli crossings and checkpoints, variability in administrative clearance times, and many other factors that result in higher operating costs, lower volumes, and lower operating margins. High transaction costs discourage business risk-taking (investment) and make Palestinian firms less competitive than international competitors.

Palestinian firms are characterized as being particularly small and informal. While large firms create relatively more jobs (as opposed to small and medium sized firms) throughout the MENA region, only 1% of firms in West Bank and Gaza are large firms. This is important because larger firms are better able to function successfully in environments with high transaction costs, while small firms

tend to struggle. Since small firms tend to be less productive, and total private sector output is the sum of all output of individual firms, the implication is low economic growth. Therefore, the small firm size has important implications for the West Bank and Gaza's ability to create jobs to absorb its growing labor force.

Water and energy also pose severe constraints to private sector growth in the Palestinian economy. In particular, limited access to water constrains growth in the productive sectors of manufacturing and agriculture. The scarcity, cost, and high incidence of insufficiency of water reduce profitability and increase volatility for many Palestinian businesses. Energy is also an important constraint to economic growth, particularly in Gaza where power outages are a persistent problem. Domestic production is extremely limited, and electricity supplied from outside of WBG, especially in Gaza, is subject to cuts and limited hours of service, leading to people purchasing inefficient and costly generators.

Linkages to Mission Strategy and U.S. Government

A competitive Palestinian private sector is essential to the U.S. Government objective of reaching a peaceful resolution to the conflict between Israelis and Palestinians. USAID's efforts to develop the economy of the West Bank and Gaza demonstrate the commitment of the USG to providing assistance that helps to improve the lives of Palestinians and contributes to building a more democratic, economically viable, stable and secure region.

SMART falls under Development Objective (DO) 2 ("Economic Growth and Infrastructure") of the USAID/WBG Results Framework, and contributes directly to Intermediate Results (IR) 2.2 ("Increased competitiveness of targeted sectors") and IR 2.3 ("Improved business and investment enabling environment") of the Mission's approved Economic Growth Project (EGP). To the extent that SMART interventions facilitate reforms that reduce barriers to trade, movement and access, the activity also reinforces IR 2.1 ("Reduced barriers to trade and improved movement and access for people and goods").

Linkages to Palestinian Priorities

SMART will support PA priorities through alignment with the following Strategic Objectives (SO) under the economic development and employment sector outlined in the PA's National Policy Agenda 2017-2022:

- SO1: Investments creating employment opportunities have increased;
- SO3: National productive capacity and the competitiveness of Palestinian businesses have improved; and
- SO4: Entrepreneurial and innovative initiatives among the youth and women have expanded, both quantitatively and qualitatively.

Additionally, SMART will support the PA's 2017-2022 National Economic Plan (NEP). The NEP calls for achieving sustainable economic development by increasing the competitive capacity and productivity of Palestinian productive sectors by furthering the Palestinian economy's integration into the global economy.

The activity aligns with the PA's National Export Strategy. It supports each of the strategy's four Strategic Objectives:

- "SO1: To promote a dynamic business environment enabled by a policy and regulatory environment to support innovation and investment in the export sector;
- SO2: To build the capacities of the exporting sector to diversify and penetrate international markets;
- SO3: To maximize the contribution of exports to socio-economic development through enhanced export competitiveness; and
- SO4: To build and promote the image of Palestine as a supplier of value-added quality products and services."

In addition, the PA's National Agricultural Sector Strategy for 2017-2022 and the Palestinian Industrial Development Strategy are important. The latter, released by the Ministry of National Economy in November 2016, plans to raise the percentage of industrial input of GDP from less than 14% to 25% over a ten-year period (2016-2025).

Donor Coordination

Donors active in Micro, Small, and Medium Enterprise (MSME) development include the European Union, the World Bank, the United Kingdom, Canada, France, and Germany. SMART will work on conducting donor mapping in the MSME space, and the activities will be coordinated with other donors and stakeholders to avoid duplication and to encourage strategic investments.

PRIORITIES TO ADDRESS

The global COVID-19 pandemic, which hit the West Bank and Gaza in March 2020, has brought most economic activities to a halt with a decline in Gross Domestic Production (GDP) of 11.5% in 2020 compared to 2019, an estimated \$1.1 billion fiscal deficit, and substantial losses in employment and disposable income.

In response to the emerging pandemic, a state of emergency was declared, shutting down the majority of the economic activities, banning large gatherings, closing educational institutions, and restricting movement. More than two thirds of the Palestinian economic establishments were forced to close down for about one and a half month during the period between March and May 2020. Private enterprises lost more than half of their production or sales during the lockdown period. The Palestinian private sector was caught by surprise, making cash flow and financial projections worthless, and hurting businesses of every size, but especially micro, small and medium size enterprises (MSMEs), as has been the case worldwide. The vast majority of businesses and workers lost their cash flow, which made it harder for them to sustain their business and pay their bills. A significant portion of firms laid off many of their workers to cut costs. Daily wage workers lost their source of income, and hence, their ability to meet their daily needs. More than 66,000 employees lost their jobs during 2020, leading to an increase in the unemployment rate that reached 23.4% and resulting in a decline of 14% in the GDP per capita and new segments of the population entering poverty and extreme poverty. UN Women Palestine found out that 95% of Palestinian females in women-led MSMEs reported their businesses being negatively impacted by the COVID-19 pandemic compared to before. Assessments show that women-led businesses generally face more challenges

than male-led ones, but this has become more problematic since the pandemic. On the consumer demand side, there has been a clear shift towards solely essential spending. In 2020, the volume of trade exchange to and from the West Bank and Gaza reached \$10 billion with a decline of 10% compared to 2019. This resulted from a decline of 7% in exports, that reached \$2.5 billion, and a decline of 11% in imports that reached \$7.4 billion. Therefore, the trade balance witnessed a deficit of around \$5 billion. As a result of sharp decrease in revenues, the PA's budget deficit is estimated to reach \$1.1 billion by the end of 2020, which threatens the PA to remain on a verge of financial collapse, causing potential instability in the region.

The situation was exacerbated by the refusal of the PA in June 2020 to receive its clearance revenues from Israel (following the latter's declared intention to annex large parts of the West Bank) and its inability to pay full salaries to its employees. This situation has lasted for about five months, until November 2020, until the PA normalized relations with Israel to continue receiving its clearance revenues.

The complex political situation, combined with the crisis caused by the pandemic, has negatively affected the whole economic cycle in the West Bank and Gaza. This comes on top of other challenges facing the Palestinian private sector, including its inability to grow fast enough to create jobs, the high transaction costs it pays due to Israeli restrictions on movement and access, the deficiency in water and energy that poses severe constraint to economic growth, and the limited ability to penetrate global markets. Regional market dynamics have also been changed following the normalization agreements between Israel and some Arab countries, enabling more trade and investment flows between Israel and these countries. The emerging economic challenges have resulted in social unrest, instability, and increased frustration with the economic situation and PA decisions.

Private Sector Support

USAID aims to assist the West Bank and Gaza to achieve increased private sector-led economic growth in the Palestinian economy. One necessary intervention in accomplishing this goal is to get businesses back to work, re-link them to traditional and new markets, and focus on improving the Palestinian private sector's competitiveness in sectors with potential for growth. Since competitiveness is defined as the set of institutions, policies and factors that determine the level of productivity of a country, the SMART Activity theory of change hypothesizes that economic growth is the result of sustained increases in value (productivity) at the firm level. For that to happen, firms must penetrate new markets, increase sales, and become incentivized to make investments that improve quality, decrease costs, recruit new talent, and lead to efficiencies of scale. Sales and export growth equate to business expansion which, in turn, results in additional productivity-enhancing investment and job creation. In addition, for Palestinian firms to sell more, they will at times need to resolve systemic constraints - often stemming from a weak or insufficient legal and regulatory environment and restrictions around movement and access - that prevent transactions from taking place.

Following this logic, SMART shall focus on helping firms to recover, get back to work, increase their productivity and sales, identify constraints to selling more, and, when feasible, remove these obstacles to the consummation of business transactions. This assistance will result not only in enhanced sales and exports, but, in turn, a growing and increasingly competitive private sector in the West Bank and Gaza. In summary, increased sales lead to productivity-enhancing investments which, in turn,

improve competitiveness. Sustained improvements in competitiveness result in growth and job creation at the firm level.

Systemic reductions in transaction costs, combined with strategic policy or regulatory improvements, will unlock the Palestinian economy's potential for business, trade, and employment generation. In addition, if the PA can achieve greater efficiency and effectiveness in the collection of public revenues, including through exercising greater control over its own customs territory, the private sector will respond by increasing investment, expanding business activity, and hiring more workers. Trade, investment, and job growth, in turn, will broaden the tax base and over time create the fiscal space for greater public investment in critical services and infrastructure. Improvements in the environment for trade and investment will help to increase political and economic stability in the region, and give the Palestinian people hope for the future.

Limited data is available on the reality of start-ups and SMEs in the West Bank and Gaza post COVID-19 crisis. In addition, limited knowledge has been developed by the private sector on market penetration opportunities post COVID-19 in general, and those emerging after the normalization agreements between some Arab countries and Israel, in particular. These data and knowledge should be available when making funding decisions by SMART in order to invest in highly rewarding interventions that can address Palestinian economic priorities and help businesses recover, grow and expand.

IV. ACTIVITY DESCRIPTION

A. Goal:

The **Small and Medium Enterprise Assistance for Recovery and Transition (SMART)** Activity aims to rapidly recover the Palestinian small and medium enterprises (SMEs) and put them on a **path to revitalization and growth** following the unprecedented COVID-19 crisis.

B. Hypothesis:

If Palestinian start-ups and SMEs recover, revitalize, expand productivity, and access markets, and **IF** policy and institutional constraints to competitiveness and trade are eliminated, **then** investments will be enhanced, competitiveness will be improved, jobs will be created, and economic growth will be promoted.

C. Objectives:

Small and Medium Enterprise Assistance for Recovery and Transition (SMART) aims to put Palestinian start-ups and Small and Medium Enterprises (SMEs) on a **path to recovery and revitalization** after the extraordinary COVID-19 crisis and resulting economic shocks faced by the private sector. The activity consists of two main objectives with a cross-cutting objective:

Objective 1: Palestinian start-ups and SMEs recover and get back to business and markets.

Objective 2: Policy and Institutional Constraints to Competitiveness and Trade are eliminated.

Cross-Cutting Objective: Research and analysis to inform evidence-based decision making in addressing Palestinian economic priorities.

SMART will help businesses recover, regain productivity, grow, and expand. It will promote economic growth and self-reliance in the West Bank and Gaza.

USAID envisions that the SMART activity could be organized along components that correspond to the below-described objectives and sub-objectives. Offerors are welcome to suggest an alternative approach if it better serves achieving the purpose and objectives of SMART.

Description of Objectives:

Objective 1: Palestinian start-ups and SMEs recover and get back to business and markets.

Under this objective, the activity aims to target businesses that have been affected by the latest COVID-19 crisis and that have growth potential in domestic or international markets but need support. Areas for support could include getting back to work, modifying product lines, expanding production, improving quality, introducing new technology, and using clean energy for production. The Implementing Partner shall provide demand-driven, transactional, firm and sector-level support through packages of grants and technical assistance. While SMART will generally take a sector-agnostic approach, assistance shall include promoting resilience, recovery, and growth in the Palestinian tourism sector in the West bank and East Jerusalem by implementing innovative and flexible solutions to help the tourism sector survive, recover, and grow out from the crisis caused by the COVID-19 pandemic.

The activity will build on past USAID competitiveness projects and will also encourage entrepreneurship, technology transfer to Palestinian producers, and innovative product development by providing targeted technical assistance and grants to entrepreneurs. It will also support the improvement of the West Bank and Gaza, as well as East Jerusalem, business linkages to more advanced regional ecosystems. The activity will help stabilize the region as it will create employment opportunities and improve the economy.

Leveraging private sector investment is an important aspect of this activity. As such, the Implementing Partner's assistance must be designed to incentivize firms to invest in their own growth. In some cases, firms may only need technical assistance from USAID. But in many cases firms will require additional assistance, such as equipment upgrades, standards certifications, training or other activities designed to improve a firm's competitiveness. Client firms will share the cost of the solutions they implement with project support. This activity will not underwrite the full costs for project support to any firm. Exceptions may be made on a case by case basis with USAID approval. The firms' cost share can include in-kind contributions as well as cash outlays.

Sub-Objective 1.1: Firms Recover from the COVID-19 crisis through access to finance

Many businesses have depleted revenues as a result of the latest crisis resulting from the COVID-19 pandemic and will need to immediately access capital in order to resume operations, grow, and expand. SMART will provide grants to firms in order for them to recover from the impact of the ongoing crisis and get back to work as soon as possible. SMART will also facilitate access of start-ups and SMEs to finance from equity or debt sources to leverage its grants. Grants should only be

provided to firms that can demonstrate potential for revitalization and growth. Generally, the Implementing Partner should consider providing grants with technical assistance to firms (see sub-objective 1.2).

Sub-Objective 1.2: Firms achieve increased productivity, growth, expansion, and access markets.

SMART will support firms to revitalize, grow, and reach new levels of productivity, increase competitiveness, and increase market penetration through providing technical assistance to address the key growth challenges.

The activity will support businesses to become more resilient, able to survive shocks, and overcome the high transaction costs. It will assist them to grow, upgrade their products, and increase penetration of Palestinian products to local and global markets.

Objective 2: Policy and Institutional Constraints to Competitiveness and Trade are eliminated.

If the constraint to client firms' growth is systemic (i.e. policy and institutional), the Implementing Partner will work with those firms, as well as trade and business organizations, to come up with the solutions. If client firms' policy or institutional constraints have solutions that are feasible and cost-effective, the Implementing Partner will proceed to address such constraints. Regular interaction with private sector firms receiving assistance under Objective 1 will inform the Implementing Partner about systemic issues that constrain the private sector.

Although the majority of systemic support is expected to be driven by the findings from firm-level assistance, specific systemic constraints that are not coming from client firms can be addressed when assistance can have a demonstrable impact on trade facilitation or improving the business and investment enabling environment.

The Implementing Partner must be prepared to work with a variety of stakeholders to address systemic constraints to growth in the West Bank and Gaza, including private sector associations, trade representatives, business services providers, the Palestinian Authority, and the Government of Israel.

Cross-Cutting Objective: Research and analysis to inform evidence-based decision making in addressing Palestinian economic priorities are conducted.

Research and analysis are central components in this activity. SMART will build and expand on previous analyses conducted by USAID and other donors in the area of private sector development in order to implement informative and evidence-based interventions. Research should inform the activity of champions to work with and local systems to build, and should drive market based solutions from the private sector to ensure sustainability.

Collaboration, Learning, and Adaptation (CLA) principles will be reflected throughout the activity's interventions. Collaboration with stakeholders, beneficiaries, counterparts, and other USAID

activities will be prioritized, learning will be reflected, captured, shared, and utilized by project staff, and the activity will translate collaboration and learning into any necessary adaptation.

Results and indicators:

SMART falls under Development Objective (DO) 2 (“Economic Growth and Infrastructure”) of the USAID/WBG Results Framework, and contributes directly to Intermediate Results (IR) 2.2 (“Increased competitiveness of targeted sectors”) and IR 2.3 (“Improved business and investment enabling environment”) of the Mission’s approved Economic Growth Project (EGP). To the extent that SMART interventions facilitate reforms that reduce barriers to trade, movement and access, the activity also reinforces IR 2.1 (“Reduced barriers to trade and improved movement and access for people and goods”).

Anticipated outcomes/results include:

- Accelerated return to pre-COVID-19 productivity in the West Bank and Gaza.
- Increased private sector-led economic growth in the West Bank and Gaza.
- Improved competitiveness of the Palestinian private sector.
- A more conducive enabling environment for business, investment and trade created.
- Reduced transaction costs facing the Palestinian private sector.
- Capability to serve and return to 2019 international tourist numbers.
- Increased share of domestic tourism relative to total tourism.

The Implementing Partner will ensure integrated tracking of performance indicators in the Activity Monitoring, Evaluation, and Learning Plan (AMELP) that incorporates output, outcome, and/or context measures for each result. The AMELP will identify indicators, the chosen methods to collect data in order to monitor and evaluate the progress and impact of program activities, and the schedule for monitoring, evaluation, and learning from activities. The Implementing Partner will gather and use baseline data in order to evaluate activity results. All data collected will be gender-disaggregated and surveys and other monitoring and evaluation tools shall include questions to elicit information that allows differentiation of impacts based on gender.

Standard indicators can be drawn from the updated (2017) Standard Foreign Assistance Master Indicator List (MIL), available at: <http://www.state.gov/f/indicators>.

D. Guiding Principles:

Gender and Youth

I. Gender

The Impacts of COVID 19 pandemic aren’t gender neutral. Women account for 54 % of the overall job losses due to the pandemic, and female job loss rates are about 1.8 times higher than male job-loss rates globally. As a result of the lockdown that was implemented following the COVID-19 pandemic compared to previous years, the percentage of Palestinian women’s participation in the labor force was 16% of all working-age women’s in 2020, after it was 18% in 2019, knowing that the rate of male’s participation in the labor force reached 65% in 2020, compared to 70% in 2019. USAID works to ensure that all women have the opportunity to reach their full economic potential,

to promote prosperity and peace for all according to the 2020 USAID Gender Equality and Women Empowerment Policy and White House Women's Global Development and Prosperity (W-GDP) Initiative.

The Implementing Partner will mainstream gender into its day-to-day operations, including identifying and addressing gender - related changes in the field when relevant, setting targets for the number of women-owned firms supported and number of jobs generated for women. The Implementing Partner will promote gender equity in its interventions, as well as incorporate gender issues into its key project performance indicators. Specific gender interventions will not be a separate activity under the project, nor will the project focus on gender studies. The Implementing Partner will develop a gender strategy that speaks to the gender analysis and incorporates practical ways in the West Bank and Gaza to reach women and expand their economic opportunities through its project interventions.

II. Youth

According to the United Nations' Economic and Social Commission for Western Asia (ESCWA), West Bank and Gaza's youth (ages 15-24) unemployment was 46.8 % in 2018. With informal employment generally the norm for virtually every young employed person in the West Bank and Gaza and with only 5.1% of them being employed in the formal economy, jobs for youth are a critical development challenge. As such, the Implementing Partner will integrate youth considerations in day-to-day operations. In pursuant of competitiveness opportunities, the Implementing Partner will engage youth whenever practicable in economic activities that will help to facilitate their entry into the labor market. The Implementing Partner will collaborate with the private sector and key stakeholders to help address increased employment for youth and inform youth about options for obtaining skills and jobs, particularly those offered by this activity's client firms. The Implementing Partner will develop a youth strategy that incorporates practical ways in the West Bank and Gaza to increase employment among youth.

Inclusive Development

USAID is committed to the inclusion of people who have physical and cognitive disabilities and those who advocate and offer services on behalf of people with disabilities. This commitment extends from the design and implementation of USAID programming to advocacy for and outreach to people with disabilities. USAID's policy on disability is as follows: to avoid discrimination against people with disabilities in programs that USAID funds and to stimulate an engagement of host country counterparts, governments, implementing organizations, and other donors in promoting a climate of nondiscrimination against and equal opportunity for people with disabilities. The USAID policy on disability is to promote the inclusion of people with disabilities both within USAID programs and in host countries where USAID has programs. USAID therefore requires that the Implementing Partner not discriminate against people with disabilities in program implementation and that it makes every effort to comply with the objectives of the USAID Disability Policy in performing this contract. To that end, and within the scope of the agreement, the Implementing Partner's actions must demonstrate a comprehensive and consistent approach to including men, women, and children with disabilities.

Environment

The Implementing Partner shall apply environmental due diligence on all activities in line with USAID rules and regulations. The Implementing Partner shall identify potential environmental impacts of USAID-financed activities prior to a final decision to proceed and ensure that appropriate environmental safeguards are adopted for all activities.

Sustainability

Sustainability is integral to this activity. Approaches to implementation must be sought to ensure the sustainability and self-reliance of Palestinian start-ups and SMEs after the activity ends. Firms are defined as sustainable if their expansions are derived from normal market processes and not transfers from government or non-profit actors.

SMART will take a multifaceted approach to sustainability by working at every turn to build lasting relationships, supporting sustainable organizations, identifying champions from the early stages of implementation, and building the capacity of local stakeholders to take on more responsibility for implementation of activities as time passes. All SMART activities will be focused on yielding measurable economic growth impacts, while strengthening overall capacity of local institutions. This will help bring credibility to the process and allow stakeholders to see the value in working together to promote growth.

SMART will integrate sustainability into its implementation plan and the learning agenda of its Activity Monitoring, Evaluation, and Learning Plan. It will develop a well-conceived sustainability plan which describes the resources, technical and managerial capacities, and linkages that will sustain program outcomes and/or activities after the program ends. In terms of implementation, a crucial element to any business's sustainability is the transaction (sale). That is, without repeated orders over the long-term, a business will ultimately fail. Therefore, this activity's sustainability plan must equate to long-lasting economic partnerships and buyer-seller relationships forged throughout the business production and distribution process leading to increased sales and employment.

Technology, Innovation and Partnerships

This activity seeks new applications of technology, innovation and partnerships to provide the best value to the U.S. Government and have the potential to contribute substantially to increasing the competitiveness of businesses in the West Bank and Gaza. It is expected that the Implementing Partner will achieve these results by embracing innovative approaches, new technologies, and by expanding on the achievements made under previous USAID projects. As such, the Implementing Partner is expected to pursue creative products and approaches that embrace technology, innovation and partnerships that will have a significant impact in addressing the business and competitiveness challenges in the West Bank and Gaza.

Activity Monitoring, Evaluation, and Learning Plan (AMELP)

The Implementing Partner is required to submit for AOR approval an AMELP for the life of the Activity based on its proposed Monitoring, Evaluation and Learning (MEL) strategy for collecting, evaluating, and validating data which will be used to measure overall progress towards Mission goals.

The AMELP will be updated annually along with the activity's implementation plan. All aspects of the AMELP comply with ADS 201 on assessing and learning and adhere to the following:

- Activities must have an approved AMELP in place before major implementation actions begin. The AOR will work with the Recipient and the Mission's M&E Specialist(s) to ensure that the AMELP is consistent with, and meets the data collection needs of the Mission's Performance Management Plan (PMP), and the Mission's Annual Performance Plan and Report (PPR).
- Within 60 working days of award and prior to submitting the AMELP, the Recipient should submit a theory of change describing the causal and logical relationships between different levels of results, along with the associated interventions, indicators and other performance data, and critical assumptions under each result. The work plan should also reflect the causal and logical relationship between results and the performance measures to track progress.
- The AMELP should include a narrative that clearly articulates the activity's theory of change, describing the causal and logical relationships between different levels of results, along with the associated interventions, indicators and other performance data, and critical assumptions under each result. The AMELP should also present a logic model that illustrates these results, the causal and logical relationships between them, and the indicator and other performance data required to measure each.
- The AMELP should include approaches for a systematic, intentional and resourced approach to a strategic collaboration, continuous learning and adaptive management. In developing the AMELP, the Recipient should identify and describe: learning objectives with corresponding information needs; strategic opportunities to "pause and reflect" and coordinate and collaborate with stakeholders; approaches for regular learning to address the identified learning objectives; plans for documenting the knowledge and learning from these opportunities, and disseminating findings; resources (financial and human resources as well as tools) needed to implement learning approaches; and, approaches to adapting/adjusting implementation and programming as a result of this learning.
- The Recipient will develop performance indicators and establish baselines and targets for output, outcome, and impact level monitoring, as well as benchmarks for performance over the life of the activity. The AMELP should also contain metrics for the sustainability of successful interventions introduced with activity support. The AOR will provide a list of Mission PMP indicators required for the activity. The AMELP must include the required Mission PMP indicators along with any others being proposed by the Recipient that are deemed necessary or useful in measuring progress against the overall go Recipient al and project objective(s). Selected indicators should be a combination of performance and context indicators. Recipients should be strategic in their selection of additional indicators to ensure an appropriate balance between required data and the resource costs of data collection, analysis and reporting. The AMELP must include quarterly and/or annual targets, as per the indicator requirements, necessary to reach the life of project targets identified by the Mission for required Mission indicators and identified by the Recipient for all other indicators. USAID criteria for selecting performance indicators is that they be direct, objective, practical, adequate, management useful and reflect progress toward achieving results, and, to the extent possible, be attributable to USAID. Performance data must meet reasonable quality criteria of validity, reliability, timeliness, precision and integrity. The Recipient and USAID will agree upon the final choice of performance indicators useful for timely management decisions and credibly reflecting the actual performance of the activity.

- USAID/ West Bank and Gaza may require the Recipient to track and report on additional performance indicators subject to changing of Agency guidance and/or the requirements of specific funding sources and the Mission's own Performance Management Plan (PMP).
- The Recipient must collect, analyze, and submit to USAID data disaggregated by gender and geographic location as applicable. To ensure that USAID assistance makes the maximum optimal contribution to gender equality, performance management systems and evaluations must include gender-sensitive indicators and gender-disaggregated data when applicable and feasible; M&E plans should also capture proposed actions that will address any identified gender-related issues. Geographic disaggregation is required to the first administrative level at a minimum; in the West Bank and Gaza this corresponds to the governorate level. The Recipient should also consider including other relevant disaggregation for indicators – for example, age and type of institution.
- The AMELP must also include, in consultation with USAID, agreed-upon planned internal and external evaluations and evaluation questions that are salient to the implementation, adaptation or review of the activity in line with the USAID Evaluation Policy. The AMELP should demonstrate how the timing and content of evaluations and questions will: help clarify and focus activity objectives; serve as an early warning system, forecasting, and reporting tool; promote on-going discussions pertaining to activity scope and direction; and, aid in effective management and decision making.
- The AMELP must also include an explanation of the monitoring approach and estimated resources required to successfully implement the AMELP. This will be done through describing the Recipient's M&E system, including policies and procedures for how data and information will be collected, analyzed, and used; methodology of establishing baselines and targets; staffing/expertise, roles and responsibilities for the management and implementation of the AMELP; systems (automated or other) where data will be collected and stored; resources for MEL functions; procedures for communicating with USAID; means of adapting and learning; schedule for MEL functions, such as reporting performance data, assessing progress and making adjustments if needed; etc.
- Reporting on performance indicators will be done through the Mission's performance management information system, which is currently DevResults.

END OF SECTION A

SECTION B: FEDERAL AWARD INFORMATION

1. Estimate of Funds Available and Number of Awards Contemplated

Subject to funding availability, USAID intends to provide \$19 million in total USAID funding over a thirty (30) month period. The ceiling for this activity is \$19 million. Actual funding amounts are subject to availability of funds and internal USAID approvals.

USAID intends to award one (1) Cooperative Agreement pursuant to this notice of funding opportunity. USAID reserves the right to fund any or none of the applications submitted.

2. Start Date and Period of Performance for Federal Awards

The period of performance anticipated herein is thirty months. The estimated start date will be upon the signature of the award, on or about August 2021.

3. Accountability

The Recipient will be fully responsible for all funds disbursed to it under the award. USAID West Bank and Gaza (USAID/WBG) Recipients and significant sub-recipients are subject to the audit requirements as mandated under the annual appropriation law and in accordance with the regulations. In addition, all awards for U.S. and non-U.S recipients will be subject to annual financial audits (see section F.6.10). U.S. sub-recipients will also be subject to annual financial audits should the sub-recipients incur expenditures of federal funds totaling \$750,000 or more during its fiscal year. Non-U.S. sub-recipients will be subject to annual financial audits should the sub-recipients incur expenditures of federal funds totaling \$750,000 or more during its fiscal year. USAID/WBG has the discretion to audit sub-recipients at a lower threshold if deemed necessary.

The Recipient must comply with all applicable U.S. laws and regulations. Failure to comply with applicable U.S. law and regulations may result in unallowed costs and/or termination of award

4. Substantial Involvement

Consistent with ADS 303.3.11, USAID/West Bank Gaza anticipates a close working partnership with the implementing partner for the SMART activity. USAID will exercise substantial involvement under this Cooperative Agreement in the following ways:

- USAID approval of the recipient’s implementation plans (limited to not more frequently than annually).
- USAID approval of specified key personnel;
- USAID and recipient collaboration or joint participation, which includes one or more of the following:
 - Collaborative involvement in selection of advisory committee members: The AOR will be involved in the selection of advisory committee members if the Activity establishes such a committee. The AOR may participate in the Advisory Committee.
 - The AO will approve sub-awards, transfer, or contracting out of any work under an award pursuant to 2 CFR 200.308.
 - The AOR will approve all grants under the Cooperative Agreement that are in accordance with the AOR-approved Grants Manual.
 - The AOR will approve the Recipient's Activity Monitoring, Evaluation, and Learning Plan.
 - The AOR will monitor to authorize specified direction or redirection based on interrelationships with other projects.

5. Title to Property

Property title under the resultant agreement will vest with the Recipient.

6. Authorized Geographic Code

The authorized geographic code for this activity is “937”. “937” is defined as the United States, the Cooperative Country (West Bank and Gaza, Israel), and developing countries other than advanced developing countries, and excluding prohibited sources.

7. Nature of the Relationship between USAID and the Recipient

The principal purpose of the relationship with the Recipient and under the subject program is to transfer funds to accomplish a public purpose of support or stimulation of the **USAID/West Bank Small and Medium Enterprise Assistance for Recovery and Transition (SMART) Activity** which is authorized by Federal statute. The successful Recipient will be responsible for ensuring the achievement of the program objectives and the efficient and effective administration of the award through the application of sound management practices. The Recipient will assume responsibility for administering Federal funds in a manner consistent with underlying agreements, program objectives, and the terms and conditions of the Federal award.

END OF SECTION B

SECTION C: ELIGIBILITY INFORMATION

1. Eligible Applicants

U.S. and Non-U.S. Non-Profit Organizations (NGOs)

Qualified U.S. and non-U.S. private non-profit organizations may apply for funding under this RFA.

U.S. and Non-U.S. For-Profit Organizations

Qualified U.S. and non-U.S. private for-profit organizations may apply for funding under this RFA. Foreign government-owned parastatal organizations from countries that are ineligible for assistance under the FAA or related appropriations acts are ineligible. Potential for-profit applicants should note that, pursuant to 22 CFR 226.81, the payment of fee/profit to the prime recipient under grants and cooperative agreements is prohibited. However, if a prime recipient has a subcontract with a for-profit organization for the acquisition of goods or services (*i.e.*, if a buyer-seller relationship is created), fee/profit for the subcontractor may be authorized.

U.S. and Non-U.S. Colleges and Universities

Qualified U.S. and non-U.S. colleges and universities may apply for funding under this RFA. USG and USAID regulations generally treat colleges and universities as NGOs, rather than governmental organizations; hence, both public and private colleges and universities are eligible. Non-U.S. colleges and universities in countries that are ineligible for assistance under the FAA or related appropriations acts are ineligible.

Private Voluntary Organizations (PVO)

A local or indigenous PVO, which by definition is a non-U.S. PVO operating in the same foreign country in which it is organized, is eligible to receive funding. Local PVOs are not required to register with USAID.

Public International Organizations (PIOs)

PIOs are eligible to apply for funding under this RFA. Please see Automated Directives Series (ADS) 308 for USAID policy on defining PIOs. <http://www.usaid.gov/policy/ads/300/308.pdf>

New Partners

USAID encourages applications from new partners. Resultant awards to these organizations oblige USAID to undertake necessary pre-award reviews of these organizations to determine their “responsibility” in regards to fiduciary and other oversight responsibilities of the grant/cooperative agreement. In order for an award to be made, a USAID Agreement Officer must make an affirmative determination that the applicant is “responsible,” as discussed in [ADS 303.3.9](#).

Prior to making an award under this competition, USAID may perform a pre-award survey for organizations that are new to working with USAID (“NUPAS”) or for organizations with outstanding audit findings. Accounting systems, audit issues and management capability questions may be reviewed as part of this process. If notified by USAID that a pre-award survey is necessary, applicants must prepare in advance the required information and documents. A pre-award survey does not commit USAID to make an award to any organization.

2. Cost Share

USAID has established a **mandatory minimum** recipient cost share of **five percent of the total projected award amount**. Such funds may be provided directly by the recipient; other multilateral, bilateral, and foundation donors; host governments; and local organizations, communities and private businesses that contribute financially and in-kind to implementation of activities at the country level. This may include contribution of staff level of effort, office space or other facilities or equipment which may be used for the program, provided by the recipient. For guidance on cost sharing in grants and cooperative agreements see 2 CFR 200.306.

Cost Share must be supported by adequate documentation be allowable under the applicable cost principles, and meet the criteria set forth in 2 CFR 200.306. In-kind contributions are allowable as cost sharing in accordance with 2 CFR 200.306. Cost sharing contributions may include volunteer services provided by professional and technical personnel; valuation of donated supplies, equipment, and other property; and, use of unrecovered indirect costs. Funds that are paid by the Federal Government through another source may **not** be used by an organization in cost share calculations (see 2 CFR 200.306). Cost share contributions must be reported on a periodic basis on payment forms, and USAID has the right to reduce its share of funding if the cost share reported is less than the agreed upon percentage or amount contained in the award. Grantees should be prepared to distinguish in their reporting the outputs and outcomes that result from cost share contributions versus USAID monies. If a difference remains after an award has expired, the Recipient may be required to refund the difference.

USAID does not apply its source and nationality requirements or the restricted goods provision established in the Standard Provision "USAID Eligibility Rules for Goods and Services" to cost sharing contributions. The AO may authorize the Recipient to attribute cost sharing contributions from sub-recipients to the prime award.

3. Risk Assessments

In order for an award to be made, the USAID Agreement Officer must evaluate the risks posed by applicants as outlined in 2 CFR 200.205 and ADS 303.3.9. This means that the Applicant must possess, or must have the ability to obtain, the necessary management and technical competence to conduct the proposed activity, and must agree to practice mutually agreed-upon methods of accountability for funds and other assets provided or funded by USAID.

In evaluating the risks posed by Applicants, USAID uses a risk-based approach and may consider:

- i. Financial stability;
- ii. Quality of management systems and ability to meet the management standards prescribed in this part;
- iii. History of performance. The Applicant's record in managing Federal awards, if it is a prior Recipient of Federal awards, including timeliness of compliance with applicable reporting requirements, conformance to the terms and conditions of previous Federal awards, and if applicable, the extent to which any previously awarded amounts will be expended prior to future awards;
- iv. Reports and findings from audits performed under Subpart F—Audit Requirements of this part or the reports and findings of any other available audits;
- v. The Applicant's ability to effectively implement statutory, regulatory, or other requirements imposed on non-Federal entities; and
- vi. That the Applicant is otherwise qualified to receive an award under applicable laws and regulations (e.g., Nondiscrimination, Lobbying, Debarment/Suspension, Terrorist Financing, etc.).

In the absence of a positive risk assessment, an award ordinarily cannot be made. Awards to potential new Recipients may be significantly delayed if USAID must undertake necessary pre- award reviews of these organizations to make an adequate risk assessment. These organizations should take this into account and plan their implementation dates and activities accordingly.

4. Number of Applications

There is no limit to the number of applications any one entity may submit.

END OF SECTION C

SECTION D: APPLICATION AND SUBMISSION INFORMATION

1. Agency Point of Contact

Name: Sandy Sakran

Title: Sr. Acquisition and Assistance Specialist

E-mail: ssakran@usaid.gov

2. Questions and Answers

Questions regarding this NOFO should be submitted in writing to Ms. Sandy Sakran at the e-mail address above no later than the date and time indicated on the cover letter, as amended. Such questions will be considered received if the Subject line begins with **“NOFO 72029421RFA00002 Questions.”** Any information given to a prospective applicant concerning this NOFO will be furnished promptly to all other prospective applicants as an amendment to this NOFO, if that information is necessary in submitting applications or if the lack of it would be prejudicial to any other prospective applicant.

3. General Content and Form of Application

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

Preparation of Applications:

Each applicant must furnish the information required by this NOFO. Applications must be submitted in two separate parts: the Technical Application and the Business (Cost) Application. This subsection addresses general content requirements applying to the full application. Please see subsections 5 and 6, below, for information on the content specific to the Technical and Business (Cost) applications. The Technical application must address technical aspects only while the Business (Cost) Application must present the costs, and address risk and other related issues.

Both the Technical and Business (Cost) Applications must include a cover page containing the following information:

- Name of the organization(s) submitting the application;
- Identification and signature of the primary contact person (by name, title, organization, mailing address, telephone number and e-mail address) and the identification of the alternate contact person (by name, title, organization, mailing address, telephone number and e-mail address);
- Program name
- Notice of Funding Opportunity number
- Name of any proposed sub-recipients or partnerships (identify if any of the organizations are local organizations, per USAID’s definition of ‘local entity’ under ADS 303.

Any erasures or other changes to the application must be initialed by the person signing the application. Applications signed by an agent on behalf of the applicant must be accompanied by

evidence of that agent's authority, unless that evidence has been previously furnished to the issuing office.

Applicants may choose to submit a cover letter in addition to the cover pages, but it will serve only as a transmittal letter to the Agreement Officer. The cover letter will not be reviewed as part of the merit review criteria.

Applications must comply with the following:

- Page limitation: USAID will not review any pages in excess of the page limits noted in the subsequent sections.
- Written in English.
- Use standard 8 1/2" x 11", single sided, single-spaced, 12 point Times New Roman font, 1" margins, left justification and headers and/or footers on each page including consecutive page numbers, date of submission, and applicant's name.
- 10 point font can be used for graphs and charts. Tables however, must comply with the 12 point Times New Roman requirement.
- Submitted via Microsoft Word or PDF formats, except budget files which must be submitted in Microsoft Excel.
- The estimated start date identified in Section B of this NOFO must be used in the cost application.
- The technical application must be a searchable and editable Word or PDF format as appropriate.
- The Cost Schedule must include an Excel spreadsheet with all cells unlocked and no hidden formulas or sheets. A PDF version of the Excel spreadsheet may be submitted in addition to the Excel version at the applicant's discretion, however, the official cost application submission is the unlocked Excel version.

Applicants must review, understand, and comply with all aspects of this NOFO. Failure to do so may result in an application determined to be non-responsive and may be evaluated accordingly. Applicants should retain a copy of the application and all enclosures for their records.

USAID reserves the right to make no award under this NOFO.

4. Application Submission Procedures

Applications in response to this NOFO must be submitted no later than the closing date and time indicated on the cover letter, as amended. Late applications may be considered at the discretion of the Agreement Officer. Applicants must retain proof of timely delivery in the form of system generated documentation of delivery receipt date and time.

Applications must be submitted by e-mail to ssakran@usaid.gov. E-mail submissions must include the NOFO number and applicant's name in the subject line heading. In addition, for an application sent by multiple e-mails, the subject line must also indicate whether the e-mail relates to the technical or cost application, and the desired sequence of the e-mails and their attachments (e.g. "No. 1 of 4",

etc.). For example, if your cost application is being sent in two e-mails, the first e-mail should have a subject line that states: "[NOFO number], [organization name], Cost Application, Part 1 of 2".

USAID's preference is that the technical application and the cost application each be submitted as consolidated e-mail attachments, e.g. that you consolidate the various parts of a technical application into a single document before sending it. If this is not possible, please provide instructions on how to collate the attachments. USAID will not be responsible for errors in compiling electronic applications if no instructions are provided or are unclear.

After submitting an application electronically, applicants should immediately check their own e-mail to confirm that the attachments were indeed sent. If an applicant discovers an error in transmission, please send the material again and note in the subject line of the e-mail or indicate in the file name if submitted via grants.gov that it is a "corrected" submission. Do not send the same e-mail more than once unless there has been a change, and if so, please note that it is a "corrected" e-mail.

Applicants are reminded that e-mail is NOT instantaneous, and in some cases delays of several hours occur from transmission to receipt. Therefore, applicants are requested to send the application in sufficient time ahead of the deadline. For this NOFO, the initial point of entry to the government infrastructure is the USAID mail server.

There may be a problem with the receipt of *.zip files due to anti-virus software. Therefore, applicants are discouraged from sending files in this format as USAID/West Bank and Gaza/Office of Contracts Management cannot guarantee their acceptance by the internet server. File size must not exceed 25MB limit.

5. Technical Application Format

The technical application should be specific, complete, and presented concisely. The application must demonstrate the applicant's capabilities and expertise with respect to achieving the goals of this program. The application should take into account the requirements of the program and merit review criteria found in this NOFO.

The application requires the following sections in this order:

- Cover Page (not included in the page limit) (See Section D.3 above for requirements)
- Table of contents (not included in the page limit) Include major sections and page numbering to easily cross-reference and identify Merit Review Criteria. (See Section E)
- Acronym list (not included in the page limit) this section is limited to two pages and must spell out any acronyms that are utilized in the Technical Application. A table format is acceptable.
- Executive Summary (not included in the page limit) In two pages or less, the Executive Summary should summarize the key elements of the applicant's technical strategy, management approach, implementation plan, expected results, monitoring, evaluation and learning and sustainability plan.
- Technical Narrative (not to exceed 30 pages)
 - Technical Approach

- Key Personnel and Staffing Plan
- Management Plan
- Annexes (not included in the page limit).
 - Annex A - Staffing and Management Plans and Organizational Chart
 - Annex B - Curriculum Vitae for Key Personnel (CV)
 - Annex C- Sustainability and Self-Reliance Plan (not to exceed 2 pages)
 - Annex D- Activity Monitoring, Evaluation, and Learning Plan (not to exceed 3 pages)

Technical Narrative

1- Technical Approach

The Applicant in the technical approach narrative should present an overall strategic approach, with proposed activity components, and specific interventions, that will effectively and efficiently contribute to achieving the activity goal and anticipated results. The Recipient will serve as the technical lead, working with stakeholders to rapidly recover the Palestinian small and medium enterprises (SMEs) and put them on a path to revitalization following the unprecedented COVID-19 crisis. The technical approach will describe in sufficient detail the conceptual methodology and techniques for the implementation of SMART.

As part of the applicant's narrative, the Applicant is expected to demonstrate its understanding of the West Bank and Gaza's current private sector's context and landscape, including both challenges and opportunities. Applicants should also present a comprehensive plan to achieve specific, measurable, and sustainable results through technically sound and cutting-edge approaches which align with the Program Description's expected results and outcomes. This plan is expected to include innovative solutions to address major challenges confronting start-ups and SMEs in the West Bank, Gaza, and East Jerusalem.

Additionally, applicants should highlight how their proposed plans address gender and youth, and adaptive collaborative learning.

2 - Management Plan

The Applicant must describe a comprehensive management plan to support an effective and efficient implementation of the proposed activity. The management plan must demonstrate the Applicant's capacity to manage a complex activity that operates in a challenging economic development environment. If the proposed management plan includes a consortium, the Applicant is requested to describe the consortium arrangement, identifying the specific role of each consortium member, and to the extent to which the Applicant has demonstrated experience in leading a consortium.

This includes, but is not limited to:

Small and Medium Enterprise Assistance for Recovery and Transition (SMART) Activity

- Explanation of the delineation of roles, responsibilities, authority, and processes for decision making within the Applicant's in-country teams, with the regional office (if applicable) and between the home office and the field.
- Explanation of how partners were selected and how they will work together, level of effort for each, and how the country offices will relate to each other.
- Explanation of how Applicant will engage with relevant USAID activities, collaborate, and coordinate with relevant stakeholders, and substantively involve and build capacity of local partners to advance West Bank and Gaza's journey to self-reliance.
- Explanation of flexibility in programming to be responsive to the state of the COVID-19 or unanticipated situations that could impact implementation.

Key Personnel and Staffing Plan

The Applicant must describe the staffing structure to support effective and efficient implementation of the proposed activity. This includes, but is not limited to:

- Description of the staffing plan, including use of Short-Term Technical Assistance (STTA). Include an Organizational Chart in Annex A, and summaries of position descriptions for non-key personnel.
- Rationale for proposed Key Personnel candidates. CVs for Key Personnel with references are to be included in Annex B.

Key personnel

The desirable qualifications and responsibilities for the Key Personnel are outlined below:

Key Personnel are those individuals whose performance is critical to the success of the Cooperative Agreement. USAID/West Bank and Gaza has determined that each Applicant will provide the following five Key Personnel positions: Chief of Party (COP), Deputy Chief of Party (DCOP), Senior Business Advisor, and Procurement/Grants Manager

The Applicant should propose individuals that they deem appropriate for each position and have the technical and management expertise and academic qualification to meet the desirable requirements of the positions as defined below. Applicants must provide CVs for each proposed Key Personnel to demonstrate how each proposed individual is the best fit for the position.

The Applicant will identify Key Personnel by name and position. All Key Personnel positions are full-time and proposed Key Personnel are expected to be assigned to the SMART Activity throughout the life of the project, with the place of performance in the West Bank and Gaza.

These CVs should be included in Annex B. The Applicant should also submit three references, with complete contact information, for the proposed candidates, including their most recent supervisor. USAID reserves the right to contact other references not provided by the Applicant.

Given the complexity of this activity, USAID expects Key Personnel to have the appropriate qualifications and experience to work effectively as a team.

Chief of Party

The Chief of Party (COP) is the leader of the agreement team, responsible for overall implementation, results and management. The COP must serve as the primary point of contact with USAID with regard to implementation and management matters relating to the cooperative agreement. The COP must ensure that the activities and results are implemented in a timely manner within the approved budget.

The Chief of Party is expected to meet the following desirable requirements:

- Graduate degree in a field relevant to private sector development. In circumstances where a candidate possesses exceptional relevant experience (defined as a minimum of 15 years of experience) but lacks a graduate or relevant degree, exceptional relevant experience will be considered.
- Ten years of progressively responsible experience managing complex private sector development programs in a developing country, preferably in the West Bank and Gaza or the Middle East or North Africa.
- Five years of experience in a supervisory role with projects of similar size and complexity.
- Excellent verbal and written communication skills in English are required. Verbal and written fluency in Arabic is desirable.
- Previous work experience in the West Bank and Gaza or the Middle East is desirable.

Deputy Chief of Party

The Deputy Chief of Party (DCOP) provides support to the Chief of Party in managing the agreement team, overall implementation, results and management. S/he must provide project operational and implementation oversight as well as support the Chief of Party. S/he must have deep technical knowledge in private sector development. The DCOP must have strong technical credentials in project management. S/he must fill in for the COP in his/her absence.

The Deputy Chief of Party (DCOP) is expected to meet the following desirable requirements:

- Graduate degree in a field relevant to private sector development. In circumstances where a candidate possesses exceptional relevant experience (defined as a minimum of 10 years of experience) but lacks a graduate or relevant degree, exceptional relevant experience will be considered.
- Seven years of international experience in managing complex economic growth assistance projects in developing countries that includes private sector engagement experience in a developing country.

- 5 years of experience in a supervisory role managing economic growth assistance projects in developing countries.
- Excellent verbal and written communication skills in English are required
- The ability to conduct business in Arabic is desirable.
- Previous work experience in the West Bank and Gaza or the Middle East is desirable.

Senior Business Advisor

The Senior Business Advisor will be in charge of developing a market-based strategy to achieve results for the entire activity. The Senior Business Advisor is expected to carry out technical analysis on business competitiveness constraints as well as working with the private sector to identify solutions to overcome them. S/he is required to work with stakeholders inside and outside the project to ensure a market-based approach to achieve desired development results. S/he must have technical expertise in private sector development and experience in designing and leading assessments and interventions in the promotion, development, and expansion of the private sector at the firm and sector levels.

The Senior Business Advisor is expected to meet the following desirable requirements:

- Graduate degree in a field relevant to private sector development. In circumstances where a candidate possesses exceptional relevant experience but lacks a graduate or relevant degree (defined as a minimum of 10 years of experience), exceptional relevant post-education experience will be considered.
- Seven years of relevant market-driven private sector experience in the role of managing, developing, and deploying innovations and efficiencies in businesses with demonstrated results in helping firms expand, and three years in an international developing country context.
- 5 years of experience in a supervisory role managing economic growth assistance projects in developing countries.
- Excellent verbal and written communication skills in English are required.
- The ability to conduct business in Arabic is desirable.
- Previous work experience in the West Bank and Gaza or the Middle East is desirable.

Procurement/Grants Manager

The Procurement/Grants Manager must be responsible for managing and executing procurement and grants while ensuring compliance with USAID rules, regulations, and procedures under the Cooperative Agreement.

The Procurement/Grants Manager is expected to meet the following desirable requirements:

- Graduate degree in business administration, accounting, finance, or other relevant field. In circumstances where a candidate possesses exceptional relevant experience but lacks a graduate or relevant degree (defined as a minimum of 5 years of experience), exceptional relevant post-education experience will be considered.
- Three to five years-experience managing grants programs and procurement transactions in a development context.

- Three to five years- experience in ensuring compliance under large complex development programs.
- Demonstrated knowledge and track record pertaining to procurement and grants administration under donor assistance programs.
- Excellent verbal and written communication skills in English are required.
- Arabic is highly desirable.

3- Institutional Capability

The applicant must provide information regarding its recent history of performance for all its cost-reimbursement contracts, grants, or cooperative agreements involving similar or related programs, not to exceed 5 programs as follows:

- Name of the Awarding Organization;
- Award Number;
- Activity Title;
- A brief description of the activity;
- Period of Performance;
- Award Amount;
- Name of at least two (2) updated professional contacts who most directly observed the work at the organization for which the service was performed with complete current contact information including telephone number, and e-mail address for each proposed individual.

If the applicant encountered problems on any of the referenced Awards, it may provide a short explanation and the corrective action taken. The applicant should not provide general information on its performance. USAID reserves the right to obtain relevant information concerning an applicant's history of performance from any sources and may consider such information in its review of the applicant's risk.

Annex A - Staffing and Management Plans and Organizational Chart

The Application must include an appropriate, well-justified, and complete staffing plan including an organizational chart, which clearly shows proposed lines of responsibility, authority, and communication procedures to ensure productivity as well as cost and quality control, proposed use of local staff with appropriate expertise, and promotes gender balance. The Applicant should provide information on proposed management structure as well as details on home office backstopping and its purpose, if applicable. This includes detailed identification of the roles and responsibilities of each partner/entity, their relationships between each other, lines of authority and accountability, and patterns for utilizing and sharing resources.

This also includes a table with proposed roles, technical expertise, and level of effort. There is no required format for this Annex.

Annex B - Curriculum Vitae (CV)

CVs of proposed Key Personnel should include relevant professional qualifications and experience appropriate to manage and achieve the expected results. The CVs must include three professional references, including their most recent supervisor, for each individual (name of reference, position/title, professional relationship, e-mail address and phone number). USAID may seek references from the provided sources as well as additional references as needed. Note that it is in the interest of applicants to inform these contacts that USAID/West Bank and Gaza will be contacting them in order to obtain information to verify qualifications.

Annex C - Sustainability and Self Reliance Plan

The Applicant will submit a sustainability and self-reliance plan as part of this application that demonstrates how activity results will be sustained after completion of the Activity. The Applicant must describe the anticipated sustainable elements of the program and any specific approaches proposed to achieve sustainable outcomes.

Annex D - Activity Monitoring, Evaluation, and Learning Plan

The Applicant will submit a draft Activity Monitoring, Evaluation, and Learning Plan that includes a table of high-level sets of illustrative indicators for each result and IR that will be used to generate the information needed for tracking progress and informing decisions in all areas of implementation.

The AMELP must include a brief description of how the information collected, analyzed, and reported will contribute to SMART learning agenda, and a description of how lessons learned generated during SMART will be shared among stakeholders to promote country ownership.

6. Business (Cost) Application Format

The Business (Cost) Application must be submitted separately from the Technical Application. While no page limit exists for the full cost application, applicants are encouraged to be as concise as possible while still providing the necessary details. The business (cost) application must illustrate the entire period of performance, using the budget format shown in the SF-424A.

Prior to award, applicants may be required to submit additional documentation deemed necessary for the Agreement Officer to assess the applicant's risk in accordance with 2 CFR 200.206. Applicants should not submit any additional information with their initial application.

The Cost Application must contain the following sections (which are further elaborated below this listing with the letters for each requirement):

a) Cover Page (See Section D.3 above for requirements)

b) SF 424 Form(s)

The applicant must sign and submit the cost application using the SF-424 series. Standard Forms can be accessed electronically at www.grants.gov or using the following links:

Instructions for SF-424	http://www.grants.gov/web/grants/form-instructions/sf-424-instructions.html
Application for Federal Assistance (SF-424)	https://www.grants.gov/web/grants/forms/sf-424-family.html
Instructions for SF-424A	http://www.grants.gov/web/grants/form-instructions/sf-424a-instructions.html
Budget Information (SF-424A)	https://www.grants.gov/web/grants/forms/sf-424-family.html
Instructions for SF-424B	http://www.grants.gov/web/grants/form-instructions/sf-424b-instructions.html
Assurances (SF-424B)	https://www.grants.gov/web/grants/forms/sf-424-family.html

Failure to accurately complete these forms could result in the rejection of the application.

c) Required Certifications and Assurances

The applicant must complete the following documents and submit a signed copy with their application:

- (1) “Certifications, Assurances, Representations, and Other Statements of the Recipient” ADS 303mav document found at <http://www.usaid.gov/sites/default/files/documents/1868/303mav.pdf>
- (2) Assurances for Non-Construction Programs (SF-424B)
- (3) Certificate of Compliance: Please submit a copy of your Certificate of Compliance if your organization's systems have been certified by USAID/Washington's Office of Acquisition and Assistance (M/OAA).

d) Budget and Budget Narrative

The Budget must be submitted as one unprotected Excel file (MS Office 2000 or later versions) with visible formulas and references and must be broken out by project year, including itemization of the federal and non-federal (cost share) amount. Files must not contain any hidden or otherwise inaccessible cells. Budgets with hidden cells lengthen the cost analysis time required to make award, and may result in a rejection of the cost application. The Budget Narrative must contain sufficient detail to allow USAID to understand the proposed costs. The applicant must ensure the budgeted costs address any additional requirements identified in Section F, such as Branding and Marking. The Budget Narrative must be thorough, including sources for costs to support USAID’s determination that the proposed costs are fair and reasonable.

The Budget must include the following worksheets or tabs, and contents, at a minimum:

- Summary Budget, inclusive of all program costs (federal and non-federal), broken out by major budget category and by year for activities implemented by the applicant and any potential sub-applicants for the entire period of the program.
- Detailed Budget, including a breakdown by year, sufficient to allow the Agency to determine that the costs represent a realistic and efficient use of funding to implement the applicant’s

program and are allowable in accordance with the cost principles found in 2 CFR 200 Subpart E.

- Detailed Budgets for each sub-recipient, for all federal funding and cost share, broken out by budget category and by year, for the entire implementation period of the project.

The Detailed Budget must contain the following budget categories and information, at a minimum:

- 1) Salaries and Allowances – Must be proposed consistent with 2 CFR 200.430 Compensation - Personal Services. The applicant’s budget must include position title, salary rate, level of effort, and salary escalation factors for each position. Allowances, when proposed, must be broken down by specific type and by position. Applicants must explain all assumptions in the Budget Narrative. The Budget Narrative must demonstrate that the proposed compensation is reasonable for the services rendered and consistent with what is paid for similar work in other activities of the applicant. Applicants must provide their established written policies on personnel compensation. If the applicant’s written policies do not address a specific element of compensation that is being proposed, the Budget Narrative must describe the rationale used and supporting market research.
- 2) Fringe Benefits – (if applicable) If the applicant has a fringe benefit rate approved by an agency of the U.S. Government, the applicant must use such rate and provide evidence of its approval. If an applicant does not have a fringe benefit rate approved, the applicant must propose a rate and explain how the applicant determined the rate. In this case, the Budget Narrative must include a detailed breakdown comprised of all items of fringe benefits (e.g., superannuation, gratuity, etc.) and the costs of each, expressed in U.S. dollars and as a percentage of salaries.
- 3) Travel and Transportation – Provide details to explain the purpose of the trips, the number of trips, the origin and destination, the number of individuals traveling, and the duration of the trips. Per Diem and associated travel costs must be based on the applicant’s normal travel policies. When appropriate please provide supporting documentation as an attachment, such as company travel policy, and explain assumptions in the Budget Narrative.
- 4) Procurement or Rental of Goods (Equipment & Supplies), Services, and Real Property – Must include information on estimated types of equipment, models, supplies and the cost per unit and quantity. The Budget Narrative must include the purpose of the equipment and supplies and the basis for the estimates. The Budget Narrative must support the necessity of any rental costs and reasonableness in light of such factors as: rental costs of comparable property, if any; market conditions in the area; alternatives available; and the type, life expectancy, condition, and value of the property leased.
- 5) Subawards – Specify the budget for the portion of the program to be passed through to any subrecipients. See 2 CFR 200 for assistance in determining whether the sub-tier entity is a subrecipient or contractor. The subrecipient budgets must align with the same requirements as the applicant’s budget, including those related to fringe and indirect costs.
- 6) Other Direct Costs – This may include other costs not elsewhere specified, such as report preparation costs, passports and visas fees, medical exams and inoculations, as well as any other miscellaneous costs which directly benefit the program proposed by the applicant. The applicant

should indicate the subject, venue and duration of any proposed conferences and seminars, and their relationship to the objectives of the program, along with estimates of costs. Otherwise, the narrative should be minimal.

- 7) Indirect Costs – Applicants must indicate whether they are proposing indirect costs or will charge all costs directly. In order to better understand indirect costs please see Subpart E of 2 CFR 200. The application must identify which approach they are requesting and provide the applicable supporting information. Below are the most commonly used Indirect Cost Rate methods:

Method 1 - Direct Charge Only

Eligibility: Any applicant

Initial Application Requirements: See above on direct costs

Method 2 - Negotiated Indirect Cost Rate Agreement (NICRA)

Eligibility: Any applicant with a NICRA issued by a USG Agency must use that NICRA

Initial Application Requirements: If the applicant has a current NICRA, submit your approved NICRA and the associated disclosed practices. If your NICRA was issued by an Agency other than USAID, provide the contact information for the approving Agency. Additionally, at the Agency's discretion, a provisional rate may be set forth in the award subject to audit and finalization. See [USAID's Indirect Cost Rate Guide for Non Profit Organizations](#) for further guidance.

Method 3 - De minimis rate of 10% of modified total direct costs (MTDC)

Eligibility: Any applicant that does not have a current NICRA

Initial Application Requirements: Costs must be consistently charged as either indirect or direct costs, but may not be double charged or inconsistently charged as both. If chosen, this methodology once elected must be used consistently for all Federal awards until such time as a non-Federal entity chooses to negotiate an indirect rate, which the non-Federal entity may apply to do at any time. The applicant must describe which cost elements it charges indirectly vs. directly. See 2 CFR 200 for further information.

Method 4 - Indirect Costs Charged As A Fixed Amount

Eligibility: Non U.S. non-profit organizations without a NICRA may request, but approval is at the discretion of the AO

Initial Application Requirements: Provide the proposed fixed amount and a worksheet that includes the following:

- Total costs incurred by the organization for the previous fiscal year and estimates for the current year.
- Indirect costs (common costs that benefit the day-to-day operations of the organization, including categories such as salaries and expenses of executive officers, personnel administration, and accounting, or that benefit and are identifiable to more than one program or activity, such as depreciation, rental costs, operations and maintenance of facilities, and telephone expenses) for the previous fiscal year and estimates for the current year
- Proposed method for prorating the indirect costs equitably and consistently across all programs and activities of using a base that measures the benefits of that particular cost to each program or activity to which the cost applies.

If the applicant does not have an approved NICRA and does not elect to utilize the 10% de minimis rate, the Agreement Officer will provide further instructions and may request additional supporting information, including financial statements and audits, should the application still be under consideration after the merit review. USAID is under no obligation to approve the applicant's requested method.

- 8) Cost Sharing – The applicant should estimate the amount of cost-sharing resources to be provided over the life of the agreement and specify the sources of such resources, and the basis of calculation in the budget narrative. Applicants should also provide a breakdown of the cost share (financial and in-kind contributions) of all organizations involved in implementing the resulting award.

e) Prior Approvals in accordance with 2 CFR 200.407

Inclusion of an item of cost in the detailed application budget does not satisfy any requirements for prior approval by the Agency. If the applicant would like the award to reflect approval of any cost elements for which prior written approval is specifically required for allowability, the applicant must specify and justify that cost. See 2 CFR 200.407 for information regarding which cost elements require prior written approval.

f) Approval of Subawards

The applicant must submit information for all subawards that it wishes to have approved at the time of award. For each proposed subaward the applicant must provide the following:

- Name of organization
- DUNS Number
- Confirmation that the subrecipient does not appear on the Treasury Department's Office of Foreign Assets Control (OFAC) list
- Confirmation that the subrecipient does not have active exclusions in the System for Award Management (SAM)
- Confirmation that the subrecipient is not listed in the United Nations Security designation list
- Confirmation that the subrecipient is not suspended or debarred
- Confirmation that the applicant has completed a risk assessment of the subrecipient, in accordance with 2 CFR 200.332(b)
- Any negative findings as a result of the risk assessment and the applicant's plan for mitigation.

g) Dun and Bradstreet and SAM Requirements

USAID may not award to an applicant unless the applicant has complied with all applicable unique entity identifier (DUNS number) and System for Award Management (SAM) requirements. Each applicant (unless the applicant is an individual or Federal awarding agency that is exempted from requirements under 2 CFR 25.110(b) or (c), or has an exception approved by the Federal awarding agency under 2 CFR 25.110(d)) is required to:

1. Provide a valid DUNS number for the applicant and all proposed sub-recipients;

2. Be registered in SAM before submitting its application. SAM is streamlining processes, eliminating the need to enter the same data multiple times, and consolidating hosting to make the process of doing business with the government more efficient (www.beta.sam.gov).
3. Continue to maintain an active SAM registration with current information at all times during which it has an active Federal award or an application or plan under consideration by a Federal awarding agency.

The registration process may take many weeks to complete. Therefore, applicants are encouraged to begin the process early. If an applicant has not fully complied with the requirements above by the time USAID is ready to make an award, USAID may determine that the applicant is not qualified to receive an award and use that determination as a basis for making an award to another applicant.

DUNS number: <http://fedgov.dnb.com/webform>

SAM registration: <http://www.beta.sam.gov>

Non-U.S. applicants can find additional resources for registering in SAM, including a Quick Start Guide and a video on how to obtain an NCAGE code, on www.beta.sam.gov, navigate to Help, then to International Registrants.

h) Branding Strategy & Marking Plan

The apparently successful applicant will be asked to provide a Branding Strategy and Marking Plan to be evaluated and approved by the Agreement Officer and incorporated into any resulting award

i) Funding Restrictions

Profit is not allowable for recipients or subrecipients under this award. See 2 CFR 200.331 for assistance in determining whether a sub-tier entity is a subrecipient or contractor.

Construction will not be authorized under this award.

USAID will not allow the reimbursement of pre-award costs under this award without the explicit written approval of the Agreement Officer.

Except as may be specifically approved in advance by the AO, all commodities and services that will be reimbursed by USAID under this award must be from the authorized geographic code specified in Section B.4 of this NOFO and must meet the source and nationality requirements set forth in 22 CFR 228.

j) Conflict of Interest Pre-Award Term (August 2018)

a. Personal Conflict of Interest

1. An actual or appearance of a conflict of interest exists when an applicant organization or an employee of the organization has a relationship with an Agency official involved in the competitive award decision-making process that could affect that Agency official's impartiality. The term "conflict of interest" includes situations in which financial or other

personal considerations may compromise, or have the appearance of compromising, the obligations and duties of a USAID employee or recipient employee.

2. The applicant must provide conflict of interest disclosures when it submits an SF-424. Should the applicant discover a previously undisclosed conflict of interest after submitting the application, the applicant must disclose the conflict of interest to the AO no later than ten (10) calendar days following discovery.

b. Organizational Conflict of Interest

The applicant must notify USAID of any actual or potential conflict of interest that they are aware of that may provide the applicant with an unfair competitive advantage in competing for this financial assistance award. Examples of an unfair competitive advantage include but are not limited to situations in which an applicant or the applicant's employee gained access to non-public information regarding a federal assistance funding opportunity, or an applicant or applicant's employee was substantially involved in the preparation of a federal assistance funding opportunity. USAID will promptly take appropriate action upon receiving any such notification from the applicant.

END OF SECTION D

SECTION E: APPLICATION REVIEW INFORMATION

1. Criteria

The merit review criteria prescribed here are tailored to the requirements of this particular NOFO. Applicants should note that these criteria serve to: (a) identify the significant matters which the applicants should address in their applications, and (b) set the standard against which all applications will be evaluated.

Technical and other factors will be evaluated relative to each other, as described here and prescribed by the Technical Application Format. The Technical Application will be scored by a Selection Committee (SC) using the criteria described in this section.

2. Review and Selection Process

a) Merit Review

USAID will conduct a merit review of all applications received that comply with the instructions in this NOFO. Applications will be reviewed and evaluated in accordance with the following criteria shown descending order of importance (i.e. Criterion #1 is more important than Criterion # 2 and Criterion #2 is more important than Criterion #3):

Selection Criterion # 1: Technical Approach

The extent to which the Applicant's proposed technical approach comprehensively describes convincing, sound, realistic, and sustainable approaches which will achieve the objectives and results specified in the Program Description.

Selection Criterion # 2: Management Structure

The extent to which a feasible, sound and comprehensive management structure is demonstrated to effectively implement the proposed program.

Selection Criterion # 3: Institutional Capacity

The extent to which the applicant demonstrates experience in implementing similar activities in terms of scope, magnitude, and complexity.

b) Business Review

The Agency will evaluate the cost application of the applicant(s) under consideration for an award as a result of the merit criteria review to determine whether the costs are allowable in accordance with the cost principles found in 2 CFR 200 Subpart E.

The Agency will also consider (1) the extent of the applicant's understanding of the financial aspects of the program and the applicant's ability to perform the activities within the amount requested; (2)

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whether the applicant's plans will achieve the program objectives with reasonable economy and efficiency; and (3) whether any special conditions relating to costs should be included in the award.

Cost Share, will be reviewed for compliance with the standards set forth in 2 CFR 200.306, 2 CFR 700.10, and the Standard Provision "Cost Sharing (Matching)" for U.S. entities, or the Standard Provision "Cost Share" for non-U.S. entities.

The AO will perform a risk assessment (2 CFR 200.206). The AO may determine that a pre-award survey is required to inform the risk assessment in determining whether the prospective recipient has the necessary organizational, experience, accounting and operational controls, financial resources, and technical skills – or ability to obtain them – in order to achieve the objectives of the program and comply with the terms and conditions of the award. Depending on the result of the risk assessment, the AO will decide to execute the award, not execute the award, or award with “specific conditions” (2 CFR 200.208).

END OF SECTION E

SECTION F: FEDERAL AWARD ADMINISTRATION INFORMATION

1. Federal Award Notices

Award of the agreement contemplated by this NOFO cannot be made until funds have been appropriated, allocated and committed through internal USAID procedures. While USAID anticipates that these procedures will be successfully completed, potential applicants are hereby notified of these requirements and conditions for the award.

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 Agreement may be incurred before receipt of either a fully executed Agreement or a specific, written authorization from the Agreement Officer.

2. Administrative & National Policy Requirements

The resulting award from this NOFO will be administered in accordance with the following policies and regulations.

For US organizations: [ADS 303](#), [2 CFR 700](#), [2 CFR 200](#), and [Standard Provisions for U.S. Non-governmental organizations](#).

For Non US organizations: [Standard Provisions for Non-U.S. Non-governmental Organizations](#).

3. ADS 303.3.35.2 Covered Telecommunication and Video Surveillance Equipment or Services (Effective Date: 08/18/2020)

Effective August 13, 2020, a recipient may not procure covered telecommunication equipment or services for the implementation of their program using award funds. 2 CFR 200.216, applicable to US organizations, and the standard provision “Prohibition on Certain Telecommunication and Video Surveillance Services or Equipment” applicable to non-US NGOs, implement Section 889(b) of the John S. McCain National Defense Authorization Act (NDAA) for Fiscal Year 2019 (Pub. L. 115-232) that prohibits the use of award funds, including direct and indirect costs, cost share and program income, to procure covered telecommunication and video surveillance services or equipment. The statute covers certain telecommunications equipment and services produced or provided by Huawei Technologies Company or ZTE Corporation, Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).

Such covered telecommunication equipment or services must not be reimbursed to the recipient as a direct or indirect cost or accepted as part of cost share. Additionally, the recipient must not use any program income generated under the award to purchase covered telecommunication equipment or services.

4. Reporting Requirements

4.1 Financial Reporting

Financial Reports must be submitted in accordance with 2 CFR 200.327 for U.S. organizations, and for Non-U.S. organizations financial reports will be required at a frequency depending on method of payment, but at least quarterly. Reporting requirements, such as the format, number of copies, information to be included, due dates and distribution will be developed in consultation with the Agreement Officer Representative (AOR) after the issuance of the award.

4.2 Program Reporting

a) IMPLEMENTATION PLAN

Purpose: The implementation plan details how the Recipient will use this time effectively to achieve the award's objectives. The implementation plan serves as a detailed guide to activity implementation and, once approved, represents an agreement as to the nature and timing of discrete tasks and interventions. Discrete tasks include training events, workshops and seminars, outreach events, and information dissemination activities such as publications and reports. It is essential that the document be concise so as to ensure that it will be a simple reference tool for the implementer to track progress against the approved implementation schedule, and for USAID to monitor and evaluate performance through the implementation plan year and to ensure that award objectives are accomplished on time, on budget, and in accordance with expectations. Each annual implementation plan will form the basis for an annual management review conducted by USAID and program staff to assess activity directions, priorities, achievements, and prior year implementation results, as well as management and implementation impediments, and to make recommendations for revisions, as appropriate.

Implementation Plan Standards: Implementation plans will identify a logical sequence of steps to be undertaken to implement each activity component and must include an associated timetable. The Recipient may not include activities in the implementation plan that fall outside the parameters of the program description. The Recipient's annual implementation plan will describe how the Recipient intends to organize the upcoming fiscal year's work including setting activity priorities and how the Recipient will organize responsibilities amongst Recipient staff to ensure accomplishment of the tasks. The implementation plan will address how the Recipient will make effective use of any time during which counterparts are not readily accessible or actively engaged such as holidays.

The implementation plan, at a minimum, is to include:

- A systematic presentation (i.e., Gantt chart) of activities to be accomplished under the different components and sub-components, on a monthly basis;
- The proposed location of the activity;
- The anticipated outputs and outcomes from each activity conducted;

- The anticipated level of effort required from activity technical staff and financial resources required to complete the tasks;
- The identification of any assumptions used in preparing the implementation plan, as well as suggested alternatives if necessary;
- The anticipated risks with regard to achieving the anticipated objectives of the activity and how they will be mitigated; and
- Any specific award terms or conditions that interfere with maximizing the developmental impact of the award.

Timing: Within 60-90 days following award, the Recipient must submit the first annual implementation plan, which will cover the time period from the date of award to September 30, 2019. Attached to the initial implementation plan, the Recipient will provide a Monitoring, Evaluation and Learning Plan (MEL Plan). USAID will provide written comments to the Recipient. The Recipient will revise and submit the revised implementation plan no later than 15 days after receipt of comments. If acceptable, the USAID Agreement Officer Representative (AOR) will provide a written approval of the final implementation plan to the Recipient. Failure to have an approved implementation plan in place may be viewed as a failure to comply with essential terms and conditions of the award. Significant revisions to the approved implementation plan will require the additional written approval of the AOR (and may require a revision to the approved activity MEL plan).

Subsequent Annual Implementation plans: Subsequent annual implementation plans will cover each fiscal year (October 1 – September 30) and are due no later than 30 days before the beginning of each USG fiscal year (October 1), to ensure that the new implementation plan will be in place prior to commencement of the new fiscal year. These plans will follow the same format as the initial implementation plan and should also include an updated MEL plan, if appropriate. The subsequent annual implementation plan shall include program adjustments reflecting lessons learned from prior year implementation.

b) ACTIVITY MONITORING, EVALUATION, AND LEARNING PLAN (AMELP)

Purpose: The Recipient is required to have an AMELP capable of tracking and documenting progress against activity components. The AMELP should cover the entire life cycle from the award date through the estimated completion date. The AMELP should reflect the award progress over the life of the activity and it is considered a critical tool for planning, managing, documenting, and evaluating performance. The AMELP should be reviewed and validated annually, and revised if appropriate.

Note: The AMELP will be reviewed to understand incremental progress towards the stated objectives of the Program Description.

Timing: Within 60-90 days after award attached to the Implementation Plan.

c) QUARTERLY PERFORMANCE REPORTS:

Purpose: The Recipient will submit quarterly performance reports and financial allocation summaries to USAID to reflect progress and activities of the preceding quarter. The report will describe the tasks completed in the last quarter relative to what was anticipated by the approved implementation plan, and will assess overall impact to date relative to the performance indicator targets.

The quarterly reports will highlight any issues or problems affecting the schedule or impact of services provided by the Recipient. The reports will include financial information on the expenses incurred, available funding for the remainder of the activity and any variances from planned expenditures. All data and output reporting will disaggregate data by gender.

Quarterly performance reports will present progress on all activities and will include the following information, at a minimum:

1. Brief outline of purpose and approach;
2. Overall status of progress towards objectives (narrative);
3. Status of overall progress per the approved indicators as defined in the AMELP plan ;
4. Summary of completed activities and progress towards results under this award during the timeframe of the report;
5. List of reports/deliverables completed in the reporting period;
6. Explanation of quantifiable outputs of the tasks, if appropriate and applicable;
7. Reasons why established targets were not met, if appropriate;
8. Description of any short-term consultants' progress and observations, identifying any significant issues, and a description of follow-on activities;
9. Status of budget expenditures and analysis of any cost overruns or high unit costs (the Recipient shall immediately notify USAID of developments that have a significant impact on award-supported activities);
10. Identification of problems, delays or adverse conditions that impair the ability to meet the objectives of the award, including a statement of the action taken or contemplated, and any assistance needed to resolve the situation;
11. List of major activities planned for the next quarter;
12. The use of Small and Disadvantaged Business relative to the target identified;
13. Any relevant constraints or impediments that have affected or will affect activity performance, including any terms and conditions contained in the award;
14. Programed USAID approvals, waivers or deviation requests anticipated during the next quarter;
15. An attachment with a list of activity AMELP indicators that reflect progress against the indicators.
16. Confirmation that Participant Training reporting requirements are up to date; and
17. The status of required audit processes including for sub-awardees, if applicable.

Timing: Reports must be submitted to the AOR within 30 days after the end of each USG Fiscal Year quarter (12/31, 3/31, 6/30, 9/30).

d) ANNUAL REPORTS

Purpose: The annual report will cover all of the items included in the quarterly reports, with a focus on results over the entire award fiscal year. The annual report will be used by USAID to assess the status of the activity in relation to the time remaining for performance. Each annual report will include an assessment as to whether the objective of the award will be accomplished within the remaining time and available resources.

In addition, the Recipient should include an assessment as to the effectiveness of the AMELP Plan in measuring impact including:

1. The status of evaluation activities including the establishment of baseline data;
2. The appropriateness of the data collected to measure activity impact;
3. The identification of unanticipated challenges in the collection of evaluation data;
4. The appropriateness of the overall activity AMELP plan to measure impact and any proposed revisions thereto;
5. Practical or political factors that should be considered when analyzing the performance data; and
6. The effectiveness of the evaluation activities to inform programming.

Timing: The Recipient must submit annual reports in lieu of the 4th quarterly report each year to the AOR and to the Agreement Officer. The annual report must be submitted no later than 30 days after the end of each fiscal year other than the last year of contract performance, when the final report will be submitted.

e) DEMOBILIZATION PLAN

The Plan will include, at a minimum, an illustrative Property Disposition Plan addressing all requirements under contractual and local law for the transfer of property; a plan for the phase out of the award's operations; a delivery schedule for all reports or other deliverables required under the award; and a timeline for completing all required actions in the Demobilization Plan, including the submission date of the final Property Disposition Plan to the Agreement Officer. Both the illustrative and final Property Disposition Plans must include the inventory schedule required by 2 CFR 200.313, a plan for the disposition of property to eligible parties and a timeline for the disposition of such property. In addition, the Recipient will describe how all required prime and sub-award audits will be conducted after the demobilization of the Recipient. The Demobilization Plan must be approved in writing by the AOR and the Agreement Officer.

Timing: Not less than four months prior to the completion date of the award, the Recipient must submit a Demobilization Plan.

f) FINAL REPORT

The final report will provide a summary description of all work performed under the award and a substantive discussion of results achieved (as measured by performance indicator). The final report should include the final status of each component objective, the status of indicators relative to the

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established targets, lessons learned, ways to resolve any constraints identified, any opportunities for further refinement, enhancement, logical extension, or expansion of the completed work and how it fits into USAID's strategic objectives and any perceived problems, vulnerabilities, or weaknesses in the assistance provided, with recommendations for addressing the identified weaknesses.

The final report must also contain an index of all reports and informational products produced under this activity. Along with the Final Report, a CD-ROM depository must be submitted, containing all written documents, reports and presentations. The depository must be organized in a user-friendly and searchable manner.

Timing: A draft final report must be provided not less than sixty days prior to the end of the award period. USAID will provide written comments concerning the accuracy and completeness of the report to the Recipient. The Recipient will revise and submit the final report no later than 15 days after receipt of comments.

Reporting Schedule

The following programmatic reporting requirements shall be made part of any Standard Assistance Award (SAA) issued under this RFA:

Type of Document/ Report	Due Date	Distribution
Quarterly Financial Report	30 days after the end of each fiscal quarter	AOR;AO;FMO
Implementation Plan	Within 60-90 days after award and thereafter every year by September 1	AOR
Activity Monitoring, Evaluation and Learning Plan (AMELP)	Within 60-90 days after award and will be attached to the Implementation Plan	AOR
Quarterly Performance Reports	Within 30 days of the end of each fiscal quarter	AOR
Annual Performance Report	Will be submitted in lieu of the fourth quarterly performance report	AOR and AO
Demobilization Plan	Not less than four months prior to the completion date of the award	AOR and AO
Final Report	90 calendar days after the expiration or termination of the award	AOR and AO

5. Branding and Marking Requirements

Applicants are not required to submit a Branding and Marking plan with their applications.

However, Applicants are requested to note that in accordance with **2 CFR 700.16** USAID will require the submission of a Branding Strategy and a Marking Plan prior to award. The Marking Plan may include a request for approval of one or more exceptions to the marking requirements in **2 CFR 700.16**. The AO evaluates the Branding Strategy and Marking Plan (including any requests for exceptions) for approval consistent with the regulations contained in **AAPD 05-11, 2 CFR 700.16**, and **ADS 320**.

6. Environmental Compliance:

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 (ADS 204) and in USAID's Automated Directives System (ADS) Parts 201.5.10g and 204 (<http://www.usaid.gov/who-we-are/agency-policy/series-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.

7. USAID/WEST BANK AND GAZA SPECIAL PROVISIONS

All applicable Standard Provisions specified in Annex 1 of this NOFO will be incorporated into the resultant award. The Provisions indicated below in full text should be specially noted by the prospective Applicants.

7.1 SUBCONTRACTING WITH GOVERNMENT OR QUASI-GOVERNMENT ENTITIES

No subcontracting with any government or quasi-government entity shall be conducted under this Agreement unless a specific waiver is approved for this purpose.

7.2 CAPITAL ASSISTANCE (611e REQUIREMENTS)

Prior to committing any USAID funds for capital assistance projects proposed under this Agreement, including mechanical items and other equipment that will be purchased for use by local partners, the Recipient will provide USAID with sufficient information to determine that Palestinian counterpart institutions and communities have the capacity to maintain and utilize the assistance effectively. Upon review and analysis of information provided, USAID West Bank and Gaza will advise the Recipient when and if all AID regulations for proceeding with capital assistance have been met.

7.3 PROHIBITION AGAINST SUPPORT FOR TERRORISM

- (a) The Recipient is reminded that U.S. Executive Orders and U.S. law prohibit transactions with, and the provision of resources and support to, individuals and organizations associated with terrorism. It is the legal responsibility of the Recipient to ensure compliance with these Executive Orders and laws.
- (b) One of the applicable orders is Executive Order 13224, dated September 24, 2001. The website of the Office of Foreign Assets Control (OFAC) of the Department of Treasury contains the text of that order and a list of the individuals and entities designated thereunder. It also contains lists of individuals and entities designated under other anti-terrorism statutes, regulations and Executive Orders. See <http://www.treasury.gov/offices/enforcement/ofac/sdn/>.
- (c) USAID reserves the right to review, and either approve or reject, the following subawards if proposed under this contract/agreement: (i) any contract or subcontract in excess of \$25,000 with a non-U.S. organization or individual; and (ii) any grant or subgrant to a non-U.S. organization or individual, regardless of the dollar value. Furthermore, the written consent of USAID is required before certain other forms of assistance may be provided to a non-U.S. organization or individual. These include in-kind assistance such as renovation of an NGO's facilities, repair or replacement of a company's equipment, and certain training activities. The details of these requirements are described in notices issued by USAID/West Bank & Gaza from time to time. No approval (or failure to disapprove) by USAID shall relieve the Contractor/Recipient of its legal obligation to comply with applicable Executive Orders and laws.
- (d) USAID reserves the right to rescind approval for a subaward in the event that USAID subsequently becomes aware of information indicating that the subaward is contrary to U.S. law or policy prohibiting support for terrorism. In such cases, USAID's Contracting Officer will provide written instructions to the Contractor/Recipient to terminate the subaward.
- (e) USAID reserves the right to terminate this contract/agreement if USAID determines that the Contractor/Recipient is involved in or advocates terrorist activity or has failed to comply with any of the requirements of this provision.
- (f) This provision, including this paragraph (f), shall be included in all contracts, subcontracts, grants and subgrants issued under this contract/agreement. Upon request, the Contractor/Recipient shall promptly provide to USAID's Contracting/Agreement Officer a copy of the pages from each subaward that contain this provision

- (g) The Contractor/Recipient agrees to promptly notify USAID's Contracting Officer Representative (COR)/Agreement Officer Representative (AOR) in the event of any change in the identity of its "key individuals" or in the identity of "key individuals" of any Recipient of a subaward described in paragraph (c). For purposes of this requirement, "key individuals" means (i) principal officers of the organization's governing body (e.g., chairman, vice chairman, treasurer and secretary of the board of directors or board of trustees); (ii) the principal officer and deputy principal officer of the organization (e.g., executive director, deputy director, president, vice president); (iii) the program manager or chief of party for the USAID-financed program; and (iv) any other person with significant responsibilities for administration of USAID-financed activities or resources. Note that this definition differs from the definition of "key personnel" under contracts and cooperative agreements.
- (h) Before awarding any grant or similar instrument providing [cash or in-kind assistance under this contract][cash assistance under this agreement], the Contractor/Recipient shall (1) obtain from the proposed subawardee the certification required under USAID's Acquisition and Assistance Policy Determination 04-14 (AAPD 04-14), "Certification Regarding Terrorist Financing Implementation E.O. 13224 (Revision 2)," and (2) provide a copy of the certification to USAID's Agreement/Contracting Officer.

7.4 PROHIBITION AGAINST CASH ASSISTANCE TO THE PALESTINIAN AUTHORITY

U.S. legislation provides that none of the funding under this Award may be "obligated or expended with respect to providing funds to the Palestinian Authority." In accordance with that prohibition, the Recipient shall not provide any cash to the Palestinian Authority (PA); to any ministry, agency or instrumentality of the PA; to any municipality or other local government unit; or to any full-time or part-time employee or official of any of the foregoing entities. This restriction applies to payments of any kind, including salaries, stipends, fees, honoraria, per diem, and so forth.

This restriction does not prohibit the provision of in-kind assistance, such as technical assistance, training, equipment, supplies, or the construction of public works to the extent it is not otherwise prohibited by U.S. law or the terms of this Agreement.

This provision shall be included in all contracts, subcontracts, grants and subgrants or any other instruments or awards issued under this Agreement. The Recipient shall promptly provide to USAID's Agreement Officer a copy of the pages from each subaward that contains this provision.

7.5 RESTRICTION ON FACILITY NAMES

- (a) No assistance shall be provided under this Agreement for any school, community center or other facility that is named after any person or group of persons that has advocated, sponsored

or committed acts of terrorism. This includes any facility that has “shuhada” or “shaheed” (“martyr” or “martyrs”) in its name, unless an exception is approved by the USAID Mission Director. In any case where assistance is proposed for a facility that is named after, or is planned to be named after, a person or group of persons, the Recipient shall provide to USAID’s Agreement Officer Representative (AOR) written information about the person(s) or group and shall not proceed with the assistance unless or until the AOR has provided written approval therefore. This restriction applies to all forms of cash or in-kind assistance, including construction services, equipment, supplies, technical assistance, and training.

- (b) In case of any failure to comply with this restriction, USAID may disallow any or all costs incurred by the Recipient with respect to the facility and, if necessary, issue a bill for collection for the amount owed. This is in addition to any other remedies that may be available to USAID for such noncompliance.
- (c) This provision, including this paragraph (c), shall be included in all contracts, subcontracts, grants and subgrants issued under this agreement. Upon request, the Recipient shall promptly provide to USAID’s Agreement Officer a copy of the pages from each subaward that contains this provision.

7.6 VALUE ADDED TAX AND CUSTOMS DUTIES

Pursuant to agreements with the Palestinian Authority (PA) and the Government of Israel (GOI), all imports and expenditures under this award by the Recipient and by non-local sub-grantees and subcontractors (as defined below) are exempt from PA Value-Added Tax (VAT) and customs duties imposed by the PA and by the GOI.

Therefore, in accordance with Section 200.470 of 2 CFR 200, Subpart E, such VAT and customs duties shall not constitute allowable costs under this award. No exemption from VAT imposed by the GOI is available through USAID. Therefore, Israeli VAT is an allowable cost under this award, except for VAT from which exemptions are available to the Recipient directly.

The Recipient and any non-local sub-grantees or subcontractors shall make reasonable efforts to avoid Palestinian VAT at the point of sale by utilizing the VAT exemption. USAID will assist the Recipient to obtain a VAT exemption status from the PA. The Recipient shall use this exemption to avoid paying any PA VAT to local subcontractors and vendors by obtaining approval from the PA VAT Department for suppliers to issue 0% VAT invoices.

In cases where Israeli and Palestinian VAT cannot be avoided at the point of sale, the Recipient shall obtain original VAT receipts from the vendors. Receipts must be submitted to USAID’s Financial Management Office on a monthly basis to enable USAID to process refund claims with VAT authorities. The Recipient is responsible for ensuring that sub-grantees or subcontractors comply with this requirement. All VAT claims for the sub-grantees and subcontractors shall be submitted to USAID through Recipient. *(Please refer to VAT Guidance dated April 2, 2003 issued to USAID WBG Contractors and Grantees attached as Annex 2).* Receipts for sub-grantees and subcontractors must be addressed to the program name /Recipient to enable USAID to claim refunds.

Recipients that already have exemption mechanisms in place with the GOI and/or the PA should continue to follow those procedures. Any refund of taxes received directly by the Recipients which were allowed as award costs, should be credited either as a cost reduction or cash refund, as appropriate, to USAID.

"Non-local sub-grantees and subcontractors" means sub-grantees and subcontractors that are present in the West Bank or Gaza solely for the purpose of performing work financed by USAID or other tax-exempt foreign donors."

7.7 REPORTING OF FOREIGN TAXES

- a) The awardee must annually submit one report by April 6 of the next year. The reporting period will cover from October 1 to September 30.
- b) Contents of Report. The reports must contain:
 1. Recipient name.
 2. Contact name with phone, fax and e-mail.
 3. Award number(s); separate report needs to be provided for each award.
 4. Amount of foreign taxes assessed by the PA on commodity purchase transactions valued at \$500 or more financed with U.S. foreign assistance funds under this agreement during the prior U.S. fiscal year.
 5. Only foreign taxes assessed by the foreign government in the country receiving U.S. assistance are to be reported. Foreign taxes by a third party foreign government are not to be reported. For example, if an assistance program for the PA involves the purchase of commodities in Israel using foreign assistance funds, any taxes imposed by Israel would not be reported.
 6. Any reimbursements on the taxes reported in (iv) received by the Recipient through March 31. Any refund from the PA that is received directly by the awardee should be reflected. For refunds processed by USAID, we will fill in the VAT refunded amount. If a VAT refund receipt was provided to USAID for refund processing the awardee will need to provide the month under which the claim was submitted to USAID and the serial number of the invoice as included in the claim.
 7. Reports are required even if the Recipient did not pay any taxes during the report period.
 8. Cumulative reports may be provided if the Recipient is implementing more than one program in a foreign country.
- c) Definitions. For purposes of this clause:
 1. "Agreement" includes USAID direct and country contracts, grants, cooperative agreements and interagency agreements.
 2. "Commodity" means any material, article, supply, goods, or equipment.
 3. "Foreign government" includes only a PA entity.
 4. "Foreign taxes" means value-added taxes and custom duties assessed by a foreign government on a commodity. It does not include foreign sales taxes
- d) Where. Submit the reports by either of the following means:

E-mail attachment (preferred): 579vat@usaid.gov or fax to 972-3-511-4888, attention Issa Hanna.

- e) Subagreements. The awardee must include this reporting requirement in all applicable subcontracts, subgrants and other subagreements.
- f) For further information see <http://www.state.gov/m/rm/c10443.htm>.

7.8 PROHIBITION ON ASSISTANCE TO THE PALESTINIAN BROADCASTING CORPORATION

- a) U.S. legislation provides that none of USAID's funding "may be used to provide equipment, technical support, consulting services, or any other form of assistance to the Palestinian Broadcasting Corporation." In accordance with this prohibition, the Recipient shall not provide any assistance to the Palestinian Broadcasting Corporation.
- b) This provision, including this paragraph (b), shall be included in all contracts, subcontracts, grants and subgrants issued under this grant.

7.9 USAID/WEST BANK AND GAZA AGENCY CONTRACTED AUDITS (ACA)

Since Fiscal Year 2003, the U.S. Congress has mandated in its annual appropriations laws that USAID will ensure that Federal and non-Federal audits of all Contractors and grantees, and significant sub-Contractors and sub-grantees, under the West Bank and Gaza (WBG) Program are conducted at least on an annual basis.

The Contractor and significant subawardees under this award are thus required to adhere to this requirement and are subject to audit at least annually under the WBG Agency Contracted Audit (ACA) program. The USAID/WBG/Office of Financial Management (OFM) is responsible for managing the Mission's ACA program. USAID/WBG/OFM will annually solicit information from Contractors with regard to their program implementing subawards to identify those subawardees which are subject to audit.

To fulfill the annual audit requirements, USAID/WBG will contract with an independent audit firm that has been approved by the Regional Inspector General/Frankfurt to perform these audits and will issue an audit notification letter to the Contractor outlining the process, period of audit and time frame. The financial audit will be conducted within generally accepted government auditing standards (GAGAS) and will focus on the program activities contained within this award.

By signing this award, the Contractor affirms it will comply with Mission audit guidelines and requirements and will cooperate fully with the audit firm selected by USAID. Failure to comply with the Mission audit procedures or respond to an initiation of an audit, or failure to cooperate with the Mission financial management staff or selected audit firm on the annual audit may be cause for action by the Mission. The Contractor and all sub-awardees must maintain complete records and proper documentation pertaining to their awards for auditing purposes.

7.10 USAID/WEST BANK AND GAZA MISSION ORDER NO. 21

The Contractor must comply with the Mission's updated anti-terrorism policies and procedures as stated under the revised Mission Order No. 21 (Mission Notice No. 2007-WBG-26) and any amendments thereafter. The Mission Order No. 21 is provided under Annex 3.

8. FUNDING RESTRICTIONS

Pursuant to 2 CFR 200.400(g) and 2 CFR 700.13, it is USAID policy not to award profit under assistance instruments. However, all reasonable, allowable and allocable expenses, both direct and indirect, which are related to the Agreement program and are in accordance with applicable cost standards (2 CFR 200, 2 CFR 700, Relevant OMB Circulars, and the Federal Acquisition Regulation (FAR) Part 31 for for-profit organizations), may be paid under the Agreement.

[END OF SECTION F]

SECTION G: FEDERAL AWARDING AGENCY CONTACT(S)

Any prospective applicant desiring an explanation or interpretation of this NOFO must request it in writing by the deadline for questions specified in the cover letter to allow a reply to reach all prospective applicants before the submission of their applications. Any information given to a prospective applicant concerning this NOFO will be furnished promptly to all other prospective applicants as an amendment of this NOFO, if that information is necessary in submitting applications or if the lack of it would be prejudicial to any other prospective applicants. Such questions will be considered received if the Subject line begins with **“NOFO 72029421RFA00002 Questions.”**

Any questions or comments concerning this NOFO must be submitted in writing by e-mail to:

Sandy Sakran
Sr. Acquisition and Assistance Specialist
Office of Contracts Management
ssakran@usaid.gov
USAID West Bank and Gaza

END OF SECTION G

SECTION H: OTHER INFORMATION

USAID reserves the right to fund any or none of the applications submitted. The Agreement Officer is the only individual who may legally commit the Government to the expenditure of public funds. Any award and subsequent incremental funding will be subject to the availability of funds and continued relevance to Agency programming.

Applications with Proprietary Data

Applicants who include data that they do not want disclosed to the public for any purpose or used by the U.S. Government except for evaluation purpose, should mark the cover page with the following:

“This application includes data that must not be disclosed duplicated, used, or disclosed – in whole or in part – for any purpose other than to evaluate this application. If, however, an award is made as a result of – or in connection with – the submission of this data, the U.S. Government will have the right to duplicate, use, or disclose the data to the extent provided in the resulting award. This restriction does not limit the U.S. Government’s right to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets {insert sheet numbers}.”

Additionally, the applicant must mark each sheet of data it wishes to restrict with the following:

“Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this application.”

END OF SECTION H

ANNEX 1 - STANDARD PROVISIONS

(Note: the full text of these provisions may be found at:

<https://www.usaid.gov/ads/policy/300/303maa> and

<https://www.usaid.gov/ads/policy/300/303mab>). The actual Standard Provisions included in the award will be dependent on the organization that is selected. The award will include the latest Mandatory Provisions for either U.S. or non-U.S. Nongovernmental organizations. The award will also contain the following “required as applicable” Standard Provisions:

Please note that the resulting award will include all standard provisions (both mandatory and required as applicable) in full text.

REQUIRED AS APPLICABLE STANDARD PROVISIONS FOR U.S. NONGOVERNMENTAL ORGANIZATIONS

Required	Not Required	Standard Provision
TBD		RAA1. NEGOTIATED INDIRECT COST RATES - PREDETERMINED (NOVEMBER 2020)
		RAA2. NEGOTIATED INDIRECT COST RATES - PROVISIONAL (Nonprofit) (NOVEMBER 2020)
		RAA3. NEGOTIATED INDIRECT COST RATE - PROVISIONAL (Profit) (DECEMBER 2014)
		RAA4. INDIRECT COSTS – DE MINIMIS RATE (NOVEMBER 2020)
TBD		RAA5. EXCHANGE VISITORS AND PARTICIPANT TRAINING (JUNE 2012)
TBD		RAA6. VOLUNTARY POPULATION PLANNING ACTIVITIES – SUPPLEMENTAL REQUIREMENTS (JANUARY 2009)
TBD		RAA7. PROTECTION OF THE INDIVIDUAL AS A RESEARCH SUBJECT (APRIL 1998)
TBD		RAA8. CARE OF LABORATORY ANIMALS (MARCH 2004)
TBD		RAA9. TITLE TO AND CARE OF PROPERTY (COOPERATING COUNTRY TITLE) (NOVEMBER 1985)
TBD		RAA10. COST SHARING (MATCHING) (FEBRUARY 2012)
TBD		RAA11. PROHIBITION OF ASSISTANCE TO DRUG TRAFFICKERS (JUNE 1999)
TBD		RAA12. INVESTMENT PROMOTION (NOVEMBER 2003)
TBD		RAA13. REPORTING HOST GOVERNMENT TAXES (DECEMBER 2014)
TBD		RAA14. FOREIGN GOVERNMENT DELEGATIONS TO INTERNATIONAL CONFERENCES (JUNE 2012)
TBD		RAA15. CONSCIENCE CLAUSE IMPLEMENTATION (ASSISTANCE) (FEBRUARY 2012)
TBD		RAA16. CONDOMS (ASSISTANCE) (SEPTEMBER 2014)

TBD	RAA17. PROHIBITION ON THE PROMOTION OR ADVOCACY OF THE LEGALIZATION OR PRACTICE OF PROSTITUTION OR SEX TRAFFICKING (ASSISTANCE) (SEPTEMBER 2014)
TBD	RAA18. USAID DISABILITY POLICY - ASSISTANCE (DECEMBER 2004)
TBD	RAA19. STANDARDS FOR ACCESSIBILITY FOR THE DISABLED IN USAID ASSISTANCE AWARDS INVOLVING CONSTRUCTION (SEPTEMBER 2004)
TBD	RAA20. STATEMENT FOR IMPLEMENTERS OF ANTI-TRAFFICKING ACTIVITIES ON LACK OF SUPPORT FOR PROSTITUTION (JUNE 2012)
TBD	RAA21. ELIGIBILITY OF SUBRECIPIENTS OF ANTI-TRAFFICKING FUNDS (JUNE 2012)
TBD	RAA22. PROHIBITION ON THE USE OF ANTI-TRAFFICKING FUNDS TO PROMOTE, SUPPORT, OR ADVOCATE FOR THE LEGALIZATION OR PRACTICE OF PROSTITUTION (JUNE 2012)
TBD	RAA23. UNIVERSAL IDENTIFIER AND SYSTEM FOR AWARD MANAGEMENT (NOVEMBER 2020)
TBD	RAA24. REPORTING SUBAWARDS AND EXECUTIVE COMPENSATION (NOVEMBER 2020)
TBD	RAA25. PATENT REPORTING PROCEDURES (NOVEMBER 2020)
TBD	RAA26. ACCESS TO USAID FACILITIES AND USAID'S INFORMATION SYSTEMS (AUGUST 2013)
TBD	RAA27. CONTRACT PROVISION FOR DBA INSURANCE UNDER RECIPIENT PROCUREMENTS (DECEMBER 2014)
TBD	RAA28. AWARD TERM AND CONDITION FOR RECIPIENT INTEGRITY AND PERFORMANCE MATTERS (April 2016)
TBD	RAA29. RESERVED
TBD	RAA30. PROGRAM INCOME (AUGUST 2020)
TBD	RAA31. NEVER CONTRACT WITH THE ENEMY (NOVEMBER 2020)

REQUIRED AS APPLICABLE STANDARD PROVISIONS FOR NON-U.S. NONGOVERNMENTAL ORGANIZATIONS

Required	Not Required	Standard Provision
TBD		RAA1. ADVANCE PAYMENT AND REFUNDS (NOVEMBER 2020)
		RAA2. REIMBURSEMENT PAYMENT AND REFUNDS

	(DECEMBER 2014)
TBD	RAA3. INDIRECT COSTS – NEGOTIATED INDIRECT COST RATE AGREEMENT (NICRA) (NOVEMBER 2020)
	RAA4. INDIRECT COSTS – CHARGED AS A FIXED AMOUNT (NONPROFIT) (JUNE 2012)
	RAA5. INDIRECT COSTS – DE MINIMIS RATE (NOVEMBER 2020)
TBD	RAA6. UNIVERSAL IDENTIFIER AND SYSTEM OF AWARD MANAGEMENT (NOVEMBER 2020)
TBD	RAA7. REPORTING SUBAWARDS AND EXECUTIVE COMPENSATION (NOVEMBER 2020)
TBD	RAA8. SUBAWARDS (DECEMBER 2014)
TBD	RAA9. TRAVEL AND INTERNATIONAL AIR TRANSPORTATION (DECEMBER 2014)
TBD	RAA10. OCEAN SHIPMENT OF GOODS (JUNE 2012)
TBD	RAA11. REPORTING HOST GOVERNMENT TAXES (JUNE 2012)
TBD	RAA12. PATENT RIGHTS (JUNE 2012)
TBD	RAA13. EXCHANGE VISITORS AND PARTICIPANT TRAINING (JUNE 2012)
TBD	RAA14. INVESTMENT PROMOTION (NOVEMBER 2003)
TBD	RAA 15. COST SHARE (JUNE 2012)
TBD	RAA16. PROGRAM INCOME (AUGUST 2020)
TBD	RAA17. FOREIGN GOVERNMENT DELEGATIONS TO INTERNATIONAL CONFERENCES (JUNE 2012)
TBD	RAA18. STANDARDS FOR ACCESSIBILITY FOR THE DISABLED IN USAID ASSISTANCE AWARDS INVOLVING CONSTRUCTION (SEPTEMBER 2004)
TBD	RAA19. PROTECTION OF HUMAN RESEARCH SUBJECTS (JUNE 2012)
TBD	RAA20. STATEMENT FOR IMPLEMENTERS OF ANTI-TRAFFICKING ACTIVITIES ON LACK OF SUPPORT FOR PROSTITUTION (JUNE 2012)
TBD	RAA21. ELIGIBILITY OF SUBRECIPIENTS OF ANTI-TRAFFICKING FUNDS (JUNE 2012)
TBD	RAA22. PROHIBITION ON THE USE OF ANTI-TRAFFICKING FUNDS TO PROMOTE, SUPPORT, OR ADVOCATE FOR THE LEGALIZATION OR PRACTICE OF PROSTITUTION (JUNE 2012)
TBD	RAA23. VOLUNTARY POPULATION PLANNING ACTIVITIES – SUPPLEMENTAL REQUIREMENTS (JANUARY 2009)
TBD	RAA24. CONSCIENCE CLAUSE IMPLEMENTATION (ASSISTANCE) (FEBRUARY 2012)
TBD	RAA25. CONDOMS (ASSISTANCE) (SEPTEMBER 2014)
TBD	RAA26. PROHIBITION ON THE PROMOTION OR ADVOCACY OF THE LEGALIZATION OR PRACTICE OF

	PROSTITUTION OR SEX TRAFFICKING(ASSISTANCE) (SEPTEMBER 2014)
TBD	RAA27. LIMITATION ON SUBAWARDS TO NON-LOCAL ENTITIES (JULY 2014)
TBD	RAA28. CONTRACT PROVISION FOR DBA INSURANCE UNDER RECIPIENT PROCUREMENTS (DECEMBER 2014)
TBD	RAA29. CONTRACT AWARD TERM AND CONDITION FOR RECIPIENT INTEGRITY AND PERFORMANCE MATTERS (APRIL 2016)
TBD	RAA30. RESERVED
TBD	RAA31. NEVER CONTRACT WITH THE ENEMY (NOVEMBER 2020)

ANNEX 2 - VAT GUIDANCE



U.S. AGENCY FOR
INTERNATIONAL
DEVELOPMENT

APRIL 2, 2003

NOTICE FOR USAID CONTRACTORS AND GRANTEES

SUBJECT: VAT GUIDANCE

As per the guidance provided to all contractors and grantees in our letter of July 30th, 2002, VAT is an extremely sensitive and important issue for our Mission. Careful attention must be paid to avoiding VAT whenever possible and, failing that, obtaining valid VAT receipts so that USAID may seek VAT refunds from tax authorities. Failure to do so could put the Mission's programs in jeopardy and possibly lead to a USAID determination that VAT costs are unallowable.

USAID will reimburse contractors and grantees for Israeli and Palestinian VAT if and only if the following procedures are followed:

1. For Grantees, reasonable efforts must be made to avoid Israeli and Palestinian VAT at the point of sale whenever possible. This includes taking all reasonable steps to obtain a 0% VAT exemption from the Palestinian Authority before making any further purchases. Grantees that already have exemption mechanisms in place with Israel and/or the PA should continue to follow those procedures.
2. For grantees that recently received a 0% VAT exemption from the Palestinian VAT department, they are required to pass these exemptions to their partners (i.e. suppliers, vendors, and contractors), by sending a letter to the VAT Department notifying it about the partner, description of the transaction and the amount of the transaction before the purchase is completed.
3. For both Contractors and Grantees, in cases where Israeli or Palestinian VAT cannot be avoided at the point of sale, original VAT receipts must be obtained from all vendors that are legally authorized to issue such receipts. To be considered valid and acceptable, receipts must conform to the requirements stated in the checklist attached to this notice. Receipts shall be submitted to USAID's Financial Management Office on a monthly basis, no later than the fifteenth day after the end of the month. This will enable USAID to process refund claims with VAT authorities on a timely basis.

Financial Management Office
Att. VAT Coordinator, USAID
c/o American Embassy
71 Hayarkon Street,
Tel Aviv 63903

c/o American Embassy
71 Hayarkon Street,
Tel Aviv 63903

Failure to comply with both of these requirements may result in a determination that the VAT costs in question are unallowable under your contract or grant, in which case those costs would be financed from your organization's own funds.

Given that USAID will be reimbursing VAT expenses in contractor and grantee billings that are charged as disbursement to the contracts/grants, the refunds, once received, will be recorded as off-sets to the applicable contract or grant by USAID.

Please note that separate procedures will be provided for processing refunds for contractors and grantees under Letter of Credit (LOC) method of payment.

Please submit the original VAT receipts and one copy to USAID. In addition, contractors and grantees must retain on file copies of receipts and related documentation reflecting their VAT submissions to USAID. This is needed to avoid the risk that VAT costs may be questioned during an audit and possibly disallowed.

In addition, we have attached for your use 2 matrixes, one for the Israeli and one for Palestinian VAT submissions. Please keep the following guidance in mind when submitting this document to USAID:

1. Report the VAT invoices in the correct chronological order, i.e. start from the first of the month through to the 30th.
2. Provide a hard and electronic copy of the form with the respective receipts attached to each one in order to avoid confusion.
3. The electronic copy has to be sent to ilpavat@usaid.gov.
4. Attach all related supporting documents to each receipt with that invoice.
5. Submit this form, receipts and supporting documents no later than the 15th of the following month.
6. You will notice that we have entered some figures already on the matrix. This is just to provide you with an example and to activate the formulas. Kindly replace those with your own figures.
7. For any specific issues with regards to the VAT, please contact Ms. Abeer Odeh, our Supervisor Financial Analyst, at 03-511-4806, 050 259407, and 059 246777 or at e-mail aodeh@usaid.gov.

The requirements discussed in this notice apply to not just prime contracts and grants, but also subcontracts and sub-grants with non-local entities – that is, entities that are present in the West Bank or Gaza solely for the purpose of performing work financed by USAID or other tax-exempt donors.

USAID provided some guidance with regards to this issue in July 2002. However, some partners have failed to report their VAT in a timely manner. Therefore, we hereby request that all Contractors and Grantees report to us by COB noon April 21st, 2003, all pending invoices from January 1st, 2002 until the present.

We thank you for your cooperation in this matter.

RFA Number: 72029421RFA00002

Small and Medium Enterprise Assistance for Recovery and Transition (SMART) Activity

Attachments:

1. VAT Invoices Required Attributes
2. VAT Refund Sheet – Includes 2 documents for the Israeli and the Palestinian VAT respectively.

ANNEX 3 - MISSION ORDER NO. 21



USAID | WEST BANK/GAZA

FROM THE AMERICAN PEOPLE

AMENDED AND RESTATED MISSION ORDER NO. 21

Subject: Anti-Terrorism Procedures

References: Executive Order 13224 (September 24, 2001)
Section 559 of the FY 06 Foreign Operations Appropriations Act
Section 3 of P.L. 109-446
18 U.S.C. §§ 2339A and 2339B
AAPD 04-14 (September 24, 2004)
AAPD 02-04 (March 20, 2002)

Effective Date: October 3, 2007

I. PURPOSE

The purpose of this Mission Order is to describe and update procedures to ensure that the Mission's assistance program does not inadvertently provide support to entities or individuals associated with terrorism.

II. LEGAL AUTHORITIES

On September 24, 2001, shortly after the terrorist attacks of September 11th, President Bush issued Executive Order 13224, which blocks property and interests in property of individuals and entities that are designated as committing or posing a significant risk of committing terrorist acts. The Order prohibits all transactions and dealings in blocked property or interests in the U.S. or by U.S. persons. It also prohibits transactions with, and provision of support for, individuals or entities designated in or subject to the Order.

Initially, 28 individuals and entities were designated under E.O. 13224. The Order authorized the Secretary of State to make additional designations. It also authorized the Secretary of Treasury to designate additional individuals and entities that provide support or services to, are owned or controlled by, act for or on behalf of, or are "otherwise associated with," an individual or entity that has been designated in or under the Order.

E.O. 13224 is just one of several statutes, regulations and Executive Orders pertaining to terrorism. Others include Sections 2339A and 2339B of Title 18 of the U.S. Code, which prohibit the provision of material support or resources for terrorist acts or to designated foreign terrorist organizations, and Executive Orders 12947 (January 23, 1995) and 13099 (August 20, 1998), which prohibit transactions with terrorists who threaten to disrupt the Middle East peace process.

Hundreds of individuals and entities have been designated under these and other statutes, regulations and Executive Orders. A complete list of designated parties can be found online at <http://www.treas.gov/offices/eotffc/ofac/sdn/t11sdn.pdf>. The list includes several Palestinian

U.S. Agency for International Development
American Embassy
71 Hayarkon St.
Tel Aviv, Israel 63903
Tel. 972-3-511-4848
Fax. 972-3-511-4888

organizations that have been designated as terrorist entities, including Hamas, the Popular Front for the Liberation of Palestine (PFLP), Palestinian Islamic Jihad (PIJ), and the Democratic Front for the Liberation of Palestine (DFLP).

A statutory provision of special relevance to USAID/WBG is Section 559 of the FY 06 Foreign Operations Appropriations Act, which is entitled "West Bank and Gaza Program". Paragraphs (b) and (c) of Section 559 provide as follows:

(b) VETTING – Prior to the obligation of funds appropriated by this Act under the heading "Economic Support Fund" for assistance for the West Bank and Gaza, the Secretary of State shall take all appropriate steps to ensure that such assistance is not provided to or through any individual, private or government entity, or educational institution that the Secretary knows or has reason to believe advocates, plans, sponsors, engages in, or has engaged in, terrorist activity. The Secretary of State shall, as appropriate, establish procedures specifying the steps to be taken in carrying out this subsection and shall terminate assistance to any individual, entity, or educational institution which he has determined to be involved in or advocating terrorist activity.

(c) PROHIBITION – None of the funds appropriated by this Act for assistance under the West Bank and Gaza program may be made available for the purpose of recognizing or otherwise honoring individuals who commit, or have committed, acts of terrorism.

A provision similar to paragraph (b) has appeared in each Foreign Operations Appropriations Act since FY 2003. Paragraph (c) was added in FY 2005. Provisions similar to paragraphs (b) and (c) were included in the Palestinian Anti-Terrorism Act of 2006 (P.L. 109-446), extending the requirements through fiscal years 2007 and 2008.

III. ADDITIONAL BACKGROUND INFORMATION

The vetting procedures described in Section V are the culmination of an evolutionary process that began in July 2001, following consultations on Capitol Hill, and gathered momentum after the terrorist attacks of September 11, 2001. Draft review procedures were developed in the fall of 2001, based on consultations with the ANE Bureau, USAID's anti-terrorism task force, the Office of the General Counsel, the U.S. Embassy/Tel Aviv, USAID Mission staff, U.S. implementing partners, and Palestinian non-governmental organizations (NGOs). Since then, the review procedures have been further refined to take into account concerns raised by these and other parties. The most recent update occurred after discussions with the Government Accountability Office, USAID's Regional Inspector General, USAID's General Counsel's Office and Office of Security, Mission staff, and after a multi-agency review led by the U.S. Consulate General in Jerusalem as part of an effort to establish standard operating procedures for vetting across all U.S. Government agencies providing assistance for the West Bank and Gaza.

In addition to vetting, the Mission implements three other formal anti-terrorism measures: (1) the anti-terrorism certification (ATC) (see Section VI below), (2) mandatory clauses reminding contractors and grantees of their legal duty to comply with applicable anti-terrorism laws and regulations (see Section VII below), and (3) a clause implementing the restriction imposed by Section 559(c) of the FY 06 Appropriations Act (see Section VIII below).

There are also several less formal means by which support for terrorist organizations is avoided. First, in order to ensure compliance with E.O. 13224 and related requirements, U.S. contractors and grantees are expected to conduct their own review of proposed non-U.S. awardees.

- (3) **Trainees:** Non-US individuals for whom USAID finances (a) training, study tours, or invitational travel in the U.S. or third countries, regardless of the duration; or (b) training in West Bank/Gaza lasting more than five consecutive work days (regardless of the number of hours of training on each day).
- (4) **Other direct recipients of cash or in-kind assistance:** Except as provided in paragraph (5) below, vetting is required when other forms of cash or in-kind assistance (including technical assistance) are provided directly to one or more specifically identified persons or entities. For example, vetting generally would be required for a hospital that will receive pharmaceuticals, a company whose manufacturing equipment will be repaired or replaced, or an NGO whose recreational facilities will be renovated. Vetting is not required, however, for persons or entities that benefit from assistance indirectly. In the prior examples, no vetting would be required for patients of the hospital, customers of the manufacturer, or users of the recreational facilities. When assistance is to be provided directly to a government entity, the procedures outlined in part IX below, "Cooperation with Government and Government Officials" apply.
- (5) **Exceptions:** Except as provided in paragraph (6) below, vetting required under paragraph (4) above does not apply in the following cases:
 - (a) Individuals who receive jobs under employment generation activities, including incidental job training.
 - (b) Ultimate beneficiaries of cash or in-kind assistance, such as food, water, medical care, micro-enterprise loans, shelter, etc.; provided that the total value of assistance per occasion does not exceed the following amounts:
 - (i) \$1,000, for assistance to an individual (other than loans),
 - (ii) \$2,500, for assistance to an organization (other than loans), or
 - (iii) \$5,000, for micro-enterprise loans or assistance to a household (e.g., repair of housing units).
 - (c) Vendors of goods or services acquired by USAID contractors and grantees in the ordinary course of business for their own use – for example, utilities (water, electricity, gas, and trash collection); communications (telephone, fax, postal and courier services); office supplies, equipment and furniture; services for moving to new homes and offices; vehicles (purchase or lease) and fuel, spare parts, and repair or maintenance services for vehicles; and books, newspapers and periodicals. This exception also applies to paragraph A(1) above. Vetting is required, however, before leasing housing or office space if the total amount of rent under the lease exceeds the limit stated in A(1) above.
- (6) Even if vetting would not otherwise be required under these rules, vetting will be conducted whenever there is reason to believe that the beneficiary of assistance or the vendor of goods or services commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has done so in the past.

B. Further Rules on Applicability:

- (1) The \$25,000 threshold for contracts and subcontracts is cumulative for multiple awards to the same firm or individual within a 12-month period. For example, if a firm receives a subcontract for \$20,000 and later is selected to receive another one for \$10,000, the second award would trigger vetting if fewer than 12 months have passed since the first award. To track this threshold, the Office of Contracts Management will provide the PSU, on a monthly basis, with a list of first tier contracts and second tier subcontracts under \$25,000 awarded to non-U.S. organizations or individuals for a program purpose in the prior month, or not previously reported, including the name of the contractor,

amount and start and end dates of the award. When the same firm or individual exceeds the \$25,000 cumulative amount, the PSU will notify the Cognizant Technical Officer responsible for the awardee that exceeded the threshold that vetting is required. Amendments, however, will be treated differently. If an amendment would increase the amount of a contract or subcontract above \$25,000, vetting would be required no matter how many months have passed since the original award was made.

- (2) With respect to vetting required under Sections V.A(1) and (2) above, vetting applies only to first-tier and second-tier recipients. If, for example, a U.S. prime contractor (first tier) awards a grant to a Palestinian NGO (second tier), which in turn awards a subgrant to another Palestinian NGO (third tier), the second-tier grantee would be vetted, but the third-tier subgrantee would not be.
- (3) Palestinian government officials, including Palestinian Legislative Council members and municipal officials, are subject to the same extent as other individuals. They must be vetted, for example, before participating in training or invitational travel outside of the West Bank and Gaza. They need not be vetted, however, with respect to USAID-financed public works that benefit broad segments of the general public – for example, the construction of schools, development of parks, or repair of roads. However, screening may be required under the circumstances described in part IX below, “Cooperation with Government and Government Officials.”
- (4) Vetting applies to colleges, universities and other educational institutions to the same extent as other types of organizations.
- (5) Although PIOs are not themselves subject to vetting, organizations and individuals to whom PIOs make awards or otherwise provide assistance are subject to vetting by USAID in accordance with these rules.
- (6) No one under age 16 will be vetted. Where vetting is required for a household (e.g., for housing assistance that exceeds \$5,000), only members of the household who are 16 years of age or older will be vetted.
- (7) If an organization has been previously vetted, whether subsequent vetting will be required for each of its branches that receive assistance will be decided by the Deputy Mission Director on a case by case basis. This decision will depend largely on the extent to which the organization’s headquarters oversees and controls the activities of its branches.
- (8) For contracts and grants under interagency agreements pursuant to Section 632(a) or (b) of the Foreign Assistance Act, it will be incumbent upon the recipient agency to implement appropriate review procedures to ensure compliance with E.O. 13224 and related requirements. A provision to this effect will be included in all interagency agreements pertaining to the West Bank and Gaza.

C. Vetting of “Key Individuals”: Whenever an organization must be vetted, each of the organization’s “key individuals” must also be vetted. “Key individuals” means:

- (1) Principal officers of the organization’s governing body (e.g., chairman, vice chairman, treasurer or secretary of the board of directors or board of trustees);
- (2) The principal officer and deputy principal officer of the organization (e.g., executive director, deputy director; president, vice president);

- (3) The program manager or chief of party for the USAID-financed program; and
- (4) Any other person with significant responsibilities for administration of USAID-financed activities or resources.

Note that the definition of "key individuals" differs from the definition of "key personnel" under a contract or cooperative agreement.

- D. Obtaining Data Needed for Review:** Before USAID awards a contract, grant or cooperative agreement to any organization described in A(1) or (2) above, the proposed awardee must submit to USAID data needed to vet the organization and its "key individuals." Similarly, before an implementing partner makes a subaward of the type described in A(1) or (2) above, or provides assistance of the type described in A(3) or (4) above, the implementing partner must submit to USAID data needed to vet the proposed recipient of the subaward or other assistance.

To vet an individual, USAID needs the person's full name as it appears in a government-issued photo ID. If the individual holds an ID with a full four-part name, that ID must be used before an ID without the full four-part name. To vet an organization, USAID needs the full name and address of the organization and the full name of each "key individual" of the organization, once again, as it appears in a government-issued photo ID. In addition, for each individual or key individual USAID needs (1) the government-issued photo ID number (e.g. passport number), (2) type of such ID and country of issuance, and (3) date and place of birth. Provision of additional information such as citizenship(s), gender, occupation, current employer (if applicable), and address of residence should be submitted when available. Such additional information can expedite and improve the quality of the vetting process. Any vetting requests that do not include all required data will not be processed.

The Cognizant Technical Officer will be responsible for gathering the information described above from prime awardees, using the form shown in Attachment A. This information will be forwarded to USAID's Program Support Unit ("PSU") for submission to USAID/Washington for transfer to the appropriate U.S. vetting center in Washington for review (the "Vetting Center"). Before initiating a vetting request, however, the CTO should consult with PSU to see whether a vetting approval is already in effect for the individual or organization in question. (See "Duration of Approval," below.)

Vetting should be initiated as early as possible during the process of selecting recipients. Selection decisions should not be disclosed to the proposed recipient or any other outside party until the vetting process has been completed and USAID has determined that the recipient is eligible.

- E. Review by the Vetting Center, U.S. Consulate General and USAID:** After submission of the data described above, the Vetting Center will review the data and notify USAID/Washington in writing of the results of its review, including whether any derogatory information has been located – that is, whether any of the vetted organizations or individuals appear to be, or to have affiliations with, problematic organizations or individuals. Notification will be sent to PSU, which in turn will notify the CTO.

In cases where no derogatory information is located from Washington, USAID will submit organizations that require vetting under A(2) or A(4) above to the U.S. Consulate General in Jerusalem for an additional review. The Consulate General will review the data and notify USAID in writing of the results of its review, including whether any derogatory information

has been located. Notification will be sent by the Consulate General to the PSU which will in turn notify the CTO. This procedure will apply only to organizations and not to individuals.

In cases where no derogatory information is located from either the Vetting Center or the Consulate General, USAID will proceed with the proposed award, or notify the contractor, grantee or recipient that it may proceed with the proposed subaward, as the case may be. See Attachment B for suggested notification language.

In cases where derogatory information about a proposed awardee or a key individual is located, the Deputy Mission Director and the CTO will decide whether to request additional information about the organization or individual(s) in question – for example, an individual's occupation or address of residence, if not already provided. This information may enable USAID and the Vetting Center or the U.S. Consulate General to determine that a "false positive" has occurred, or it may confirm that suspected affiliations truly exist. When additional identifying information is needed, the request will be made to more than one person whenever possible – for example, to all "key individuals" of an organization – to avoid disclosing which individual(s) triggered the request.

In cases where additional information does not dispel derogatory information, USAID will either (1) disapprove the award or subaward to the proposed recipient, or (2) submit the matter to the U.S. Consulate General/Jerusalem for further review, in consultation with Washington as appropriate.

- F. Notification of Final Decision:** Once a final decision has been made, the Cognizant Technical Officer will promptly send written notice of the decision to (1) USAID's Contracting Officer, in the case of a proposed award by USAID; or (2) the proponent of the subaward, in the case of a subaward proposed by a party other than USAID. Notices to outside parties must conform to the language shown in Attachment B. A copy of the final decision will be retained in PSU's files.
- G. Duration of Approval:** Once an awardee has been approved pursuant to these procedures and received an award, the approval generally will remain in effect for that particular award for three years. However, new vetting will be required if there is any change in the awardee's "key individuals." For an organization, when there is a change in the "key individuals" only the new individual(s) must be vetted, but the approved vetting date for purposes of calculating the three-year period of approval for an award will remain the last date when all key individuals of the organization were vetted simultaneously. Vetting approval may be rescinded if USAID obtains information indicating that the awardee or any of its "key individuals" is or has been involved in terrorist activity. When such information arises, the Cognizant Technical Officer will consult with the Deputy Mission Director, the Regional Legal Advisor, and the Contracting Officer.

For any new awards or extensions of existing awards, the awardee must be vetted if more than 12 months have passed since the awardee was last approved pursuant to these procedures. If fewer than 12 months have passed, vetting is not required for that award or extension. For any award or extension that does not require vetting because fewer than 12 months have passed since the awardee was last approved, the Office of Contracts Management will provide the PSU on a monthly basis with a list of such awards or extensions, including the name of the awardee, amount and start and end date of the award. This will allow the PSU to track when the three-year vetting approval will expire for any given award.

As provided in the mandatory clause shown in Attachment D, awardees are required to keep USAID apprised of changes in the "key individuals" of the awardee and of all subawardees that were vetted by USAID. The clause reserves the right of USAID to rescind its approval of subawards at any time. If vetting approval is rescinded for a subaward, USAID's Contracting Officer will provide written instructions to the prime awardee to terminate the subaward. The clause also reserves the right of USAID to terminate the prime award if USAID determines that the awardee is involved in or advocates terrorist activity or has failed to comply with the requirements of the clause.

- H. Database:** PSU will maintain a database showing all organizations and individuals that have been submitted for review and the status of each case. Due to the sensitivity of information in the database, it will be made available only to those with an official need for access, as determined by PSU and/or the Deputy Mission Director.

VI. ANTI-TERRORISM CERTIFICATION (ATC)

On September 24, 2004, USAID/Washington's Office of Acquisition and Assistance issued AAPD 04-14, "Certification Regarding Terrorist Financing Implementation E.O. 13224 (Revision 2)". The AAPD requires that all U.S. and non-U.S. organizations certify, before being awarded a grant or cooperative agreement by USAID, that the organization does not provide material support or resources for terrorism. The text of the certification is shown as Attachment C. (This version supersedes earlier versions that were issued in AAPD 02-19 on December 31, 2002, and AAPD 04-07 on March 24, 2004.)

The ATC requirement applies to the prime recipients of grants and cooperative agreements and the recipients of Grants Under Contracts (GUCs). The requirement for prime recipients and recipients of GUCs also includes assistance instruments in any form (such as memoranda or letters of understanding, for example) to the extent such instruments are used as obligating documents to provide assistance. In addition, USAID/WBG has extended USAID's policy to apply the requirement to the first level of subgrantees receiving cash assistance under grants and cooperative agreements (Grants Under Grants, or GUGs) or any other assistance instrument regardless of its form. Thus, the ATC applies to all first-tier and GUC assistance recipients and all second-tier assistance recipients of cash assistance, but it does not apply to lower-tier recipients.

The ATC applies only to the non-governmental organizations that receive awards of cash or in-kind assistance. It does not apply to (1) individuals, (2) public international organizations, (3) the host government (including local government units), (4) contractors, or (5) subcontractors. Note that because municipalities are not NGOs, they need not sign the ATC when they receive in-kind assistance (e.g., technical assistance, training, supplies, equipment, or construction services).

The Office of Contracts Management (OCM) is responsible for obtaining ATCs before making awards to prime awardees. USAID's implementing partners are responsible for obtaining ATCs before making subawards to subawardees, in accordance with this section, and providing copies of them to OCM.

VII. MANDATORY CLAUSES

On March 20, 2002, the Office of Procurement issued AAPD 02-04, "Implementation of E.O. 13224 - Executive Order on Terrorist Financing." The AAPD prescribes a mandatory provision for inclusion in all solicitations and awards for contracts, grants and cooperative agreements.

The Contractor/Recipient is reminded that U.S. Executive Orders and U.S. law prohibits transactions with, and the provision of resources and support to, individuals and organizations associated with terrorism. It is the legal responsibility of the contractor/recipient to ensure compliance with these Executive Orders and laws. This provision must be included in all subcontracts/subawards issued under this contract/agreement.

The Mission has revised this clause to meet the statutory requirements relating specifically to the West Bank/Gaza program in consultation with USAID's Office of the General Counsel in Washington. The revised clause is shown as Attachment D. Paragraph (a) is identical to language stated in the AAPD. The other paragraphs are unique to the Mission and serve to implement the statutory requirements on the Mission's program.

For grants to the United Nations or UN agencies, the clause shown as Attachment E is used to supplement the standard provision entitled "Terrorist Financing Clause (UN Grants) (May 2003)". (See ADS 308, Mandatory References, Standard Provisions for Grants to Public International Organizations, Required as Applicable Standard Provisions.)

VIII. RESTRICTION ON FACILITY NAMES

Section 559(c) of the FY 06 Foreign Operations Appropriations Act, provides as follows: "None of the funds appropriated by this Act for assistance under the West Bank and Gaza program may be made available for the purpose of recognizing or otherwise honoring individuals who commit, or have committed, acts of terrorism." To implement this restriction, all contracts, subcontracts, grants, cooperative agreements, and subgrants must contain the clause set forth in Attachment F, "Restriction on Facility Names."

When, in accordance with this clause, an implementing partner submits information concerning a facility's name, the CTO will review the information to determine whether it might be problematic. If there is any possibility that the proposed name will be controversial, the CTO will consult with the Deputy Mission Director for guidance. The CTO will document this review in a memorandum to the project file.

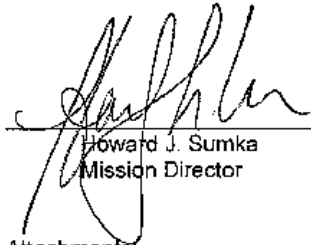
The use of "shuhada" or "shaheed" ("martyr" or "martyrs") in a facility's name may be approved by the Mission Director if he determines (i) that assistance to the facility does not have the purpose of honoring or recognizing any individual who has advocated, sponsored or committed acts of terrorism and (ii) that it is unlikely that a reasonable person aware of the relevant facts and circumstances would perceive the assistance as having the effect of honoring or recognizing such an individual. When making this determination, the Mission Director may consult with the U.S. Ambassador or the U.S. Consul General, as appropriate.

IX. COOPERATION WITH GOVERNMENT AND GOVERNMENT OFFICIALS

Additional vetting may be required in cases where certain government officials – i.e., members of the Palestinian Legislative Council, officials of the Palestinian Authority, or elected municipal officials – will sign a memorandum of understanding, grant agreement or project agreement, or will otherwise be involved in project implementation or publicity for a project. Likewise, prior to providing assistance directly to or that directly benefits a government entity, additional screening may be required. In all such cases, the Deputy Mission Director should be contacted for guidance.

X. APPROVAL

This Mission Order will go into effect on the date signed by the Mission Director below.



Howard J. Sumka
Mission Director

10-03-2007
Date

Attachments:

- A. Vetting Form
- B. Sample Notification Language
- C. Anti-Terrorism Certification
- D. Mandatory Clause
- E. Mandatory Clause (UN Grants)
- F. Restriction on Facility Names

MO #21 Drafted by: RLA, P.Sullivan, 09/14/05, revised 12/28/05, 02/17/06, 03/03/06 & 3/13/06.
Approved by: MD, Jim Bever, 3/13/06;

Amendment No. 1 revisions drafted by: RLA, J.Lifur, 11/06/06, revised 2/7/07, 6/11/07, 8/8/07,
9/30/07.

ATTACHMENT A

PARTNER INFORMATION FORM

Part I: Information About Proposed Activities		
1. Name of the prime contractor, grantee or recipient proposing the award or other assistance:		
2. Type of proposed award or other assistance (check one): <input type="checkbox"/> contract or subcontract <input type="checkbox"/> grant or subgrant <input type="checkbox"/> training <input type="checkbox"/> equipment <input type="checkbox"/> other		
3. US\$ amount & estimated start/end date of proposed award or assistance: \$ _____ Start: _____ End: _____		
4. Purpose of proposed award or assistance:		
5. Organization proposed to receive award or other assistance:		
a. Name:		
b. Address:		
c. Telephone:	d. Fax:	e. Email:
6. Information on each individual to receive training, equipment, or other direct benefits or who is a key individual of the organization named in 5 above. Use continuation sheets as necessary. ** = mandatory information.		
A. Name (As in passport or other government-issued photo ID)**		Government-issued photo ID number, type of ID and country of issuance:**
Place of birth:**	Date of birth:** (mm/dd/yyyy)	Rank or title in organization listed in #5 (if "key individual"):**
Other names used (may include nicknames, pseudonyms not listed under "Name"):		Gender:
Current employer and job title:		Occupation:
Address of residence:		Citizenship(s):
Email:	Is the individual a U.S. citizen or legal permanent resident?** Yes _____ No _____	
Part II: Contractor/Grantee/Recipient Certification:		
Contractor/Grantee/Recipient certifies in submitting this form that it has taken reasonable steps (in accordance with sound business practices) to verify the information contained in this form. Contractor/Grantee/Recipient understands that the U.S. Government may rely on the accuracy of such information in processing this vetting request.		
Name:	Signature:	
Title/Organization:	Date:	
Part III: Submission details (to be completed by USG official)		
Request number:		
Staff member who initiated request:		
Project name:		
Date submitted for screening:	1.	2.

Partner Information Form Continuation sheet for Part 1, section 6, list of individuals (use additional continuation sheets as necessary):

B. Name (As in passport or other government-issued photo ID)**		Government-issued photo ID number, type of ID and country of issuance:**
Place of birth:**	Date of birth:** (mm/dd/yyyy)	Rank or title in organization listed in #5 (if "key individual"):**
Other names used (may include nicknames, pseudonyms not listed under "Name"):		Gender:
Current employer and job title:		Occupation:
Address of residence:		Citizenship(s):
Email:	Is the individual a U.S. citizen or legal permanent resident? ** Yes ___ No ___	
C. Name (As in passport or other government-issued photo ID)**		Government-issued photo ID number, type of ID and country of issuance:**
Place of birth:**	Date of birth:** (mm/dd/yyyy)	Rank or title in organization listed in #5 (if "key individual"):**
Other names used (may include nicknames, pseudonyms not listed under "Name"):		Gender:
Current employer and job title:		Occupation:
Address of residence:		Citizenship(s):
Email:	Is the individual a U.S. citizen or legal permanent resident? ** Yes ___ No ___	
D. Name (As in passport or other government-issued photo ID)**		Government-issued photo ID number, type of ID and country of issuance:**
Place of birth:**	Date of birth:** (mm/dd/yyyy)	Rank or title in organization listed in #5 (if "key individual"):**
Other names used (may include nicknames, pseudonyms not listed under "Name"):		Gender:
Current employer and job title:		Occupation:
Address of residence:		Citizenship(s):
Email:	Is the individual a U.S. citizen or legal permanent resident? ** Yes ___ No ___	
E. Name (As in passport or other government-issued photo ID)**		Government-issued photo ID number, type of ID and country of issuance:**
Place of birth:**	Date of birth:** (mm/dd/yyyy)	Rank or title in organization listed in #5 (if "key individual"):**
Other names used (may include nicknames, pseudonyms not listed under "Name"):		Gender:
Current employer and job title:		Occupation:
Address of residence:		Citizenship(s):
Email:	Is the individual a U.S. citizen or legal permanent resident? ** Yes ___ No ___	

PARTNER INFORMATION FORM INSTRUCTIONS AND NOTICES

Instructions

Part I

Question 1 – Self-explanatory

Question 2- Indicate the proposed type of assistance or mechanism to be utilized by placing a check mark on the line in front of the appropriate term

Question 3 – Enter the estimated amount of award of assistance in U.S. dollars and indicate the start and end date of the program using a mm/dd/yyyy format

Question 4 – Indicate the purpose of the award or assistance. Use additional sheets and attach to page one of the vetting form if necessary

Question 5 a-d – Self-explanatory

Question 6 - "Key individual" means (i) principal officers of the organization's governing body (e.g., chairman, vice chairman, treasurer and secretary of the board of directors or board of trustees); (ii) the principal officer and deputy principal officer of the organization (e.g., executive director, deputy director, president, vice president); (iii) the program manager or chief of party for the USG-financed program; and (iv) any other person with significant responsibilities for administration of the USG-financed activities or resources. Note that this definition differs from the definition of "key personnel" under contracts and cooperative agreements. Complete for each of these four categories or indicate "N/A" if a category does not apply.

Part II

An authorized representative of the Contractor/Grantee/Recipient must read the Certification and print his/her name where indicated, sign where indicated, print his/her title and the name of his/her organization where indicated, and print the date where indicated.

Part III

This section should be left blank. It will be completed by a USG official.

Notices

Privacy Act Statement

The following statement is required by the Privacy Act of 1974 (5 U.S.C. 522). Information in this form is used to conduct screening of individuals and entities as required by applicable U.S. laws and implementing procedures to ensure that USAID funds do not inadvertently provide support to entities or individuals associated with terrorism. Public Law 109-446 §3(b)(2), 18 U.S.C. 2339A, 2339B, 2339C, Executive Orders 13224 and 12947, applicable Homeland Security Presidential Directives and other legislative or executive branch prohibitions on providing support or resources to, or engaging in transactions with, individuals or entities associated with terrorism constitute the authority for collecting this information. In addition, the Foreign Assistance Act of 1961 as amended (22 U.S.C. 2151 et seq.) provides USAID with broad discretion in granting foreign assistance and permits USAID to consider a range of foreign policy and national security interests in determining how to provide foreign assistance.

Disclosure of the information provided on this form will be done in accordance with USAID's System of Records Notice concerning the Partner Vetting System (72FR136) which establishes the routine uses and Privacy Act exceptions which apply to this system.

ATTACHMENT B

SUGGESTED NOTICE LANGUAGE

[The language below is suggested for notices to prime award recipients about proposed subawards. Notices to prime awardees about themselves should be modified as appropriate.]

Notice of Eligibility

I am writing with regard to _____, which your organization has proposed to receive an award of USAID assistance. USAID has determined that _____ is eligible to receive such assistance. This determination will remain in effect for three years to _____.¹ However, USAID reserves the right to rescind this approval in the event that USAID becomes aware of information indicating that the award is contrary to U.S. law or policy prohibiting support for terrorism. Furthermore, a new request for approval will be required if your organization wishes to extend this award or make a new award to _____ more than 12 months after [INSERT DATE OF FINAL VETTING RESULT].

This approval does not relieve your organization of its legal obligation to comply with U.S. Executive Orders and U.S. law prohibiting transactions with, and the provision of resources and support to, individuals and organizations associated with terrorism.

As required by the terms of your contract/agreement with USAID, please promptly notify me in the event of any change in the identity of _____'s "key individuals." I request that you also notify me if there is a material change in the program or operations of _____, or any development that might cause USAID to reconsider _____'s eligibility.

Notice of Ineligibility

I am writing with regard to _____, which your organization has proposed to receive USAID assistance. After careful consideration, USAID has determined that _____ is not eligible to receive assistance funded by USAID. We encourage you to identify another candidate to receive the proposed assistance.

¹ This sentence can be removed if notice applies to direct beneficiaries vetted under Section V.A(4) of the Mission Order.

ATTACHMENT C

CERTIFICATION

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/eotfoc/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 Council (UNSC) sanctions committee established under UNSC Resolution 1267 (1999) (the "1267 Committee") [individuals and entities linked to the Taliban, Usama bin Laden, or the Al Qaida 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 subnational 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.

Signed: _____ Date _____
(Typed Name and Title)
(Name of Organization)

ATTACHMENT D

MANDATORY CLAUSE

Prohibition against Support for Terrorism

- (a) The Contractor/Recipient is reminded that U.S. Executive Orders and U.S. law prohibit transactions with, and the provision of resources and support to, individuals and organizations associated with terrorism. It is the legal responsibility of the Contractor/Recipient to ensure compliance with these Executive Orders and laws.
- (b) One of the applicable orders is Executive Order 13224, dated September 24, 2001. The website of the Office of Foreign Assets Control (OFAC) of the Department of Treasury contains the text of that order and a list of the individuals and entities designated thereunder. It also contains lists of individuals and entities designated under other anti-terrorism statutes, regulations and Executive Orders. See <http://www.treasury.gov/offices/enforcement/ofac/sdn/>.
- (c) USAID reserves the right to review, and either approve or reject, the following subawards if proposed under this contract/agreement: (i) any contract or subcontract in excess of \$25,000 with a non-U.S. organization or individual; and (ii) any grant or subgrant to a non-U.S. organization or individual, regardless of the dollar value. Furthermore, the written consent of USAID is required before certain other forms of assistance may be provided to a non-U.S. organization or individual. These include in-kind assistance such as renovation of an NGO's facilities, repair or replacement of a company's equipment, and certain training activities. The details of these requirements are described in notices issued by USAID/West Bank & Gaza from time to time. No approval (or failure to disapprove) by USAID shall relieve the Contractor/Recipient of its legal obligation to comply with applicable Executive Orders and laws.
- (d) USAID reserves the right to rescind approval for a subaward in the event that USAID subsequently becomes aware of information indicating that the subaward is contrary to U.S. law or policy prohibiting support for terrorism. In such cases, USAID's Contracting Officer will provide written instructions to the Contractor/Recipient to terminate the subaward.
- (e) USAID reserves the right to terminate this contract/agreement if USAID determines that the Contractor/Recipient is involved in or advocates terrorist activity or has failed to comply with any of the requirements of this provision.
- (f) This provision, including this paragraph (f), shall be included in all contracts, subcontracts, grants and subgrants issued under this contract/agreement. The Contractor/Recipient shall promptly provide to USAID's Contracting/Agreement Officer a copy of the pages from each subaward that contain this provision.

[In addition to the clauses set forth above, the following clause shall appear in each award made directly by USAID and each subaward made by a USAID prime contractor or recipient.]

- (g) The Contractor/Recipient agrees to promptly notify USAID's Cognizant Technical Officer (CTO) in the event of any change in the identity of its "key individuals" or in the identity of "key individuals" of any recipient of a subaward described in paragraph (c). For purposes of this requirement, "key individuals" means (i) principal officers of the organization's governing body (e.g., chairman, vice chairman, treasurer and secretary of the board of

directors or board of trustees); (ii) the principal officer and deputy principal officer of the organization (e.g., executive director, deputy director, president, vice president); (iii) the program manager or chief of party for the USAID-financed program; and (iv) any other person with significant responsibilities for administration of USAID-financed activities or resources. Note that this definition differs from the definition of "key personnel" under contracts and cooperative agreements.

[In addition to the clauses set forth above, the following clause shall be included in any contract, grant or cooperative agreement awarded by USAID (i.e. USAID prime awards only).]

- (h) Before awarding any grant or similar instrument providing [cash or in-kind assistance under this contract][cash assistance under this agreement], the Contractor/Recipient shall (1) obtain from the proposed subawardee the certification required under USAID's Acquisition and Assistance Policy Determination 04-14 (AAPD 04-14), "Certification Regarding Terrorist Financing Implementation E.O. 13224 (Revision 2)," and (2) provide a copy of the certification to USAID's Agreement/Contracting Officer.

ATTACHMENT E

MANDATORY CLAUSE (UN GRANTS)

[This provision is applicable to grants to the United Nations or UN agencies. It supplements the standard provision entitled "Terrorist Financing Clause (UN Grants) (May 2003)".]

Prohibition against Support for Terrorism (UN Grants)

- (a) USAID reserves the right to review, and either approve or reject, the following subawards if proposed under this agreement: (i) any contract or subcontract in excess of \$25,000 with a non-U.S. organization or individual; and (ii) any grant or subgrant to a non-U.S. organization or individual, regardless of the dollar value. Furthermore, the written consent of USAID is required before certain other forms of assistance may be provided to a non-U.S. organization or individual. These include in-kind assistance such as renovation of an NGO's facilities, repair or replacement of a company's equipment, and certain training activities. The details of these requirements are described in notices issued by USAID/West Bank & Gaza from time to time. No approval (or failure to disapprove) by USAID shall relieve the Recipient of its legal obligation to comply with applicable laws and regulations.
- (b) USAID reserves the right to rescind approval for a subaward in the event that USAID subsequently becomes aware of information indicating that the subaward is contrary to U.S. law or policy prohibiting support for terrorism. In such cases, USAID's Agreement Officer will provide written instructions to the Recipient to terminate the subaward.
- (c) USAID reserves the right to terminate this agreement if USAID determines that the Recipient has failed to comply with any of the requirements of this provision.
- (d) This provision, including this paragraph (d), shall be included in all contracts, subcontracts and subgrants issued under this agreement. The Recipient shall promptly provide to USAID's Agreement Officer a copy of the pages from each subaward that contain this provision.

[In addition to the clauses set forth above, the following clause shall be included only in the UN grant awarded by USAID, and each subaward directly awarded by the UN recipient.]

- (e) The Grantee agrees to promptly notify USAID's Cognizant Technical Officer (CTO) in the event of any change in the identity of "key individuals" of any recipient of a subaward described in paragraph (a). For purposes of this requirement, "key individuals" means (i) principal officers of the organization's governing body (e.g., chairman, vice chairman, treasurer and secretary of the board of directors or board of trustees); (ii) the principal officer and deputy principal officer of the organization (e.g., executive director, deputy director, president, vice president); (iii) the program manager or chief of party for the USAID-financed program; and (iv) any other person with significant responsibilities for administration of USAID-financed activities or resources. Note that this definition differs from the definition of "key personnel" under contracts and cooperative agreements.

[In addition to the clauses set forth above, the following clause shall be included only in the UN grant awarded by USAID.]

- (f) Before awarding any grant or similar instrument providing cash assistance under this agreement, the Recipient shall (1) obtain from the proposed subawardee the certification

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required under USAID's Acquisition and Assistance Policy Determination 04-14 (AAPD 04-14), "Certification Regarding Terrorist Financing Implementation E.O. 13224 (Revision 2)," and (2) provide a copy of the certification to USAID's Agreement Officer.

ATTACHMENT F

RESTRICTION ON FACILITY NAMES

- (a) No assistance shall be provided under this contract/agreement for any school, community center or other facility that is named after any person or group of persons that has advocated, sponsored or committed acts of terrorism. This includes any facility that has "shuhada" or "shaheed" ("martyr" or "martyrs") in its name, unless an exception is approved by the USAID Mission Director. In any case where assistance is proposed for a facility that is named after, or is planned to be named after, a person or group of persons, the Contractor/Recipient shall provide to USAID's cognizant technical officer (CTO) written information about the person(s) or group and shall not proceed with the assistance unless or until the CTO has provided written approval therefor. This restriction applies to all forms of cash or in-kind assistance, including construction services, equipment, supplies, technical assistance, and training.
- (b) In case of any failure to comply with this restriction, USAID may disallow any or all costs incurred by the Contractor/Recipient with respect to the facility and, if necessary, issue a bill for collection for the amount owed. This is in addition to any other remedies that may be available to USAID for such noncompliance.
- (c) This provision, including this paragraph (c), shall be included in all contracts, subcontracts, grants and subgrants issued under this contract/agreement. The Contractor/Recipient shall promptly provide to USAID's Contracting/Agreement Officer a copy of the pages from each subaward that contain this provision.