



Standard Provisions for Cost-Type Awards to Public International Organizations (PIOs)

A Mandatory Reference for ADS Chapter 308

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I. MANDATORY STANDARD PROVISIONS FOR COST-TYPE AWARDS TO PUBLIC INTERNATIONAL ORGANIZATIONS (PIOS)

1. Allowable Costs (April 2011)

a. The recipient must use funds provided under the award for costs incurred in carrying out the purposes of the award which are reasonable, allocable, and allowable.

(1) “Reasonable” means the costs do not exceed those that would ordinarily be incurred by a prudent person in the conduct of normal business.

(2) “Allocable” means the costs are necessary to the award.

(3) “Allowable” means the costs are reasonable and allocable, and conform to any limitations set forth in the award.

b. The recipient is encouraged to obtain the Agreement Officer’s written determination in advance whenever the recipient is uncertain as to whether a cost will be allowable.

2. Amendment (April 2011)

The parties may amend the award by mutual agreement, by formal modifications to the basic award document, or by means of an exchange of letters between the Agreement Officer and the recipient.

3. Nonliability (April 2011)

USAID does not assume liability for any third party claims for damages arising out of the award.

4. Notices (April 2011)

Any notice given by USAID or the recipient will be sufficient only if in writing and delivered in person, mailed, or transmitted electronically by e-mail or fax. Notices to USAID should be sent to the Agreement Officer at the address specified in the award and to any designee specified in the award. Notices to the recipient should be sent to the recipient’s address shown in the award or to such other address designated in the award.

Notices will be effective when delivered in accordance with this provision, or on the effective date of the notice, whichever is later.

(All cost-type PIO awards must include one of the following three payment provisions:)

5. Payment (Periodic Advance) (April 2011)

(This provision is appropriate when (i) the recipient maintains procedures to minimize the time elapsing between the transfer of funds and the disbursement of funds, and (ii) the recipient's financial management system meets generally accepted accounting standards for funds control and accountability.)

Payment (Periodic Advance) (April 2011)

- a. Periodic advances will be limited to the minimum amounts needed to meet the recipient's current disbursement needs and must be scheduled so that the funds are available to the recipient as close as is administratively possible to the actual disbursements by the recipient for program costs. Periodic advance requests may be established to meet the recipient's cash requirements for periods up to 30 days.
- b. The recipient may submit requests for advances to the paying office specified in the award letter as often as may be necessary to meet ongoing disbursing needs. An advance may not exceed 30 days disbursing needs. Subject to Chief Financial Officer (CFO) or Mission Controller approval (as appropriate), requests may be submitted every 30 days covering a 30-day period; or three requests may be submitted covering 30-day sub-periods of a 90-day period to be paid automatically every 30 days; or one request for 90 days may be submitted to be automatically disbursed in 30-day increments. Requests must state the estimated disbursements to be made during the period covered by the request, the estimated balance of cash on hand from prior advance requests, and the advance amount being requested. Cash advances made by the recipient to secondary recipients or the recipient's field organizations must conform substantially to the same standards of timing and amount that apply to cash advances by USAID to the recipient (i.e., up to 30 days to satisfy disbursing needs).
- c. The recipient must submit an **SF-425, Federal Financial Report** (http://www.whitehouse.gov/sites/default/files/omb/assets/grants_for_ms/SF-425.pdf), quarterly, no later than 30 days after the end of the period, to the paying office specified in the award in order to liquidate advances outstanding. The report must show disbursements, advances received, and any cash remaining on hand for the period covered by the report. Within 90 days following the expiration of the award, the recipient must submit an **SF-425** (http://www.whitehouse.gov/sites/default/files/omb/assets/grants_for_ms/SF-425.pdf) showing total disbursements, total advances received, and any cash remaining on hand, which the recipient must refund to

USAID. Failure to provide these quarterly reports may result in the suspension, disruption, or termination of additional payments.

d. If, at any time, the CFO or Mission Controller determines that the recipient has demonstrated an unwillingness or inability to (i) establish procedures that will minimize the time elapsing between cash advances and the disbursement of funds, (ii) report cash disbursements and balances in a timely manner as required by the terms of the award, or (iii) impose the same standards of timing of advances and reporting on any subrecipient or any of the recipient's overseas field organizations, then the CFO or Mission Controller will advise the Agreement Officer, who may suspend or revoke the advance payment procedure.

6. Payment (Letter of Credit) (April 2011)

(This provision is applicable when use of a Letter of Credit is requested by the recipient and approved by USAID's Office of the Chief Financial Officer.)

Payment (Letter of Credit) (April 2011)

a. Payment under the award is completed through a Letter of Credit (LOC), in accordance with the terms and conditions of the LOC and any instructions issued by the USAID Bureau for Management, Office of the Chief Financial Officer, Cash Management and Payment Division (M/CFO/CMP).

b. As long as the LOC is in effect, the terms and conditions of the LOC and any instructions issued by M/CFO/CMP constitute the payment conditions of the award over any other payment clause of the award.

c. The recipient should have written procedures that minimize the time elapsing between the transfer of funds and disbursement by the recipient. The recipient must exercise prudent management of Federal funds by drawing only those funds that are required for current use. The timing and the amount of the drawdown must be as close as is administratively possible to the actual disbursements by the recipient for direct program or activity costs and the proportionate share of any allowable indirect costs.

d. Revocation of the LOC, in accordance with its terms and conditions, is at the discretion of M/CFO/CMP, after consultation with the Agreement Officer. Notification of revocation must be in writing and must specify the reasons for such action. If the LOC is revoked, payments may be made on a cost-reimbursement basis. For reimbursement, the recipient must submit to the USAID Controller an original and three copies of **SF-1034, Public Voucher for Purchases and Services Other Than Personal**

([http://contacts.gsa.gov/webforms.nsf/0/57675C8BB6CE880B85256A3F004125BD/\\$file/SF%201034.pdf](http://contacts.gsa.gov/webforms.nsf/0/57675C8BB6CE880B85256A3F004125BD/$file/SF%201034.pdf)), and **SF-1035, Continuation of SF-**

1034

([http://contacts.gsa.gov/webforms.nsf/0/213A354B84AE05B085256A81004632C8/\\$file/SF%201035.pdf](http://contacts.gsa.gov/webforms.nsf/0/213A354B84AE05B085256A81004632C8/$file/SF%201035.pdf)), normally once a month, but in any event no less than quarterly. Each voucher must be identified by the award number and must state the total costs for which reimbursement is being requested.

7. Payment (Cost-Reimbursement) (April 2011)

(This provision is applicable when the recipient does not meet the standards for a Letter of Credit or for periodic advances.)

Payment (Cost-Reimbursement) (April 2011)

The recipient must submit to the paying office indicated in the award an original and three copies of **SF-1034**

([http://contacts.gsa.gov/webforms.nsf/0/57675C8BB6CE880B85256A3F004125BD/\\$file/SF%201034.pdf](http://contacts.gsa.gov/webforms.nsf/0/57675C8BB6CE880B85256A3F004125BD/$file/SF%201034.pdf)) and **SF-1035**

([http://contacts.gsa.gov/webforms.nsf/0/213A354B84AE05B085256A81004632C8/\\$file/SF%201035.pdf](http://contacts.gsa.gov/webforms.nsf/0/213A354B84AE05B085256A81004632C8/$file/SF%201035.pdf)), normally once a month, but in any event no less than quarterly. Each voucher must be identified by the award number and must state the total costs for which reimbursement is being requested.

(All cost-type PIO awards must include one of the following three audit provisions:)

8. Audit and Records (Standard) (April 2011)

(This provision is required for all awards to non-United Nations organizations, except when USAID is a sole contributor to a “trust fund” as described in **ADS 308, Awards to Public International Organizations, section 308.3.6** (<http://www.usaid.gov/policy/ads/300/308.pdf>.)

Audit and Records (Standard) (April 2011)

The recipient is required to maintain books, records, documents, and other evidence, in accordance with the recipient’s usual accounting procedures to sufficiently substantiate charges to the award. The recipient confirms that its program will be subject to an independent audit in accordance with the recipient’s usual auditing procedures, and agrees to furnish copies of these audit reports to USAID along with other related information, as may be reasonably requested by USAID with respect to questions or findings arising from the audit report.

An audit is considered independent if the auditors are determined by the USAID’s Chief Financial Officer (CFO) to be independent in accordance with the standards established in **International Auditing Standard (IAS/IFAC) Section 290, “Independence—Audit and Review Engagements,”** (<http://www.iasplus.com/ifac/0707ethicsed.pdf>) International Ethics Standards

Board for Accountants (IESBA). For recipients for which the CFO determined in its pre-award audit that the recipient's internal auditors meet the tests of independence in accordance with IAS standards and for recipients that are Category 1 PIOs, internal auditors may be used to satisfy the audit requirement. For recipients for which the CFO determined in its pre-award audit that the recipient's internal auditors do not meet the tests of independence, the recipient will be required to engage an independent audit firm to satisfy the audit requirement. All auditors must be considered competent under **International Education Standard (IES) 8, "Competence Requirements for Audit Professionals,"** (<http://www.iasplus.com/ifac/0504educationies8.pdf>) International Federation of Accountants.

9. Audit and Records (USAID Sole Contributor to a "Trust Fund") (April 2011)

(This provision is required when USAID is the sole contributor to a "trust fund" as described in **ADS 308.3.6** (<http://www.usaid.gov/policy/ads/300/308.pdf>).

Audit and Records (USAID Sole Contributor to a "Trust Fund") (April 2011)

The recipient is required to maintain books, records, documents, and other evidence, in accordance with the recipient's usual accounting procedures to sufficiently substantiate charges to the award. The recipient agrees to make available to USAID or the Comptroller General of the United States all records and documents that support expenditures made under its program.

10. Audit and Records (UN) (April 2011)

(This provision is required for all awards to United Nations organizations except for awards where USAID is the sole contributor to a "trust fund" as described in **ADS 308.3.6** (<http://www.usaid.gov/policy/ads/300/308.pdf>).

Audit and Records (UN) (April 2011)

a. The recipient agrees to furnish the U.S. Government (USG) with a final report on activities carried out under the award, including accounting for award funds in sufficient detail to enable USAID to liquidate the award. The report must be submitted to the address specified in the award.

b. It is understood that financial records, including documentation to support entries on accounting records and to substantiate charges against the award, will be maintained in accordance with the recipient's usual accounting procedures, which must follow generally accepted accounting practices. The recipient must maintain such financial records for at least three years after the recipient's final disbursement of funds under the award. The recipient agrees to make available to the USG all records and documents that support expenditures made under its program.

c. The recipient confirms that the award account will be audited applying established procedures under appropriate provisions of the financial regulations and rules of the United Nations. The recipient agrees to make available these audit reports to the USG along with such other related information as may be reasonably requested by the USG with respect to questions arising from the audit report.

11. Refunds (April 2011)

a. If the recipient earns interest on Federal advances before expending the funds for program purposes, the recipient must remit the interest annually to USAID. Interest amounts up to \$250 per year may be retained by the recipient for administrative expenses.

b. Funds obligated by USAID, but not disbursed to the recipient before the award expires or is terminated will revert to USAID, except for funds committed by the recipient to a legally binding transaction applicable to the award. Any funds advanced to, but not disbursed by, the recipient before the award's expiration or termination must be refunded to USAID, except for funds committed by the recipient to a legally binding transaction applicable to the award.

c. If, at any time during the life of the award, or as a result of an audit, the Agreement Officer determines that USAID funds provided under the award have been expended for purposes not in accordance with the terms of the award, then the recipient must refund the amount to USAID.

12. Award Budget Limitations and Revisions (April 2011)

a. The approved award budget is the financial expression of the recipient's program as approved during the award process. USAID is not obligated to reimburse the recipient for any costs incurred in excess of the total amount obligated under the award.

b. The recipient must immediately request approval from the Agreement Officer when there is reason to believe that, within the next 30 calendar days, a revision of the approved award budget will be necessary for any of the following reasons:

(1) To change the scope or the objectives of the program or to add any new activity.

(2) To revise the funding allocated among program objectives by more than ten percent (10%) of the total budget amount unless the award states otherwise.

(3) Additional funding is needed.

(4) The recipient expects the amount of USAID authorized funds to exceed its needs by more than \$20,000 or ten percent (10%) of the USAID award, whichever is greater.

c. The recipient will not be obligated to continue performance under the award (including actions under the “Termination Procedures” provision) or otherwise to incur costs in excess of the amount obligated under the award, unless and until the Agreement Officer notifies the recipient in writing that the obligated amount has been increased and specifies the new award total amount.

13. Termination Procedures (April 2011)

The award may be terminated by either party, in whole or in part, at any time with 30 days written notice of termination. After receiving a termination notice from the Agreement Officer, the recipient must take immediate action to cease all expenditures financed by the award and to cancel all unliquidated obligations if possible. The recipient may not enter into any additional obligations under the award after receiving the notice of termination, other than those reasonably necessary to effect the close out of the award. Except as provided below, no further reimbursement will be made after the effective date of termination. As soon as possible, but in any event no later than 120 days after the effective date of termination, the recipient must repay to USAID all unexpended USAID funds that are not otherwise obligated by a legally binding transaction applicable to the award. If the funds paid by USAID to the recipient before the effective date of termination are not sufficient to cover the recipient’s obligations under a legally binding transaction, then the recipient may submit a written claim for such amount to USAID within 120 days after the effective date of termination. The Agreement Officer will determine the amount(s) to be paid by USAID to the recipient under the claim in accordance with the “Allowable Costs” provision of the award.

14. Financial Management, Procurement, and Evaluation (April 2011)

To the extent not inconsistent with other provisions of the award, USAID and the recipient understand that funds made available to the recipient must be administered in accordance with the recipient’s own financial rules and regulations, and that the recipient will follow its own procurement and evaluation policies and procedures.

15. Dispute Resolution (April 2011)

USAID and the recipient will use their best efforts to amicably settle any dispute, controversy, or claim that results from, or relates to, the award.

16. Title to and Disposition of Property (April 2011)

Ownership of equipment, supplies, and other property purchased with funds under the award will vest in the recipient during the life of the award. Disposition of excess property financed under the award will be made in consultation with USAID and, where applicable, the host government of the country in which the activities financed under the award take place or other recipient organizations.

17. USAID Disability Policy and UN Convention on the Rights of Persons with Disabilities Assistance (April 2011)

a. The principles of the present UN Convention on the Rights of Persons with Disabilities include promoting: (1) respect for inherent dignity, individual autonomy including the freedom to make one's own choices, and independence of persons; (2) nondiscrimination; (3) full and effective participation and inclusion in society; (4) respect for difference and acceptance of persons with disabilities as part of human diversity and humanity; (5) equality of opportunity; (6) accessibility; (7) equality between men and women; and (8) respect for the evolving capacities of children with disabilities. The full text of the Convention can be found at the following Web site: <http://www.un.org/disabilities/documents/convention/convoptprot-e.pdf>.

b. USAID requires that the recipient not discriminate against persons with disabilities in the implementation of USAID-funded programs and make every effort to respect the principles of the Convention on the Rights of Persons with Disabilities in performing the program under the award. One of the objectives of the USAID's Disability Policy is to engage other U.S. Government agencies, host country counterparts, governments, implementing organizations, and other donors in fostering a climate of nondiscrimination against people with disabilities. To that end, and to the extent it can accomplish this goal within the scope of the program objectives, the recipient should demonstrate a comprehensive and consistent approach for including men, women, and children with disabilities.

(All cost-type PIO awards must include one of the following four terrorist financing provisions:)

18. Terrorist Financing Clause (Standard) (April 2011)

(This provision is applicable to awards to all public international organizations (PIOs) other than United Nations organizations, the European Bank for Reconstruction and Development (EBRD), the World Bank, or the International Committee of the Red Cross (ICRC).)

Terrorist Financing Clause (Standard) (April 2011)

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 responsibility of the recipient to ensure compliance with these Executive Orders and laws. This provision must be included in all contracts or subagreements issued under the award.

19. Terrorist Financing Clause (UN) (April 2011)

(This provision is applicable to awards to United Nations organizations.)

Terrorist Financing Clause (UN) (April 2011)

Consistent with numerous United Nations Security Council resolutions, including **S/RES/1269 (1999)** ([http://www.undemocracy.com/S-RES-1269\(1999\).pdf](http://www.undemocracy.com/S-RES-1269(1999).pdf)), **S/RES/1368 (2001)** ([http://www.undemocracy.com/S-RES-1368\(2001\).pdf](http://www.undemocracy.com/S-RES-1368(2001).pdf)), and **S/RES/1373 (2001)** ([http://www.undemocracy.com/S-RES-1373\(2001\).pdf](http://www.undemocracy.com/S-RES-1373(2001).pdf)), both USAID and the recipient are firmly committed to the international fight against terrorism, and in particular, against the financing of terrorism. It is the policy of USAID to seek to ensure that none of its funds are used, directly or indirectly, to provide support to individuals or entities associated with terrorism. In accordance with this policy, the recipient undertakes to use reasonable efforts to ensure that none of the USAID funds provided under the award are used to provide support to individuals or entities associated with terrorism.

20. Terrorist Financing Clause (EBRD and the World Bank) (April 2011)

(This provision is applicable to awards to the European Bank for Reconstruction and Development (EBRD) and the World Bank.)

Terrorist Financing Clause (EBRD and the World Bank) (April 2011)

Recognizing the obligations of the United States and other member countries under various United Nations Security Council Resolutions to take measures to prevent financing of terrorists, the [EBRD or World Bank] undertakes to use reasonable efforts, consistent with the agreement establishing the [EBRD or World Bank] and its own policies, including those pertaining to combating financing for terrorists, to ensure that the funds provided under the award are used for their intended purposes and are not diverted to terrorists or their agents.

To the extent the [EBRD or World Bank] may use the funding provided by USAID under the award for the purpose of providing awards to or entering into contracts with other recipients, the [EBRD or World Bank] will include a provision in each award agreement or contract between the [EBRD or World Bank] and each recipient that the recipient

(1) Will not use the proceeds of the award or contract for the purpose of any payment to persons or entities, or for the import of goods, if such payment or import, to the recipient's knowledge or belief, is prohibited by a decision of the United Nations Security Council taken under **Chapter VII of the Charter of the United Nations** (<http://www.un.org/en/documents/charter/chapter7.shtml>), including under **S/RES/1373 (2001)** ([http://www.undemocracy.com/S-RES-1373\(2001\).pdf](http://www.undemocracy.com/S-RES-1373(2001).pdf)) and related resolutions, and

(2) Will include a corresponding provision in any subaward agreements or subcontracts that the recipient enters into with entities to which the recipient makes the USAID award funding available.

21. Terrorist Financing Clause (ICRC) (April 2011)

(This provision is applicable to awards to the International Committee of the Red Cross (ICRC).)

Terrorist Financing Clause (ICRC) (April 2011)

a. Consistent with numerous United Nations Security Council resolutions, including **S/RES/1269 (1999)** ([http://www.undemocracy.com/S-RES-1269\(1999\).pdf](http://www.undemocracy.com/S-RES-1269(1999).pdf)), **S/RES/1368 (2001)** ([http://www.undemocracy.com/S-RES-1368\(2001\).pdf](http://www.undemocracy.com/S-RES-1368(2001).pdf)), and **S/RES/1373 (2001)** ([http://www.undemocracy.com/S-RES-1373\(2001\).pdf](http://www.undemocracy.com/S-RES-1373(2001).pdf)), relevant United States statutes and Executive Orders, as well as with applicable sections of the Geneva Conventions, the United States does not provide support to individuals and groups that engage in, or support acts of, terrorism. The recipient understands that USAID has carefully reviewed, consistent with the aforementioned resolutions, statutes, Executive Orders, and Conventions, the description of the activities to be funded under the award. Accordingly, the activities described in the award have not been designed to assist parties to a conflict, governments, armed groups, or any other authority, including individuals and groups that engage in, or support acts of violence, the primary purpose of which is to spread terror among the civilian population.

b. If the recipient is requested or wishes to provide assistance outside of the award or requires clarification from USAID as to whether an activity would be consistent with the limitations set forth above, then the recipient must notify the Agreement Officer and provide a detailed description of the proposed activity. The recipient may not proceed with the activity until USAID advises that it may do so.

c. The recipient must ensure that its employees are made aware of the restrictions set forth in the award. It is not usual for the recipient to transfer USAID-provided funds to subrecipients, nor to use them to hire

contractors or to enter into subagreements. Nonetheless, the recipient guarantees that, if it does, it will only do so if it is satisfied that the subrecipients will perform their duties consistently with the aforementioned conditions and the award.

II. REQUIRED AS APPLICABLE STANDARD PROVISIONS FOR COST-TYPE AWARDS TO PUBLIC INTERNATIONAL ORGANIZATIONS

The following standard provisions must be used when applicable. Applicability statements are contained in the parenthetical statement preceding the standard provision. When a standard provision is determined to be applicable in accordance with the applicability statement, the use of such standard provision is mandatory unless a deviation has been approved in accordance with **ADS 308.3.12** (<http://www.usaid.gov/policy/ads/300/308.pdf>).

1. Investment Promotion (April 2011)

(This provision is required when the award funds “gray-area activities” as defined in **ADS 225, Program Principles for Trade and Investment Activities and the "Impact on U.S. Jobs" and "Workers' Rights," section 225.3.1.6** (<http://www.usaid.gov/policy/ads/200/225.pdf>), or where specific activities are not identified at the time of obligation, but could be for investment-related activities.)

Investment Promotion (April 2011)

- a. Except as specifically set forth in the award or otherwise authorized by USAID in writing, the recipient may not use funds or other support that the award provides for any activity that involves investment promotion in a foreign country.
- b. If the recipient is requested or wishes to provide assistance in the above area or requires clarification from USAID as to whether an activity would be consistent with the limitation set forth above, then the recipient must notify the Agreement Officer and provide a detailed description of the proposed activity. The recipient must not proceed with the activity until USAID advises that it may do so.
- c. The recipient must ensure that its employees and any subrecipients or contractors providing investment promotion services under the award are made aware of the restrictions set forth in this clause and must include this clause in all contracts and other subagreements.

2. Prohibition on Assistance to Drug Traffickers (April 2011)

(This provision is applicable when the award includes at least \$100,000 in covered assistance to a covered country, as described in **ADS 206, Prohibition of Assistance to Drug Traffickers**

(<http://www.usaid.gov/policy/ads/200/206.pdf>.)

Prohibition on Assistance to Drug Traffickers (April 2011)

- a. The recipient must make such reasonable efforts, as are necessary, to ensure that no funds or other support under the award are diverted in support of drug trafficking.

(If there are any USAID-financed participants (including in-country) receiving a scholarship, fellowship, or other structured training of more than six hours who are specifically designated by USAID, add the following paragraph:)

- b. USAID reserves the right to terminate assistance to, or take other appropriate measures with respect to, any participant specifically designated by USAID who is found to have been convicted of a narcotics offense or to have been engaged in drug trafficking.

As defined in **22 CFR Part 140**

(http://edocket.access.gpo.gov/cfr_2002/apr/qtr/pdf/22cfr140.3.pdf), drug trafficking means “any activity undertaken illicitly to cultivate, produce, manufacture, distribute, sell, finance or transport, or to assist, abet, conspire, or collude with others in illicit activities, including money laundering, relating to narcotic or psychotropic drugs, precursor chemicals, or other controlled substances.”

(If the recipient will make loans of more than \$1,000, add the following paragraphs:)

- c. For any loan over \$1,000 made under the award, the recipient must insert a clause in the loan agreement stating that the loan is subject to immediate cancellation, acceleration, recall, or refund to the recipient if the borrower or a key individual of a borrower is found to have been convicted of a narcotics offense or to have been engaged in drug trafficking as defined in **22 CFR Part 140**

(http://edocket.access.gpo.gov/cfr_2002/apr/qtr/pdf/22cfr140.3.pdf).

- d. Upon notice by USAID of a determination under section (c) and at USAID’s discretion, the recipient agrees to immediately cancel, accelerate, or recall the loan, including a full refund of the outstanding balance. USAID reserves the right to have the loan refund returned to USAID.

(If there is a subrecipient designated by USAID, add the following paragraphs, modified to fit the category of subrecipient, e.g., if the designated subrecipient is a U.S. non-governmental organization (NGO), review is not required and subparagraph (1) can be deleted:)

e. The recipient agrees not to disburse, or sign documents committing the recipient to disburse, funds to a subrecipient designated by USAID (“designated subrecipient”) until advised by USAID that (1) any United States Government review of the designated subrecipient and its key individuals has been completed; (2) any related certifications have been obtained; and (3) the assistance to the designated subrecipient has been approved.

f. The recipient must insert the following clause, or its substance, in its agreement with the designated subrecipient:

“(Name of recipient) reserves the right to terminate this agreement or take other appropriate measures if (the subrecipient) or a key individual of (the subrecipient) is found to have been convicted of a narcotic offense or to have been engaged in drug trafficking. Drug trafficking is defined as any activity undertaken illicitly to cultivate, produce, manufacture, distribute, sell, finance or transport, or to assist, abet, conspire, or collude with others in illicit activities, including money laundering, relating to narcotic or psychotropic drugs, precursor chemicals, or other controlled substances as defined in **22 CFR Part 140** (http://edocket.access.gpo.gov/cfr_2002/aprqttr/pdf/22cfr140.3.pdf).”

3. Prohibition on Police Assistance (April 2011)

(This provision is required when the award will support part of a larger activity which includes police assistance or where specific activities are not identified at the time of obligation but could include police assistance, and where there is no applicable exception that would allow USAID to provide this assistance. The Office of the General Counsel (GC) or the cognizant Regional Legal Advisor (RLA) should be consulted regarding the use of this clause.)

Prohibition on Police Assistance (April 2011)

No funds or other support provided under the award may be used for support to any police, prison authority, or other security or law enforcement forces.

4. Prohibition on Assistance to Military or Paramilitary (April 2011)

(This provision is required when the award will support part of a larger activity which includes assistance to the military or paramilitary or where specific activities are not identified at the time of obligation but could include military assistance. GC or the cognizant RLA should be consulted regarding the use of this clause.)

Prohibition on Assistance to Military or Paramilitary (April 2011)

No funds or other support provided under the award may be used for support to any military or paramilitary force or activity.

5. Publications and Media Releases (April 2011)

(This provision is applicable when publications are financed under the award.)

Publications and Media Releases (April 2011)

a. If the recipient intends to identify USAID's contribution to any publication, video, or other information/media product resulting from the award, the product must state that the views expressed by the author(s) do not necessarily reflect those of USAID. Acknowledgements must identify the sponsoring USAID Bureau/Independent Office or Mission and the U.S. Agency for International Development substantially as follows.

“This [publication, video, or other information/media product (specify)] was made possible through support provided by the Office of _____, Bureau for _____, U.S. Agency for International Development, under the terms of Award No. _____. The opinions expressed in this [publication, video, or other information/media product] are those of the author(s) and do not necessarily reflect the views of the U.S. Agency for International Development.”

b. The recipient must provide USAID with one copy of all published works developed under the award and with lists of other written works produced under the award.

c. Except as otherwise provided in the terms and conditions of the award, the author or the recipient is free to copyright any books, publications, or other copyrightable materials developed in the course of or under the award, but USAID reserves a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use, the work for U.S. Government purposes.

6. Reporting of Foreign Taxes (Standard) (April 2011)

(This provision is applicable to USAID agreements with non-United Nations organizations that obligate or subobligate Fiscal Year 2003 or later funds except for awards funded with Operating Expense, **Public Law (Pub. L.) 480** (<http://www.fas.usda.gov/excredits/FoodAid/pl480/pl480.asp>) funds, or trust funds, or awards where there will be no commodity transactions in a foreign country over the amount of \$500. The alternative clause on Reporting of Foreign Taxes may be used in the circumstances described below.)

Reporting of Foreign Taxes (Standard) (April 2011)

- a.** Final and Interim Reports. The recipient must annually submit two reports:
- (1)** An interim report by November 17; and
 - (2)** A final report by April 16 of the next year.
- b.** Contents of Report. The reports must contain:
- (1)** Recipient name.
 - (2)** Contact name with phone, fax and e-mail.
 - (3)** Award number(s).
 - (4)** Amount of foreign taxes assessed by a foreign government [each foreign government must be listed separately] on commodity purchase transactions valued at \$500 or more financed with U.S. foreign assistance funds under the award 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 Lesotho involves the purchase of commodities in South Africa using foreign assistance funds, any taxes imposed by South Africa would not be reported in the report for Lesotho (or South Africa).
 - (6)** Any reimbursements received by the recipient during the period, regardless of when the foreign tax was assessed. Additionally, for the interim report, any reimbursements on the taxes reported in (4) received by the recipient through October 31, and for the final report, any reimbursements on the taxes reported in (4) received through March 31.
 - (7)** The final report is an updated cumulative report of the interim report.
 - (8)** Reports are required even if the recipient did not pay any taxes during the report period.

(9) 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, awards, cooperative agreements, and interagency agreements.

(2) “Commodity” means any material, article, supply, goods, or equipment.

(3) “Foreign government” includes any foreign governmental 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 to: [insert address and point of contact at the Embassy, Mission or the Office of Financial Management/Cash Management and Payment Division (FM/CMP) as appropriate [optional - with a copy to _____].]

e. Subagreements. The recipient must include this reporting requirement in all applicable subcontracts, subawards, and other subagreements.

f. For further information, see **AAPD 03-12 Reporting on Taxation of U.S. Foreign Assistance** (http://www.usaid.gov/business/business_opportunities/cib/pdf/aapd_03_12.pdf).

7. Reporting of Foreign Taxes (UN) (April 2011)

(This provision may also be used with non-United Nations organizations that have indicated that they are exempt from taxation in the country/ies in which award activities will be implemented.)

Reporting of Foreign Taxes (UN) (April 2011)

The recipient is not subject to taxation of activities implemented under the award based on its privileges and immunities as a public international organization (PIO). However, should it be obligated to pay value-added taxes or customs duties related to the award, the recipient must notify the USAID Agreement Officer's Technical Representative (AOTR).

8. Foreign Government Delegations to International Conferences (April 2011)

(Include this provision in awards funded from the following accounts:

- Development Assistance, including assistance for sub-Saharan Africa,
 - Child Survival and Disease Programs Fund, and
 - Micro and Small Enterprise Development Program Account
- where funding will be provided for international conferences or where specific activities are not identified at the time of obligation, but could relate to international conferences. For further guidance, consult **Guidance on Funding Foreign Government Delegations to International Conferences** (<http://www.usaid.gov/policy/ads/300/350maa.pdf>) and the Office of the General Counsel (GC) or the cognizant Regional Legal Advisor (RLA).)

Foreign Government Delegations to International Conferences (April 2011)

Funds provided under the award may not be used to finance the travel, per diem, hotel expenses, meals, conference fees, or other conference costs for any member of a foreign government's delegation to an international conference sponsored by a public international organization, unless approved by the Agreement Officer.

9. Condoms (ASSISTANCE) (September 2014)

(This provision must be included in any new Request for Applications (RFA) or Annual Program Statement (APS), and any new assistance award or amendment to an existing award obligating or intending to obligate (in the case of solicitations) FY04 or later funds made available for HIV/AIDS activities, regardless of the program account. If a PIO objects to the reference to the USAID fact sheet in the provision below, please consult with GC/GH.)

Condoms (ASSISTANCE) (September 2014)

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

This fact sheet may be accessed at:

<http://www.usaid.gov/sites/default/files/documents/1864/condomfactsheet.pdf>.

The prime recipient must flow this provision down in all subawards, procurement contracts, or subcontracts for HIV/AIDS activities.

10. Prohibition on the Promotion or Advocacy of the Legalization or Practice of Prostitution or Sex Trafficking (ASSISTANCE) (Standard) (September 2014)

(This provision is applicable to awards with public international organizations other than the Global Fund to Fight AIDS, Tuberculosis and Malaria, the World Health Organization, and any United Nations agency. This provision must be included in any new Request for Applications (RFA) or Annual Program Statement (APS), and any new assistance award, or amendment to an existing award obligating or intending to obligate (in the case of solicitations) FY04 or later funds made available for HIV/AIDS activities, regardless of the program account with the exception of the International Disaster Assistance (IDA) account. Further guidance is found in AAPD 14-04, Section 2.E.)

Prohibition on the Promotion or Advocacy of the Legalization or Practice of Prostitution or Sex Trafficking (ASSISTANCE) (Standard) (September 2014)

- (a) The U.S. Government is opposed to prostitution and related activities, which are inherently harmful and dehumanizing, and contribute to the phenomenon of trafficking in persons. None of the funds made available under this award may be used to promote or advocate the legalization or practice of prostitution or sex trafficking. Nothing in the preceding sentence shall be construed to preclude the provision to individuals of palliative care, treatment, or post-exposure pharmaceutical prophylaxis, and necessary pharmaceuticals and commodities, including test kits, condoms, and, when proven effective, microbicides.
- (b)(1) Except as provided in (b)(2), by accepting this award or any subaward, a non-governmental organization or public international organization awardee/subawardee agrees that it is opposed to the practices of prostitution and sex trafficking.
- (b)(2) The following organizations are exempt from (b)(1):
 - (i) the Global Fund to Fight AIDS, Tuberculosis and Malaria; the World Health Organization; the International AIDS Vaccine Initiative; and any United Nations agency.
 - (ii) U.S. non-governmental organization recipients/subrecipients and contractors/subcontractors.
 - (iii) Non-U.S. contractors and subcontractors if the contract or subcontract is for commercial items and services as defined in FAR 2.101, such as pharmaceuticals, medical supplies, logistics support, data management, and freight forwarding.

(b)(3) Notwithstanding section (b)(2)(iii), not exempt from (b)(1) are non-U.S. recipients, subrecipients, contractors, and subcontractors that implement HIV/AIDS programs under this assistance award, any subaward, or procurement contract or subcontract by:

- (i) Providing supplies or services directly to the final populations receiving such supplies or services in host countries;
- (ii) Providing technical assistance and training directly to host country individuals or entities on the provision of supplies or services to the final populations receiving such supplies and services; or
- (iii) Providing the types of services listed in FAR 37.203(b)(1)-(6) that involve giving advice about substantive policies of a recipient, giving advice regarding the activities referenced in (i) and (ii), or making decisions or functioning in a recipient's chain of command (e.g., providing managerial or supervisory services approving financial transactions, personnel actions).

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

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

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

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

(d) The recipient must insert this provision, which is a standard provision, in all subawards, procurement contracts or subcontracts for HIV/AIDS activities.

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

[End of Provision]

11. Prohibition on the Promotion or Advocacy of the Legalization or Practice of Prostitution or Sex Trafficking (ASSISTANCE) (ALT I - the Global Fund to Fight AIDS, Tuberculosis and Malaria, the World Health Organization and any United Nations Agency) (September 2014)

(This provision is applicable to awards to the Global Fund to Fight AIDS, Tuberculosis and Malaria, the World Health Organization, and any United Nations agency. This provision must be included in any new Request for Applications (RFA) or Annual Program Statement (APS), and any new assistance award, or amendment to an existing award obligating or intending to obligate (in the case of solicitations) FY04 or later funds made available for HIV/AIDS activities, regardless of the program account with the exception of the International Disaster Assistance (IDA) account.)

Prohibition on the Promotion or Advocacy of the Legalization or Practice of Prostitution or Sex Trafficking (ASSISTANCE) (ALT I - the Global Fund to Fight AIDS, Tuberculosis and Malaria, the World Health Organization, and any United Nations Agency) (September 2014)

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

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

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

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

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

(c) The recipient must insert this provision, which is a standard provision, in all subawards **for HIV/AIDS activities**.

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

12. Voluntary Population Planning Activities – Mandatory Requirements (April 2011)

(The following should be included in all awards that fund family planning activities or where specific activities are not identified at the time of obligation, but could include family planning activities.)

Voluntary Population Planning Activities – Mandatory Requirements (April 2011)

- a. Requirements for Voluntary Sterilization Programs. None of the funds made available under the award may be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any individual to practice sterilization.

- b. Prohibition on Abortion-Related Activities
 - (1) No funds made available under the award will be used to finance, support, or be attributed to the following activities: (i) procurement or distribution of equipment intended to be used for the purpose of inducing abortions as a method of family planning; (ii) special fees or incentives to any person to coerce or motivate them to have abortions; (iii) payments to persons to perform abortions or to solicit persons to undergo abortions; (iv) information, education, training, or communication programs that seek to promote abortion as a method of family planning; and (v) lobbying for or against abortion. The term “motivate”, as it relates to family planning assistance, must not be construed to prohibit the provision, consistent with local law, of information or counseling about all pregnancy options.

 - (2) No funds made available under the award will be used to pay for any biomedical research which relates, in whole or in part, to methods of, or the performance of, abortions or involuntary sterilizations as a means of family planning. Epidemiologic or descriptive research to assess the incidence, extent, or consequences of abortions is not precluded.

13. Standards for Accessibility for Persons with Disabilities in USAID Assistance Awards Involving Construction (Standard) (April 2011)

(The following provision should be included in awards where construction is anticipated other than in assistance awards and modifications funded with International Disaster Assistance (IDA) funds pursuant to **Section 491 of the Foreign Assistance Act** (<http://www.usaid.gov/policy/ads/faa.pdf>) when

construction activities funded under the award constitute emergency construction under section (f) thereof.)

Standards for Accessibility for Persons with Disabilities in USAID Assistance Awards Involving Construction (Standard) (April 2011)

The recipient must ensure that in all construction or substantial renovation activities appropriate measures are taken, including compliance with, inter alia, host country standards for accessibility, the International Building Code (IBC) and Article 9 and other requisite articles under the **UN Convention on the Rights of Persons with Disabilities** (<http://www.un.org/disabilities/documents/convention/convoptprot-e.pdf>), to ensure to persons with disabilities access, on an equal basis with others, to the physical environment, to transportation, to information and communications, including information and communications technologies and systems, and to other facilities and services open or provided to the public, both in urban and in rural areas.

14. Standards for Accessibility for Persons with Disabilities in USAID Assistance Awards Involving Construction (Disaster Assistance) (April 2011)

(The following provision should be included in assistance awards and modifications funded with IDA funds pursuant to **Section 491 of the Foreign Assistance Act** (<http://www.usaid.gov/policy/ads/faa.pdf>) when construction activities funded under the award constitute emergency construction under section (f) thereof.)

Standards for Accessibility for Persons with Disabilities in USAID Assistance Awards Involving Construction (Disaster Assistance) (April 2011)

Any construction activities authorized under the award must be limited to emergency construction (provision of plastic sheeting or tents, minor repair and upgrading of existing structures, rebuilding of part of existing structures or provision of temporary structures) intended to be temporary in nature.

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