

<b>AWARD/CONTRACT</b>		1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)	RATING	PAGE OF PAGES 1 139
2. CONTRACT (Proc. Inst. Ident.) NO. AID-306-C-14-00016		3. EFFECTIVE DATE See Block 20C		4. REQUISITION/PURCHASE REQUEST/PROJECT NO. REQ-306-13-000145
5. ISSUED BY USAID/Afghanistan Office of Acquisition & Assistance	CODE AFGHANISTAN	6. ADMINISTERED BY (If other than item 5) USAID Afghanistan 00001		CODE AFGHANISTAN

7. NAME AND ADDRESS OF CONTRACTOR (No., Street, City, Country, State and ZIP Code) DAI WASHINGTON 7600 WISCONSIN AVE STE 200 BETHESDA MD 20814-3664		8. DELIVERY <input type="checkbox"/> FOB ORIGIN <input checked="" type="checkbox"/> OTHER (See below)
		9. DISCOUNT FOR PROMPT PAYMENT
		10. SUBMIT INVOICES (4 copies unless otherwise specified) TO THE ADDRESS SHOWN IN ITEM See G.6

CODE	FACILITY CODE	11. SHIP TO/MARK FOR USAID/Afghanistan 6180 Kabul Place Dulles, VA 20189-6180	CODE	12. PAYMENT WILL BE MADE BY USAID/Afghanistan Office of Financial Management 6180 Kabul Place Dulles, VA 20189-6180	CODE	AFGHANISTAN/OFM
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13. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: <input type="checkbox"/> 10 U.S.C. 2304 (c) ( ) <input type="checkbox"/> 41 U.S.C. 253 (c) ( )		14. ACCOUNTING AND APPROPRIATION DATA SEE SECTION G.8			
15A. ITEM NO	15B. SUPPLIES/SERVICES	15C. QUANTITY	15D. UNIT	15E. UNIT PRICE	15F. AMOUNT
Continued					
15G. TOTAL AMOUNT OF CONTRACT					\$73,499,999.00

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**CONTRACTING OFFICER WILL COMPLETE ITEM 17 (SEALED-BID OR NEGOTIATED PROCUREMENT) OR 18 (SEALED-BID PROCUREMENT) AS APPLICABLE**

17. <input checked="" type="checkbox"/> CONTRACTOR'S NEGOTIATED AGREEMENT (Contractor is required to sign this document and return _____ copies to issuing office.) Contractor agrees to furnish and deliver all items or perform all the services set forth or otherwise identified above and on any continuation sheets for the consideration stated herein. The rights and obligations of the parties to this contract shall be subject to and governed by the following documents: (a) this award/contract, (b) the solicitation, if any, and (c) such provisions, representations, certifications, and specifications, as are attached or incorporated by reference herein. (Attachments are listed herein.)	18. <input type="checkbox"/> SEALED-BID AWARD (Contractor is not required to sign this document.) Your bid on Solicitation Number _____ including the additions or changes made by you which additions or changes are set forth in full above, is hereby accepted as to the items listed above and on any continuation sheets. This award consummates the contract which consists of the following documents: (a) the Government's solicitation and your bid, and (b) this award/contract. No further contractual document is necessary. (Block 18 should be checked only when awarding a sealed-bid contract.)
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19. NAME OF CONTRACTOR	20. NAME OF CONTRACTING OFFICER
[REDACTED]	[REDACTED]

**CONTINUATION SHEET**

REFERENCE NO OF DOCUMENT BEING CONTINUED  
AID-306-C-14-00016

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2 | 139

NAME OF OFFEROR OR CONTRACTOR  
DAI WASHINGTON

ITEM NO (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
0001	<p>The objective of the Strong Hubs for Afghan Hope and Resilience (SHAHAR) Program is to create well-governed, fiscally sustainable Afghan municipalities capable of meeting the needs of a growing urban population.</p> <p>Funding SNG-SHAHAR Municipality Project</p>				

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## PART I- THE SCHEDULE

### SECTION B: SUPPLIES OR SERVICES AND PRICE/COSTS

---

#### B.1 PURPOSE

The objective of the Strong Hubs for Afghan Hope and Resilience (SHAHAR) Program is to create well-governed, fiscally sustainable Afghan municipalities capable of meeting the needs of a growing urban population. Targeted support to municipal governments, as well as the General Directorate of Municipal Affairs (GDMA) and Municipal Advisory Boards (MABs), will lead to improved municipal financial management, urban service delivery, and citizen consultation. The purpose of this contract is further defined in Section C, Description/Specifications/Statement of Work. For the consideration set forth below, the Contractor must provide the deliverables or outputs described in this contract in accordance with the performance standards specified herein.

#### B.2 CONTRACT TYPE

This is a Cost-Plus-Fixed-Fee (CPFF) Completion Contract. The Contractor shall provide the deliverables or outputs described in Section F based on the Statement of Work (SOW) found in Section C of this contract.

#### B.3 ESTIMATED COST, FIXED FEE, AND OBLIGATED AMOUNT

- (a) The total estimated cost is ██████████, and the fixed fee is ██████████. The total estimated cost plus fixed fee is \$73,499,999.
- (b) Within the estimated cost plus all possible fee specified in paragraph (a) above, the amount currently obligated and available for reimbursement of allowable and allocable costs incurred by the Contractor (and payment of fee, if any) for performance hereunder is ██████████. The Contractor must not exceed the aforesaid obligated amount.
- (c) Funds obligated hereunder are anticipated to be sufficient through March 2016.

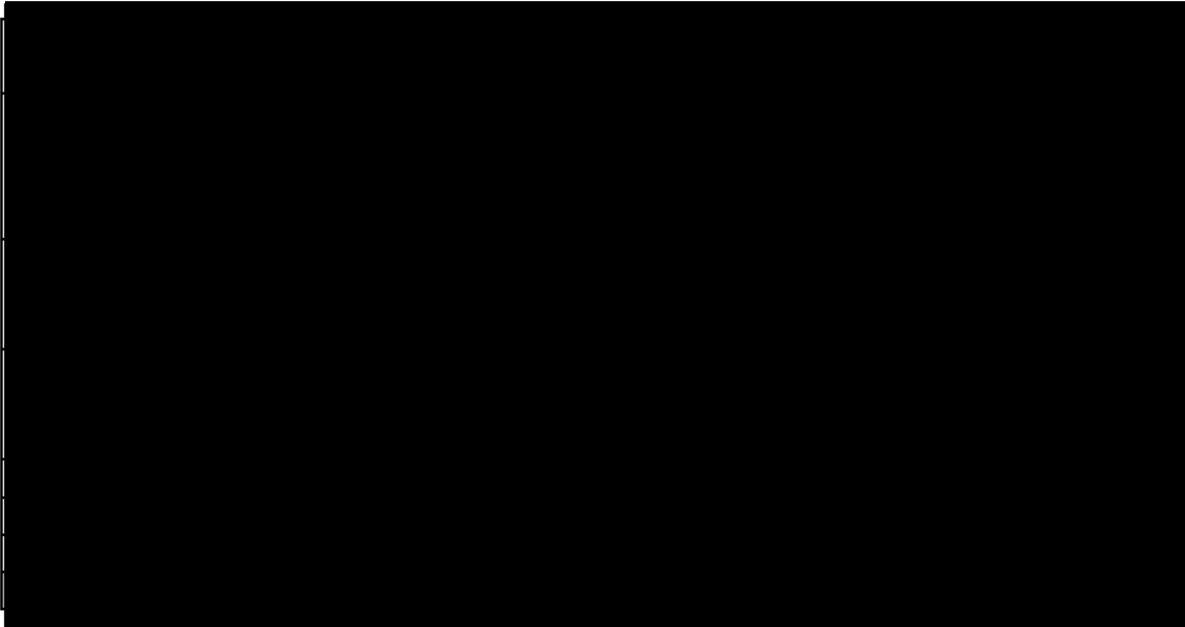
#### B.4 BUDGET

As the period of performance for this contract is three (3) years, the budget is presented in three, one-year increments.

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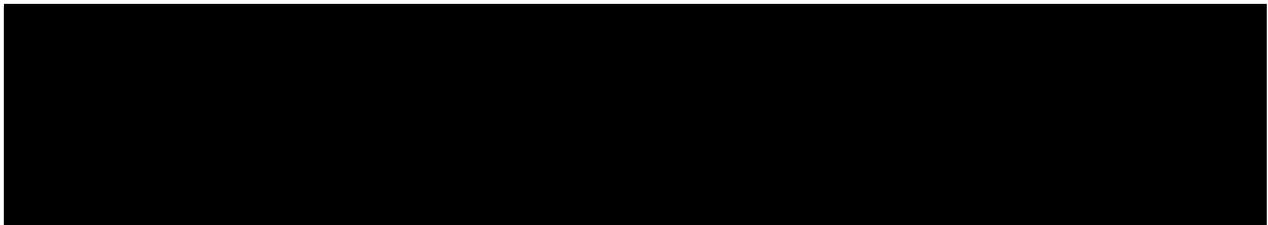
**CONTRACT LINE ITEM NUMBERS (CLINs)**

The budget for this contract is as follows:



Ceiling Price                      \$73,499,999

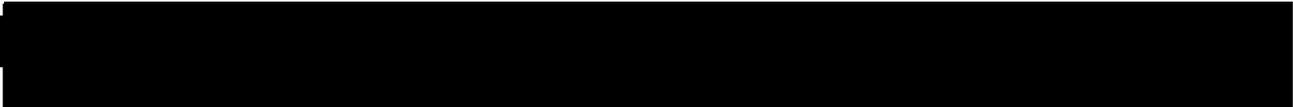
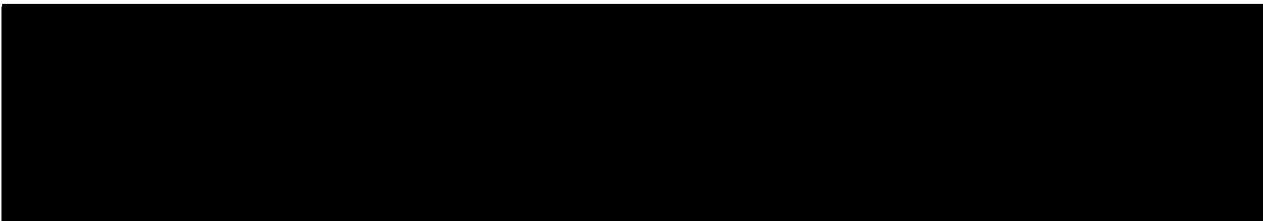
Notes:

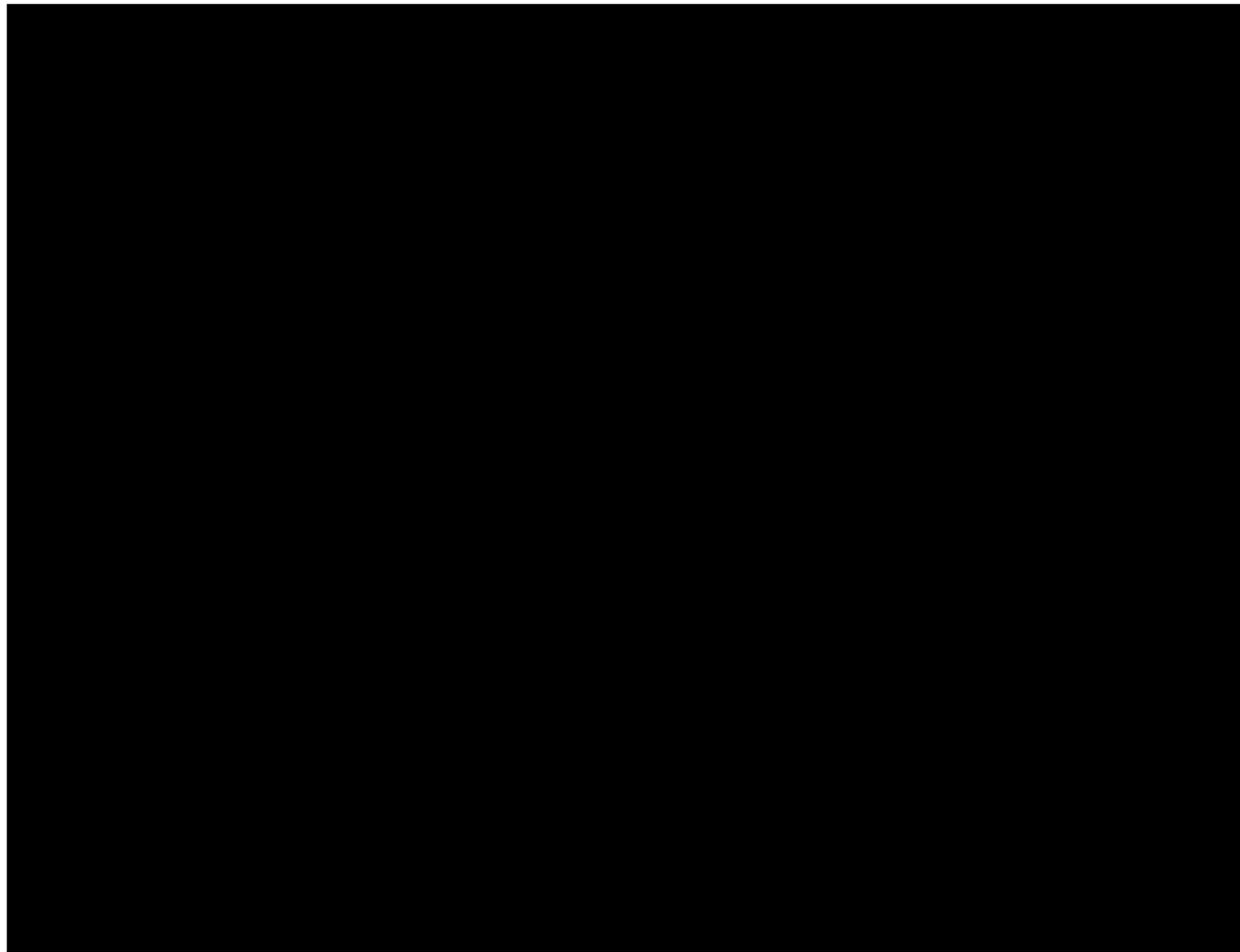


**B.5    INDIRECT COSTS**

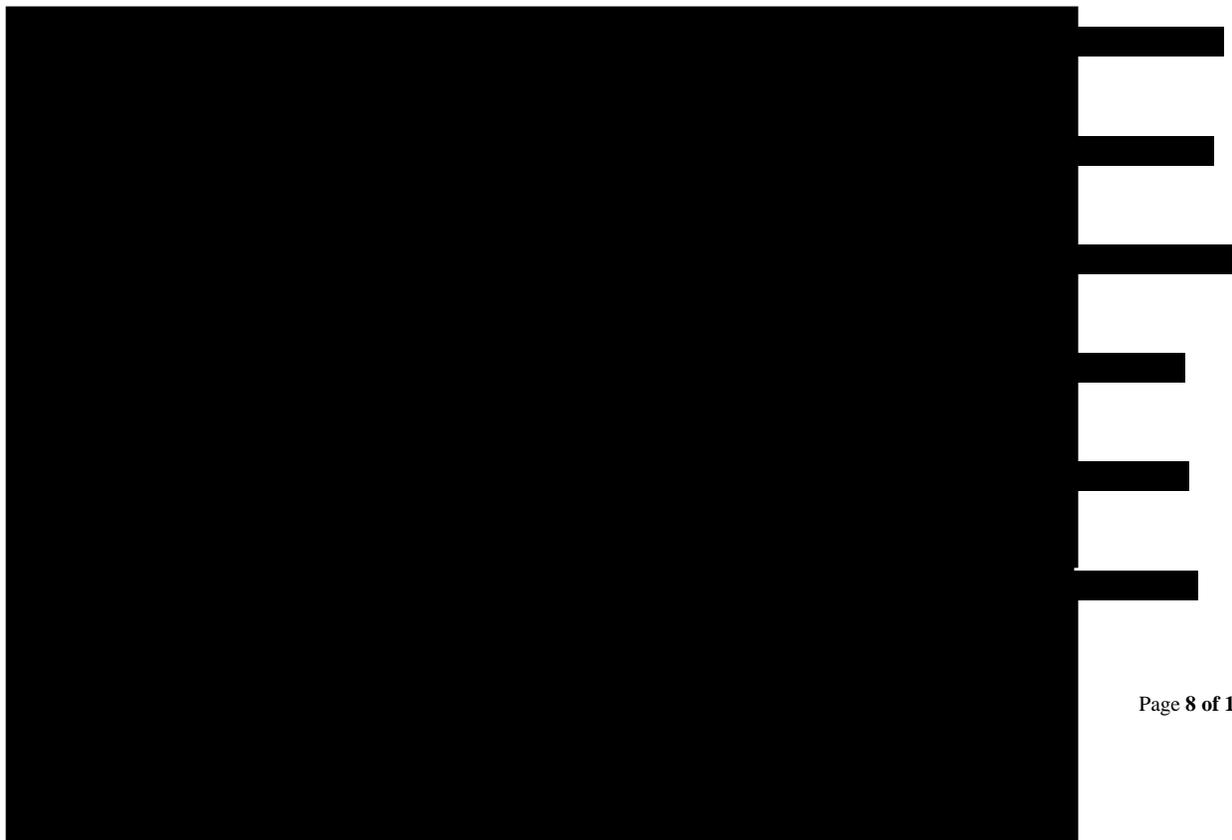
For the Prime Contractor:

Pending establishment of revised provisional or final indirect cost rates, allowable indirect costs shall be reimbursed on the basis of the following negotiated provisional or predetermined rates and the appropriate bases:





**B.6 ADVANCE UNDERSTANDING ON CEILING ON INDIRECT COST RATES AND FINAL PERFORMANCE FOR INDIRECT COSTS**



[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

**B.7 COST REIMBURSABLE**

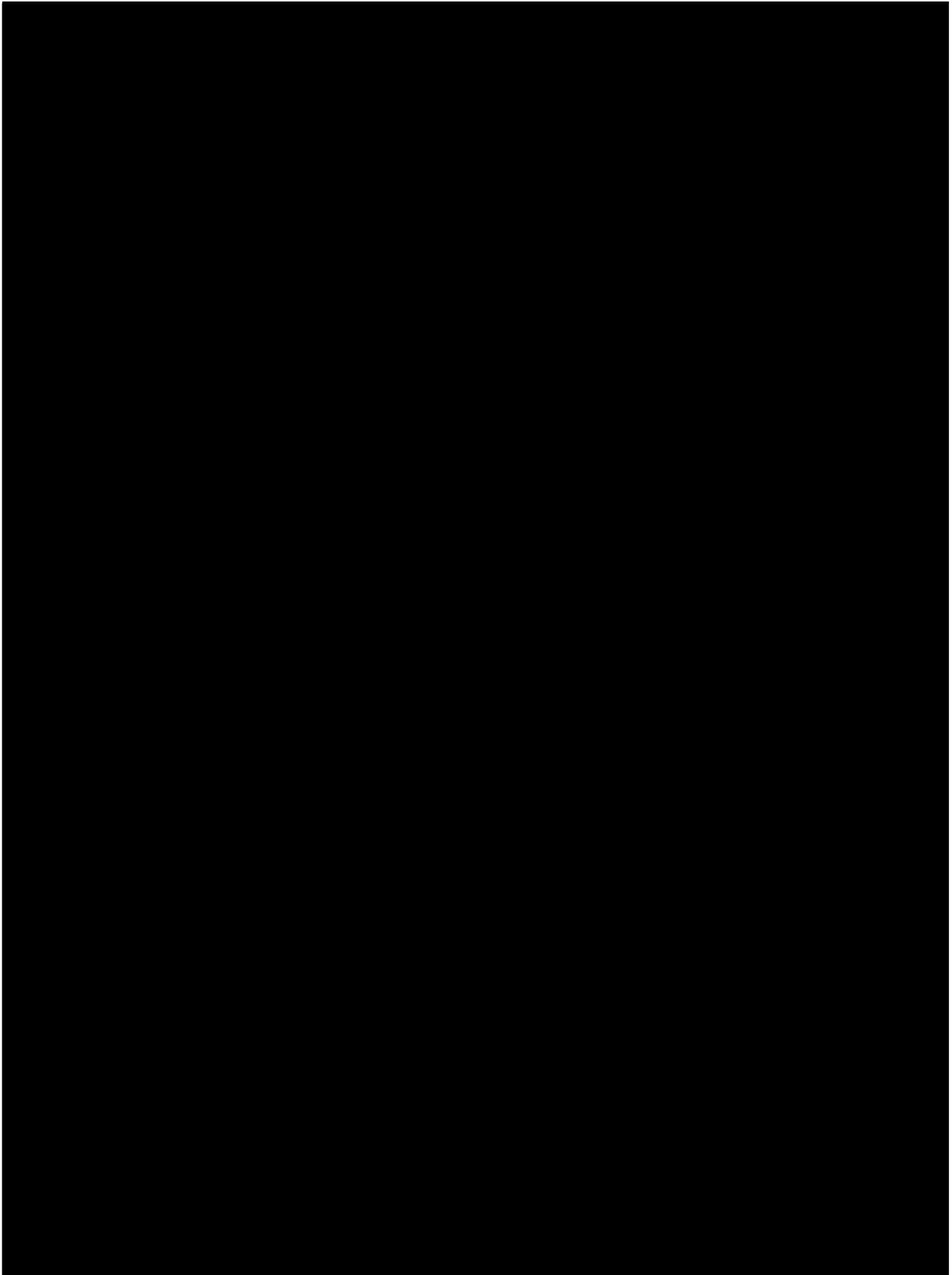
This is a Cost Reimbursable contract. The costs allowable shall be limited to reasonable, allocable and necessary costs determined in accordance with FAR 52.216-7, Allowable Cost and Payment, FAR 52.216-8, Fixed Fee, if applicable, and AIDAR 752.7003, Documentation for Payment.

**B.8 FEE SCHEDULE**

[REDACTED]

[REDACTED]

[REDACTED]



**B.9 MULTI-YEAR CONTRACT**

In the event that the Government cancels requirements for services in subsequent program years under this contract, the following conditions will apply:

CLINs 1 through 5 are considered non-severable and are therefore multi-year contracts as defined in FAR 17.103. Therefore, this contract is subject to the requirements of FAR 17.106.

Cancellation Dates:

Contract Year 2:	11/30/2015	██████████
Contract Year 3:	11/30/2016	██████████

Cancellation Ceiling:

This is a CPFF completion type contract where the contractor is authorized to be reimbursed for all costs which are allowable in accordance with FAR 52.216-7, "Allowable Costs and Payment". Therefore, the contractor will not incur any costs which would have been amortized over the life of the contract should the contract be cancelled in accordance with FAR 52.217-2. Therefore, the cancellation ceiling for each cancellation date is ██████ as indicated above.

**[END OF SECTION B]**

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**SECTION C: DESCRIPTION/SPECIFICATIONS/STATEMENT OF WORK**


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**Title: Strong Hubs for Afghan Hope and Resilience (SHAHAR)**

<b>C.1</b>	<b>LIST OF ACRONYMS</b>
ADC	Area Development Council
ASGP	Afghanistan Sub-National Governance Program
CCB	City Coordination Body
CDC	Community Development Council
CEDAW	Convention on the Elimination of All Forms of Discrimination against Women
CSC	Citizen Service Center
COR	Contracting Officer's Representative
EDP	Economic Development Plan
FMS	Financial Management System
GDMA	General Directorate for Municipal Affairs
GIRoA	Government of the Islamic Republic of Afghanistan
GIS	Geographic Information System
IDLG	Independent Directorate for Local Governance
IFMS	Integrated Financial Management System
ISAF	International Security Assistance Force
ITU	Information Technology Unit
JICA	Japanese International Cooperation Agency
KCI	Kabul City Initiative
MAB	Municipal Advisory Board
MDF	Municipal Development Fund
MDG	Millennium Development Goal
MDLF	Municipal Lending and Development Fund
MoF	Ministry of Finance
MoWA	Ministry of Women's Affairs
MTT	Mobile Training Team
MUDA	Ministry of Urban Development Affairs
NAPWA	National Action Plan for the Women of Afghanistan
NPP	National Priority Programme
OSM	On-Site Monitor
PDC	Provincial Development Committee
PDP	Provincial Development Plan
PPP	Public-Private Partnership
RAMP-UP	Regional Afghan Municipalities Program for Urban Populations
REZ	Regional Economic Zone
RGAP	Revenue Generation Action Plan
RMIDP	Regional and Municipal Infrastructure Development Program
SDAG	Service Delivery Advisory Group
SHAHAR	Strong Hubs for Afghan Hope and Resilience
SNG	Sub-National Governance
SOP	Standard Operating Procedures
SWM	Solid Waste Management
TOR	Terms of Reference
UNDP	United Nations Development Program

## C.2 PURPOSE AND SCOPE

Municipalities play a unique and important role within Afghanistan's sub-national governance (SNG) architecture. They are fiscally independent units of government, capable of raising revenue and investing in urban services and infrastructure. They are the face of Afghanistan's urban local public sector, positioned to consult citizens, assess local needs, and respond to a growing Afghan urban populace. (According to the CIA World Factbook, 32% of the Afghan population lives in cities that are growing at a rate of 4.4% per year). By creating new public-private partnerships, investing in new infrastructure, and constructing modern markets for trading, municipalities are instrumental in shaping the economic conditions that will lead to more jobs.

With mayoral and municipal council elections anticipated to take place in 2015, municipalities will become laboratories for localized democracy. The election of mayors and municipal council members will demonstrate the concept of a "social contract" wherein citizens pay required taxes and, in turn, municipal governments invest in key urban services such as trash collection, roads and sidewalks, street lights, drainage, and parks. Citizens will require that service delivery is aligned with community priorities and implemented in a manner that ensures quality and transparency. If expectations are not met, citizens will hold their municipal officials accountable with their votes.

As Afghanistan enters the Transformation Decade (2015 – 2024) and the threat of insurgent activity remains a reality for many of its citizens, municipalities will also function as hubs of stability, resiliency, and prosperity. The relative geographic compactness of urban areas means that cities are often the first areas where security is established and maintained by the state. Given Afghanistan's roughly 161 recognized provincial and district capitals (the official number is regularly adjusted by central authorities) and a vastly improved network of connecting roads, municipalities can function like "inkblots" of stability, spreading the economic and social benefits of urban living outwards and pushing insurgent elements to the periphery.

A set of laws, regulations, and policies, albeit imperfect, provides municipalities with a significant degree of fiscal and political independence. The Constitution (Chapter 8, Article 6) states that mayors and members of municipal councils are elected through free, general, secret, and direct elections, and municipal affairs will be regulated by municipal law. While mayors and municipal council members have yet to be elected, Government of the Islamic Republic of Afghanistan (GIROA) officials have verbally assured the international community that municipal elections will likely take place in 2015, following the 2014 presidential elections. The outdated Law on Municipalities, enacted under the Taliban in 2000, still serves as the legal basis for the purpose and powers of municipal governments. Subsequent laws, such as the Municipal Tax Law for City Services (2000), the Safay'i Tax Regulation (2000), and the Public Finance and Expenditure Law (2005), specify municipal revenue sources and municipalities' fiscal independence from the central government.

GIROA's Independent Directorate for Local Governance (IDLG), specifically IDLG's General Directorate for Municipal Affairs (GDMA), is mandated with overseeing municipal governance. IDLG's oversight functions involve establishing and enforcing standard policies and procedures, auditing and evaluating municipal performance, hiring mayors, coordinating

donor activity, and serving as a conduit between municipalities and the Ministry of Finance (MoF). Although municipalities maintain a degree of fiscal independence, the MoF approves their annual budgets, staffing patterns, and fee schedules. IDLG's SNG Policy and the National Priority Programmes (NPP) for Local Governance and Infrastructure Development provide a roadmap for domestic reforms and donor interventions in support of the "software" and "hardware" needed to develop Afghanistan's nascent but fast-growing municipalities. This includes qualified staff, modern financial management systems, and infrastructure upgrades to roads, drainage systems, markets, and parks.

While Afghan municipalities have evolved in recent years because of targeted USAID and other donor programs, the challenges faced by Afghan municipalities are still immense. The capacity to perform core municipal functions is conspicuously low, particularly in smaller cities where incentives for attracting talent do not exist. A deficit of qualified municipal engineers, caused in part by low salaries and in part by low capacity, is a hindrance to project design and implementation, contributing to low budget execution rates. Furthermore, municipalities have limited autonomy when it comes to hiring new staff. Official tashkeels (staffing patterns) can only be adjusted once per year with approval from GDMA and MoF. A new merit-based pay and grade initiative led by Afghanistan's Civil Service Commission (CSC) should give municipalities the flexibility to hire more qualified public servants at higher salaries but the initiative is taking hold at a gradual pace.

Municipalities still struggle to execute the majority of development budgets, a dilemma caused by a variety of factors including low human capacity, cumbersome procurement regulations, insufficient revenue forecasting methods, meddlesome politicians, and donor dependence. A legal framework for public-private partnerships does not exist, leading to missed opportunities for private sector participation in service delivery. An array of consultative citizen bodies, left over from years of donor interventions, often makes citizen consultation and participation inefficient. However, efforts by GDMA to consolidate citizen organizational bodies for each municipality into one Municipal Advisory Board (MAB) should streamline municipal government outreach efforts. Systems for budget formulation, financial transactions, and financial reporting vary widely from municipality to municipality, from paper ledgers to fully automated databases. Many of these challenges can be addressed with continued support with an eye towards the human capital needed to manage service delivery projects, municipal public finances, and citizen outreach initiatives.

As the transition towards Afghan-led development gains momentum, building effective and sustainable municipal systems for revenue generation and expenditure, project management, including women's involvement in governance, and citizen consultation – with strategic support from GDMA – is the path to ensuring more effective urban service delivery.

### **C.2.1 Linkages to Other USG Projects**

The design of SHAHAR is well grounded in the guiding operational principles of USAID's 2011-2015 Policy Framework as well as USAID Forward. The approach will build on previous investments in technical assistance, assessments, and infrastructure provided by USAID and the donor community, particularly the Regional Afghan Municipalities Program for Urban Municipalities (RAMP-UP) and the Kabul City Initiative (KCI). By building on the successes of

these previous programs, SHAHAR leverages existing municipal partnerships and relationships, USAID-funded innovations in technology (e.g., financial management software), continues to build the capacity of local institutions such as GDMA and mayoral offices, and hence promotes sustainability. By reviewing the contributions of RAMP-UP and KCI, and applying strategic analysis to the design of SHAHAR, the project is applying selectivity by focusing on up to 16 small-to-medium sized provincial capitals – as well as four regional hub provincial capitals of Kandahar City, Herat, Mazar-e-Sharif, and Jalalabad - where USAID can have the greatest impact. The regional hubs may also serve ideally as key locations that facilitate program delivery to targeted municipalities. The project also incorporates USAID’s own core principles by assisting municipalities to build their policy capacity, budget management systems, and increasing the role of women in government.

SHAHAR will work in many of the central municipalities of the provinces in which USAID’s new provincial SNG Project will operate, as increasing local input into Provincial Development Plans (PDPs) is an objective of both projects. SNG will work with Provincial Development Committees (PDCs) to improve and increase the contributions of PDPs to line directorates planning, while SHAHAR will help mayors improve their lobbying efforts aimed at PDC members so that PDPs more accurately reflect municipal needs.

## **C.2.2 Linkages to the Work of Other Donors**

During the life of this project, four international donors will also oversee municipal support projects:

- United Nations Development Programme (UNDP): Capacity-building of municipal administrations in Afghanistan’s four regional centers (Herat, Kandahar, Jalalabad, Mazar-e-Sharif) and 15 other IDLG-proposed municipalities to be named later.
- Japan International Cooperation Agency (JICA): Infrastructure projects in Afghanistan’s four regional centers aligned with needs identified at the city, gozar, and community levels.
- World Bank: Infrastructure capacity building projects in Kabul and Afghanistan’s four regional centers plus Kunduz combined with targeted support to IDLG procurement unit and Ministry of Urban Development Affairs (MUDA) urban planning unit.
- German Agency for International Cooperation (GIZ): Support to MUDA in the areas of water sector planning, water supply, and urban wastewater management.

JICA, GIZ and World Bank projects are expected to be considerably more infrastructure-oriented than SHAHAR while UNDP is expected to perform capacity-building interventions similar to SHAHAR. If the Contractor operates in the same municipality in which another donor operates, the Contractor will coordinate locally with that donor to maximize project results. This includes minimizing overlap on some activities and collaborating on other activities. The Contractor will also monitor and coordinate donor activities using its embedded advisor(s) in GDMA.

### C.2.3 Project Strategy

SHAHAR is one component of USAID’s SNG program. The program’s results framework is shown below in Figure 1. The overall Assistance Objective (AO) of the SNG program is to improve performance and accountability of governance in Afghanistan. Contributing to the accomplishment of this AO is an Intermediate Result (IR) – and the primary purpose of SHAHAR: to strengthen Afghan municipalities’ abilities to meet citizen priorities and needs in service delivery. As shown in Figure 1, to achieve this IR SHAHAR will accomplish four Sub-IRs.

**Figure 1: USAID Subnational Governance Results Framework**



#### Theories of Change

The sub-IRs of the SNG Results Framework is based on four complementary theories of change:

- Long-term strategic planning will provide citizens with the best possible mix of services given limited resources.
- An integrated performance and financial management system will enable municipal managers to deliver urban services more effectively.
- Municipal systems for receiving and evaluating citizen priorities and concerns, including those of marginal populations, will lead to informed municipal decision-making better able to meet citizens’ needs.
- Improved oversight of municipal affairs by central authorities and local representative bodies will lead to transparent and accountable service delivery.

In addition to supporting the SNG Results Framework, SHAHAR’s strategy will closely align with USAID’s draft policy on Sustainable Service Delivery in an Increasingly Urbanized World. Recognizing unprecedented rates of urbanization throughout the developing world (urban areas are expected to gain 1.4 billion people by 2030 when 60% of the world’s population will

reside in cities), the policy recognizes urban migration as a potentially positive force given that rural poverty rates tend to fall in countries with higher rates of urbanization.

### Principles Guiding Urban Programming

In order to meet the needs of a growing urban population in a sustainable manner, the following four principles should guide urban programming in development settings, and are to be incorporated into SHAHAR:

- **Ensuring Political and Financial Sustainability:** Interventions should only target local governments demonstrating both the political will to make institutional reforms and the ability to finance service provision on a sustained basis and without dependence on the central government or donors. SHAHAR will foster political will and financial sustainability by attaching strict conditions to capital improvement projects, including alignment with citizen priorities, cost sharing, monitoring plans, and a sustainability analysis clearly indicating how municipalities' own-source revenues will be earmarked for operations and maintenance in future years.
- **Advancing Accountable, Pro-Poor Service Delivery Models:** According to a USAID study, on average, Afghanistan's informal settlement population doubles each year. SHAHAR will encourage informal settlement dwellers – in addition to residents, business leaders, and civic organizations – to take advantage of citizen consultation mechanisms. MABs, and eventually Municipal Councils, will serve as the primary conduit for channeling service delivery concerns from the citizenry to municipal governments. The finalization and implementation of comprehensive five-year urban plans in target municipalities will improve the design and layout of cities, especially in unplanned areas.
- **Fostering Market Orientation and Public-Private Collaboration:** Cities offer opportunities essential to achieving USAID's goals in economic development and poverty alleviation. Cities have emerged as the engines of economic growth and job creation, accounting for approximately 70% of global economic production.<sup>1</sup> SHAHAR will place a strong emphasis on strengthening public-private collaboration at the municipal level, laying the groundwork for new service delivery partnerships in line with GDMA's new public-private partnership regulations. The project will deliver technical assistance that helps municipalities improve the investment climate, conduct business community outreach, and foster new and innovative urban service approaches.
- **Supporting Municipal Resilience:** SHAHAR will help build institutions that incentivize municipalities to be more performance oriented and self-reliant. A pilot Municipal Development Fund, managed at the central level, will supplement development projects using municipal block grants but only for municipalities that have demonstrated the ability to execute 75% of their development budgets. The program will also entail capacity-building efforts focused specifically on operations and maintenance skills such as human resources (e.g., mechanics) and asset management, without which capital

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<sup>1</sup> World Bank (2010), "Systems of Cities: Harnessing Urbanization for Growth and Poverty Alleviation."

improvements would quickly deteriorate.

#### **C.2.4 Cross Cutting Principles**

To be integrated into each of SHAHAR's three components are the following themes:

##### a) Inclusion of Women in Government and Gender Equity in Governance

Article 22 of the Afghan Constitution states: "Any kind of discrimination and privilege between the citizens of Afghanistan are prohibited. The citizens of Afghanistan – whether man or woman – have equal rights and duties before the law." Further to this, and consistent with the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), in 2007 the Ministry of Women's Affairs (MoWA) developed the National Action Plan for the Women of Afghanistan (NAPWA). NAPWA envisions that Afghanistan will be "a peaceful and progressive country where women and men enjoy security, equal rights and opportunities in all aspects of life." It pursues the twin goals of gender equity and women's empowerment.

Afghanistan signed the Millennium Declaration in 2004 and has targeted to reach the Millennium Development Goals (MDGs) by 2020. One of the objectives is to increase female participation in elected and appointed bodies and the civil service at all levels of government to 30% by 2020. Moreover, the 2010 SNG Policy aims that, "to support the achievement of gender equity all government entities will embrace and implement gender equity efforts, including gender sensitive policies, strategies, budgets and programs. Ensuring that gender equity is achieved is the shared responsibility among government entities and the national and sub-national levels." The SNG Policy calls for an affirmative action policy that reserves at least 25% of the seats of Municipal Councils for women.

At present, gender needs and interests are still not given sufficient priority at the municipal level. Gender has not been fully addressed as a crosscutting theme within municipalities. There still exists the misconception that gender is only about women. As urbanization affects men and women in different ways, municipalities are in a strategic position to introduce gender-aware approaches to urban development; ensure equal access to – and control over – the resources and opportunities offered, and; ensure that the design, implementation, monitoring, and management of public services benefit both men and women. SHAHAR will support municipalities in helping women overcome barriers that prevent them from participating in local government and planning institutions and accessing opportunities and resources.

There are many activities that could be implemented to help achieve GIROA's gender-related development goals; the Contractor is expected to encourage gender mainstreaming by municipalities in all aspects of their administration and operations. Some illustrative examples of the things that the Contractor could encourage municipalities to do include: institutionalization of gender mainstreaming by allocating a budget line in the annual municipal budget for gender-related activities; development of women-only infrastructure such as women's parks and public latrines; recruiting more female employees; coordinating gender-related activities with other sub-national government entities and civil society organizations, and; developing and adopting policies that address the particular needs of businesswomen.

##### b) Youth Engagement

It is widely acknowledged that Afghanistan is in a period of demographic transition due to its large “youth bulge.” Estimates vary, but approximately 70 percent of the Afghan population is under 25 years of age, according to a recent United Nations report.<sup>2</sup> This is potentially concerning, for it is believed that a similar demographic trend (i.e. a large youth population facing a lack of jobs in an environment of sluggish socio-economic development) contributed to the Arab Spring in Egypt,<sup>3</sup> where only 50% of the population is under 25 years of age.

Although a large youth population does not guarantee in itself unrest, it does represent a variable that should be considered for any development project. In the case of SHAHAR, youth inclusion is particularly essential because broad civic participation is a prerequisite to creating governmental bodies that are responsive to citizen needs and priorities. Incorporating Afghan youth into this project will be a challenge, due to low levels of education and varying notions of the role of government, but it is a requirement for sustainable success.

In addition to ensuring that youth are accounted for in each activity – such as media outreach targeting youth and budget formulation including youth priorities (e.g., playfields) – the Contractor will incorporate youth-specific activities into the project design, bringing youth in direct contact with their municipal government. Examples of such activities include: engaging local youth clubs in service projects, youth-in-government internships, youth liaison offices in municipal administrations, youth town halls, and working with municipal advisory boards to encourage the participation of youth in municipal affairs. Creative approaches must be used to ensure youth are engaged with their local government.

The Contractor may also work directly with MAB youth members, tailoring services provided to match their skills and objectives. According to GDMA’s Terms of Reference for MABs, one seat on each board is reserved for a member of the youth community. In addition, because the minimum age for board membership is 20 years, there exists the possibility that multiple representatives of the youth community could serve on the same MAB.

#### c) Alignment with NPP and SNG Policy

GIRoA’s NPP process and GDMA’s SNG Policy are the foundations on which any local governance project must rest. Alignment with these two initiatives supports GIRoA’s vision of governance and assists donor collaboration to maximize the impact of local governance initiatives.

Activities of the SHAHAR project will contribute significantly to goals GIRoA has set for municipal governance development as outlined in IDLG’s National Priority Program for Local Governance.<sup>4</sup> The primary IDLG NPP goals that SHAHAR contributes to achieving are:

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<sup>2</sup> Afghan Youth and the United Nations, 2011, Issue #3, pg 1:

<http://unama.unmissions.org/LinkClick.aspx?link=Publication%2FUN+Newspaper%2FNewspaper+August-21-web.pdf&tabid=12321&mid=15816&language=en-US>

<sup>3</sup> Roudi-Fahimi, Farzaneh; Youth Revolt in Egypt, A Country at the Turning Point:

<http://www.prb.org/Articles/2011/youth-egypt-revolt.aspx>

<sup>4</sup> <http://www.the kabulprocess.gov.af/images/npps/gov/gov-lg-final.pdf>

- By the end of 2014, 14 provincial municipalities will have been assisted in developing Municipal Urban Strategic Development Plans and urban management of them in partnership with MUDA (see Deliverable 16.5 in the IDLG document).
- By the end of 2014, 18 provincial municipalities will have specific action plans for revenue generation, extending their ability to be able to manage the revenues in an accountable and transparent manner, according to the standards of national law and international good practices (see Deliverable 17.2 in the IDLG document).
- By the end of 2014, 33 provincial municipalities will have instituted Integrated Financial and Budgeting Systems. This will enable them to manage properly revenues and expenditures in a transparent fashion (see Deliverable 17.3 in the IDLG document).
- By the end of 2014, a Solid Waste Management System has been launched at community level in 33 provincial municipalities (see Deliverable 18.5 in the IDLG document).
- By the end of 2014, new Municipal Councils will have been fully oriented on their duties, roles, and responsibilities (see Deliverable 23.2 in the IDLG document).

In 2010, IDLG released the SNG Policy, framing its vision of Afghan governance at the provincial, district, village, and municipal levels. Working at the municipal level, this project will support specific initiatives of the SNG Policy in the following ways:

- Assist GDMA to build the capacity of MABs, municipal administrations and, once active, Municipal Councils.
- Improve GDMA's ability to guide and monitor the working of municipalities.
- Advise GDMA on national standards for municipal management systems.
- Ensure urban planning is founded on bottom-up processes.
- Establish public-private partnerships to deliver essential public services.
- Organize an association of mayors for a more coordinated and unified approach across municipalities.
- Encourage community participation in municipal governance.

### **C.2.5 Project Locations**

The program will focus on up to 16 small- and medium-sized provincial capitals located within USAID's three designated Regional Economic Zones (REZ), as well as the four regional hub provincial capitals of Kandahar City, Herat, Mazar-e-Sharif, and Jalalabad. The selection will be finalized at the work plan stage in close coordination between the contractor, USAID Mission, and IDLG. The draft USAID urban policy on Sustainable Service Delivery in an Increasingly Urbanized World<sup>5</sup> recognizes that interventions to strengthen service provision are most effective when urbanization is incipient or intermediate. In these settings, building of capacity and new infrastructure typically has greater impact and is more cost effective. Adequately planning the growth of nascent cities is cost-effective given the higher costs of corrective measures such as infrastructure retrofitting or slum upgrading.

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<sup>5</sup> DRAFT: Sustainable Service Delivery in an Increasingly Urbanized World

At the same time that SHAHAR will emphasize development of these more nascent areas, USAID recognizes the important role the four hub provincial capitals play in the economic development of their region, USAID will in all likelihood have physical presence in these hubs, which can aid in monitoring and evaluation; opportunities will exist for coordination and collaboration with other major USAID projects in these areas (e.g., ISLA, Stability in Key Areas (SIKA), and the four Regional Agricultural Development Program (RADP)); and USAID seeks to ensure that the important advances made under the RAMP-UP projects in Kandahar City, Herat, Mazar-e-Sharif, and Jalalabad are sustained. The activities in the nascent areas should be more comprehensive in nature (including such things as new public-private partnerships and new urban service delivery mechanisms), while the activities in the four regional hubs should be narrower and focused on: (a) sustaining the advances made previously under the RAMP-UPS and (b) being fully integrated into the national municipal coordinating/capacity-building activities of GDMA (such as the IFMS expansion, and Mayor’s Conference Network and becoming “learning hubs”).

Beyond the four regional hubs municipalities, IDLG/GDMA has suggested a preliminary list of 16 target municipalities for including: Qala-e-Naw, Farah, Chaghcharan, Lashkar Gah, Qalat, Tirin Kot, Maimana, Sheberghan, Pul-e-Khumri, Asadabad, Ghazni, Pul-e-Alam, Maidan Shar, Mehterlam, Charikar, and Nili. USAID agrees with this recommendation and recognizes the challenges our implementing partners may face in ensuring adequate staff security and mobility for project implementation, monitoring, and evaluation in this transitioning environment. In the event that the Contractor assesses it would not be able to ensure a high-quality program because of staffing issues, transport logistics, or security in one or more of the target municipalities listed above, it may propose alternate provincial municipalities. The proposal should explain the reasons for making the alternate suggestion

USAID will issue one contract for SHAHAR and the program’s headquarters will be located in Kabul. At least one embedded advisor will be physically located in the offices of GDMA. Activities in target municipalities, including support to MABs, will be managed by embedded advisors who are physically located in municipal government offices. Such an arrangement will allow for a capacity-building approach that uses on-the-job training, coaching, and mentoring as the preferred method for transfer of systems and skills.

Although the primary foci of the SHAHAR project are GDMA and the selected provincial municipalities, development of the municipalities is a national priority and involves coordination of provincial capital-level efforts across multiple municipalities, not just the targeted municipalities. Recognizing this, SHAHAR is designed to permit and support initiatives and activities that take place outside of the selected municipalities but which benefit them. In fact, SHAHAR itself has deliverables – including the National Mayors’ Network (Deliverable A.1.8), Municipal Conferences (Deliverable A.1.9), and the network of MABs and advocacy groups (Deliverable C.1.3) – that require cross-municipality activities.

### **C.3 PROJECT COMPONENTS**

SHAHAR will encompass three components: (A) Assistance to the General Directorate of Municipal Affairs (GDMA), (B) Assistance to Mayors and Municipal Administrations, and (C)

Assistance to Municipal Advisory Boards (MABs).

COMPONENT A: Interventions at the GDMA level will focus on systematic reviews of municipal performance, dissemination of rules and regulations, mechanisms for feedback, budget approval, management of a pilot municipal block grant fund, establishment of a national mayors' network, and fulfillment of detailed land-use plans in coordination with the MUDA. In addition, a major focus of the contract will be to ensure that training capacity within GDMA is bolstered.

COMPONENT B: Interventions at the municipal government level will focus on implementation of customized capacity-building plans for improved performance, mechanisms for outreach and citizen consultation, revenue generation, improved forecasting, budget formulation and execution, project management including monitoring and evaluation, and mentoring of district municipalities.

COMPONENT C: Interventions targeting MABs will focus on systematic monitoring of municipal development projects and formal mechanisms for both citizen consultation and delivering feedback to municipal governments.

SHAHAR will address each component with a defined set of targeted deliverables, described in detail below. Each Component's set of deliverables will affect the four intermediate results of SHAHAR's results framework (See Attachment J.3 for a matrix illustrating the component and intermediate results to be achieved by deliverable). These deliverables and activities have been selected for a variety of interrelated reasons, including mutual agreement with GIRoA that these are needed developments of GDMA and the municipalities; they draw from the lessons learned from implementing municipality development programs previously in Afghanistan (e.g., from RAMP-UP); are a logical extension and appropriate next steps based on the progress GDMA and the municipalities have made thus far, and; incorporate the theories of change, principles for urban planning, and project themes outlined earlier in this section.

#### **COMPONENT A - ASSISTANCE TO GDMA**

One of the important lessons from the previous RAMP-UP program was that greater attention needed to be paid to strengthening GDMA, for it has coordinating, technical, training, and resourcing responsibilities that municipalities must depend on for their successful growth and effective functioning. Component A serves Sub-IR 1 and Sub-IR 2 by enhancing the capacity of the central level (GDMA) to perform its coordinating functions, and to help the municipalities strengthen their administrative and financial systems.

The objectives of SHAHAR under Component A are to assist GDMA to have the capacity – and to implement on a sustained basis – the following vis-à-vis the municipalities:

- Regularly review and evaluate each municipality's financial performance using the Integrated Financial Management System (IFMS).
- Regularly review and evaluate overall municipal performance and capacity using IFMS.
- Provision of periodic training on municipal competencies.

- Disseminate guidance, rules, and regulations to municipalities in a timely and systematic manner.
- Provide timely and constructive feedback to municipalities.
- Solicit feedback from municipalities in a systematic manner.
- Work with MUDA to measure, on an annual basis, municipalities' performance against comprehensive five-year urban plans (including detailed land-use plans).
- Manage the nationwide Municipal Development Fund (MDF) in coordination with the Ministry of Finance.
- Administer a nationwide network of Afghan mayors that meets regularly and acts as a forum for mayors to discuss shared challenges and opportunities.
- Approve annual municipal budgets in a maximum of three weeks.
- Draft and disseminate municipal gender guidelines.

## COMPONENT A: Deliverables

Numbering of Deliverables: The first letter of the numbering convention is the component of the program; the number that follows is the year; and the last number is the number of the deliverable for that component. E.g., A.1.2 is component A, Year 1, Deliverable number 2.

In order to achieve these objectives, the Contractor will produce a number of key deliverables. They are as follows:

### Development of the Integrated Financial Management System (IFMS) Hub and New Modules

The Contractor will develop two new IFMS modules to be integrated with the six current IFMS financial processes modules designed by RAMP-UP South and described in Attachment J.4. These two new modules, a repository of GDMA policies and a performance measurement system, will enhance IFMS, upgrading it into a more holistic municipal management system:

#### Deliverable A.1.1

Legal and Policy Module: This module will serve as a clearinghouse of national laws with implications for municipal governments, municipal standard operating procedures (SOPs) (developed under COMPONENT B deliverable Develop Standard Operating Procedures), terms of reference, executive decrees, and other GDMA policies. This module will give municipalities instant access to the complete archive of pertinent laws and GDMA directives. The module will allow GDMA to disseminate quickly new or modified information to municipalities. The Contractor will develop a systematized and intuitive system of cataloging these documents to ensure ease of document look-up. A search function may be developed if appropriate.

#### Deliverable A.1.2

Performance Measurement Databank Module: This module will serve as a municipal performance component wherein municipalities compile and input selected performance metrics (related to service delivery, customer service, citizen consultation, and other criteria determined in consultation with GDMA). GDMA will analyze this data to evaluate municipal performance. Municipalities may use this data to conduct their own performance analyses. Performance-based budgeting will not be a deliverable under SHAHAR; however, this module

will provide municipalities with a foundation for performance-based budgeting in the future.

#### Deliverable A.1.3

The Contractor will install a national IFMS Hub within GDMA's (or IDLG's, if appropriate) Information Technology Unit (ITU) in Kabul and provide ITU staff with appropriate training to operate and maintain the system. The IFMS Hub will be designed to upload data directly to GIROA's Afghanistan Financial Management Information System (AFMIS), if possible, or output data in a manner that is easily entered into AFMIS. SHAHAR will make the necessary IT investments, both in hardware and software, to install the IFMS Hub.

Where internet access is available and practical, the Contractor will link a municipality's IFMS to GDMA's IFMS Hub. These link-ups can be on an on-demand, intermittent basis, so the system does not require full-time internet service. The IFMS Hub will regularly download, organize, and compare data from municipalities' IFMSs and provide various automated reports to track municipal progress. The IFMS Hub will disseminate policy information to municipalities using the Policy Module described in deliverable A.1.1.

#### Deliverable A.3.1

By the end of the period of performance, GDMA will be able to evaluate municipalities' financial and technical performance in real time via data obtained from instantaneous IFMS reports. Specifically, GDMA will be able to assess municipal financial performance and overall municipal capacity using IFMS reports.

### Baseline and Annual Municipal Capacity Assessments

#### Deliverable A.1.4

One of the deliverables under Component B is Customized Capacity Building for Municipal Officials, in which the Contractor develops a municipal capacity index to assess the capacity of municipalities on a regular basis. Because of this, the index requires a baseline assessment to be completed early in project implementation to inform the customized capacity-building plans of each municipality. Therefore, the Contractor may need to develop the index and perform the baseline evaluation of municipal capacity assessment without significant participation of GDMA.

#### Deliverable A.2.1

The Contractor will perform the second annual municipal capacity assessment in conjunction with GDMA, training GDMA on assessment techniques and how assessment results can feed into capacity-building plans. The contractor will ensure that the GDMA will be able to assess and evaluate municipal capacity unaided during the third annual assessment.

### Improved Municipality-GDMA Communication System

#### Deliverable A.1.5

The Contractor will assist GDMA and municipalities to develop a two-way communications mechanism that allows GDMA to disseminate guidance to municipalities and provides municipalities with a feedback mechanism for communicating with GDMA. Using a case management system, the mechanism will track individual messages, requests, and relevant

responses. This mechanism can be part of IFMS (such as integrated into the new IFMS Policy Module – see Component A deliverable Implementation of the IFMS Hub and New Modules).

### Municipal Development Fund

#### Deliverable A.1.6

Taxing powers of municipalities are often limited by national law, as national governments can more effectively administer certain sources of revenue such as customs duties, profit taxes, and value added taxes. This practice, however, may lead to municipalities' share of total government expenditures exceeding their share of total government revenue. Hence, it is common practice worldwide for national governments to operate a mechanism that provides funding to municipalities to correct this imbalance.

GIRoA currently does not have the capacity or available funds to operate a national Municipal Development Fund (MDF) on a scale in line with governments that have such a system in place. However, the capacity should be developed to create a system of equitable national-to-municipal fiscal transfers and bring GIRoA in line with international best practice. In the Afghanistan context, such a fund would not need to be as large a portion of the national budget as other countries' centrally-managed municipal funds, as the services provided by Afghan municipalities are more limited than most municipalities worldwide.

Assistance through this project will aid GIRoA to develop a fund to help municipalities achieve their five-year comprehensive urban plans. To begin this process, the Contractor will work with GDMA, IDLG, and MoF to design, prepare, and operate a nationwide MDF pilot program. The purpose of the pilot is to demonstrate the benefits of the MDF to GIRoA officials, set up a framework for managing the MDF (including an objective and transparent methodology to distribute resources), and prepare GIRoA officials to independently manage the MDF.

The Contractor will work closely with GIRoA officials and USAID to ensure that MDF grant eligibility requirements mirror those used by model initiatives around the world, in particular similar World Bank-driven initiatives. Examples of successfully tested performance-based and needs-based initiatives include the Municipal Development and Lending Fund (MDLF) of West Bank/Gaza, which creates incentives for improving management practices (e.g., balanced budgets, audited accounts, and expenditures on maintenance) and the Municipal Development Fund of Georgia, assisted by the Regional and Municipal Infrastructure Development Program, which provides favorable financing to larger creditworthy municipalities and block grants to smaller municipalities with fiscal gaps.

The MDF allocation formula may be needs-based (e.g., calculated according to municipal population or revenue potential), performance-based (e.g., financial management criteria scored using a competitive process) or a hybrid of the two (e.g., two funding "windows" within the MDF structure). The final allocation formula will be agreed upon by GDMA, IDLG, and MoF through a careful, consultative process in order to increase the likelihood of the MDF being absorbed into GIRoA's national budget in future years. USAID anticipates that grants under the MDF will not be distributed until Year 2 of the project given the need to finalize the allocation formula and establish baseline performance measures. SHAHAR will be responsible for funding and managing the MDF until the mechanism has been fully absorbed into GIRoA's

national budget.

The SHAHAR pilot MDF will test the formula and make necessary adjustments in future years to ensure equity and the best possible distribution of resources. The Contractor will build the capacity of GDMA and other relevant GIRoA officials to manage the MDF. USAID will strongly consider channeling the project's MDF budget to an "on-budget" mechanism at a later date if the pilot demonstrates that: GIRoA is committed to including the MDF (or an equivalent fund) in the national budget, GDMA (or other central relevant central authorities) has the capacity to manage such a fund, the allocation formula is generally perceived by municipalities to be objective and transparent, and international donors are committed to supporting the MDF initiative. MDF eligibility requirements may include benchmarks related to female participation in the civil service at the municipal level.

The Contractor will dedicate roughly 5% of the project's total estimated cost of the SHAHAR project to the MDF during the term of the contract. Continuance of the MDF component after the first year of the project will require sufficient progress towards public financial management milestones as identified in the Public Financial Management Risk Assessment Framework (PFMRAF) conducted by USAID to assess IDLG's on-budget potential.

#### GDMA Embedded Advisor(s)

##### Deliverable A.1.7

The Contractor will provide at least one project-funded, full-time embedded advisor position in GDMA's offices. The advisor(s) will fulfill at least three roles:

**Liaison:** Act as a liaison between GDMA and the Contractor; assess and coordinate the activities of international donors; collect GDMA data for project purposes;

**Activity Advisor:** Provide direct assistance to GDMA on SHAHAR's nationwide initiatives, such as the MDF, IFMS, GIS capabilities, service delivery projects, evaluation of municipal performance, and skills transfer.

**Legal/Policy Advisor:** Interpret laws affecting GDMA, providing guidance to GDMA and municipalities to meet legal obligations. Advise GDMA on development of nationwide policies and directives, such as changes to revenue collection regimes, municipal contracting policies, municipal SOPs, and improving the enabling environment for gender mainstreaming.

The Contractor will conduct a thorough GDMA needs assessment at the beginning of the project in order to guide embedded advisor(s)' areas of focus and further define Component A deliverables.

#### National Mayors' Network

##### Deliverable A.1.8

The Contractor will assist GDMA to establish and guide a nationwide Mayors' Network. The network will foster interaction among Afghanistan's mayors, allowing mayors to learn from the successes and challenges of their colleagues and promoting regional cooperation. Regular

conferences, both regional and national, newsletters, and outreach to other mayoral associations may be required under this deliverable.

While SHAHAR will only operate in sixteen municipalities, all municipalities are eligible to participate under the National Mayors' Network component. The Contractor may budget for travel stipends as part of this component.

### National, Regional and District Municipal Conferences

#### Deliverable A.1.9

The Contractor will assist GDMA to organize national, regional, and potentially district municipal conferences on an annual basis. Started with the assistance of the RAMP-UP program, regional conferences have highlighted municipal successes, allowed administrations to connect, and spread lessons learned among municipal administrations. Expanding these conferences will help strengthen the Afghan municipal governance community. The Contractor will coordinate with GDMA and other donor programs, such as UNDP's Afghanistan Sub-National Governance Program (ASGP), to avoid redundant conferences. The Contractor may be required to organize district municipality conferences within specific provinces.

#### Mobile Training Teams:

#### Deliverable A.1.10

To build GDMA's ability to provide technical support to municipal finance staff, the Contractor will assist the directorate to establish Mobile Training Teams (MTTs) composed of GDMA staff. The teams will travel to provincial municipalities, providing on-site technical assistance to help municipalities meet GDMA's budget submission and other requirements. Visits can be on a regular or as-needed basis, depending on the needs of each municipality. The Contractor will assist GDMA to: draft terms of reference for MTT operation, select MTT trainers, provide MTT trainers with appropriate training, and set up a case management system that allows MTT trainers to follow-up with municipal staff for continued mentorship. Under this deliverable, the Contractor will ensure coordination with the Civil Service Commission (CSC) to ensure trainings are complementary and not redundant.

### Monitoring and Outreach Visits

#### Deliverable A.1.11

Due to GDMA's limited budget, relatively small staff, and the logistical challenges of traveling in Afghanistan, monitoring and outreach visits to municipalities (particularly small- and medium-sized municipalities) are lacking, thus weakening the connection between the central and subnational levels. The Contractor will assist GDMA with the design and implementation of an action plan, including an annual travel schedule, to improve GDMA's visibility and oversight function. To minimize costs, the Contractor should consider using MTT trainers as monitors, planning the action plan in conjunction with the MTT travel schedule.

## COMPONENT B - ASSISTANCE TO MAYORS AND MUNICIPAL ADMINISTRATIONS

Interventions at the municipal government level will focus on implementation of customized capacity-building plans for improved performance, mechanisms for outreach and citizen consultation, revenue generation, improved forecasting, budget formulation and execution, project management including monitoring and evaluation, and mentoring of district municipalities. By so doing, the Component B interventions will contribute to achievement of all four of the Sub-IRs.

Specifically, the objectives for the municipalities (i.e. municipal staff, mayors, and their offices) by the end of the period of performance for this contract are to:

- Establish and utilize process-based mechanisms for public consultation.
- Systematically catalog and evaluate citizen priorities.
- Utilize a defined process to determine which citizen priorities to incorporate into the annual budget.
- Submit annual budgets to GDMA electronically.
- Have in place a comprehensive five-year plan that covers land use, infrastructure needs, and economic growth initiatives.
- Analyze and compare recurring and non-recurring sources of revenue.
- Increase municipal revenue by 5 percent on an annual basis (year-on-year from the start of the contract).
- Expend at least 75% of their actual annual revenue.
- Ensure at least 75% of budget expenditures align with their comprehensive five-year plans.
- Utilize IFMS to:
  - o Record and monitor financial transactions
  - o Formulate and execute budgets
  - o Report financial data
  - o Maintain databases for business and property registration
  - o Manage human resources
  - o Record and monitor performance metrics
- Demonstrate improvements, on an annual basis, for at least three urban services utilizing quantitative tools and performance metrics.
- Convene a bi-weekly or monthly donor coordination meeting (if enough donor activity is in the municipality).
- Operate a citizen service center (CSC), creating a one-stop shop for citizens to interface with the municipality regarding access to services, payment of taxes and fees, and registration of complaints.
- Provide mentoring to district municipalities on basic administrative tasks.
- Provide adequate maintenance training to municipal employees to increase the useful life of municipal property and equipment.

### COMPONENT B: Deliverables

In order to achieve these objectives, the Contractor will produce a number of key deliverables under Component B:

## Embedded Municipality Advisors

### Deliverable B.1.1

The Contractor will provide embedded municipality advisors in each of the municipalities included in SHAHAR. The advisors will provide mentorship, capacity building training, and other TA to the municipality staff and officials. The Contractor will conduct a thorough needs assessment at the beginning of the project in order to guide embedded advisors' areas of focus and further define Component B deliverables.

Provide the TA needed for each municipality to stand up its own dedicated Public-Private Partnership Unit and assist each municipality to establish 2 - 3 PPP arrangements

Past municipal support programs in Afghanistan have led to a handful of public-private partnerships (PPP) and outsourcing arrangements for urban service delivery. The most common PPP models are tax and fee collection, parking lots, markets and slaughterhouses. The most common outsourcing arrangements deal with solid waste collection and municipal facility operations (e.g., parks and latrines). However, an uncertain regulatory environment has resulted in modest uptake of PPP and outsourcing models. Municipalities' potential to spur local economic development through well-structured outsourcing and PPP arrangements remains largely unrealized.

### Deliverable B.1.2

The Contractor will assist each municipality to establish a dedicated PPP unit within the municipal structure, a new GDMA requirement. The Contractor will assist the PPP unit with core functions including demand assessments, selection of the most appropriate PPP model, competitive tendering, selection of the most qualified partners, drafting of detailed contracts, clearly defining revenue streams, monitoring and auditing. Such principles can also be applied to managing outsourcing arrangements.

### Deliverable B.2.1

The Contractor will provide the technical assistance needed to establish at least two PPPs or outsourcing arrangements within each municipality over a three-year period. Outsourcing arrangements are relatively simple given they do not require a financial investment on the part of the municipality, whereas PPPs are more complex in nature. Therefore, the Contractor will carefully assess the municipality's capacity to undertake both types of arrangements and, in consultation with USAID, decide on an appropriate course of action.

PPPs, while defined in numerous ways, will be structured according to the definition used by the U.S.-based National Council for Public-Private Partnerships:

Under a public-private partnership, sometimes referred to as a public-private venture, a contractual arrangement is formed between public and private sector partners. These arrangements typically involve a government agency contracting with a private partner to renovate, construct, operate, maintain, and/or manage a facility or system, in whole or in part, that provides a public service.

Under these arrangements, the agency may retain ownership of the public facility or system,

but the private party generally invests its own capital to design and develop the properties. Typically, each partner shares in income resulting from the partnership. Such a venture, although a contractual arrangement, differs from typical service contracting in that the private-sector partner usually makes a substantial cash, at-risk, equity investment in the project, and the public sector gains access to new revenue or service delivery capacity without having to pay the private-sector partner.<sup>6</sup>

SHAHAR, in some cases, may provide capital cost contributions for PPPs (e.g., markets, parking lots, industrial parks, abattoirs) under the competitive urban service delivery mechanism (see Component Deliverable Competitive Urban Service Delivery Mechanism).

The Contractor will coordinate with the municipality, the citizenry, and the local Directorate for Women's Affairs to identify potential PPPs that meet the urban service delivery needs of women. Examples include women's markets and women's parks where women can engage in commerce and leisure in a safe, harassment-free environment. The Contractor will prioritize PPPs that enable women's participation in public life.

### Economic Development Plans (EDPs)

#### Deliverable B.1.3

Recognizing the important role municipalities play in local economic development, poverty alleviation, and job creation, the Contractor will work with municipal officials to create Economic Development Plans (EDP) in municipalities that do not yet have them. In municipalities that do have EDPs because of previous donor assistance, these documents should be updated to reflect current economic circumstances. The EDP is a practical, actionable, and living document that serves as a strategic planning tool for identifying potential PPPs and economic impact projects, a management tool for measuring progress, and a marketing tool for attracting donors and investors. The EDP will contain, at a minimum, a municipal economic profile, analysis of employment potential, actions the municipality will undertake to foster a more business friendly environment, a detailed list of project profiles (including the municipalities' contribution to all potential PPPs). The EDP will be part of the more expansive five-year comprehensive urban plan for each municipality (see Component B deliverable *Comprehensive Five-Year Urban Plan*). The EDP should outline actions the municipality will take to spur the local economy but should also make clear the actions a municipality cannot undertake (e.g., build a factory). Implementation of the EDC will be overseen by the Economic Development Committee, part of the Municipal Advisory Board (see Component C deliverable *Formation of the Economic Development Committee*).

The EDP should also include an advocacy plan for improving the business-enabling environment through legislative and policy reform, even if such reform must be instituted by national lawmakers. For example, the business community may take the position that low tariffs on imported produce have a negative impact on the local market. Alternatively, the business community may take the position that registration with the Ministry of Commerce requires simplification. By agreeing on an advocacy agenda to improve the business-enabling

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<sup>6</sup> <http://www.ncppp.org/ppp-basics/glossary-of-terms/>

environment, mayors and municipal officials can more effectively lobby governors, provincial council members, and national lawmakers on behalf of local business guilds.

### Competitive Urban Service Delivery Mechanism

#### Deliverable B.2.2

The Contractor will establish a competitive urban service delivery mechanism as part of the project's budget. The mechanism will be used for procurement of infrastructure and service delivery equipment including, but not limited to, solid waste management, roads and sidewalks, transportation terminals, streetlights, drainage, markets, public parks, and greenery. USAID contributions will not be executed, however, until municipalities apply for funding in a manner that demonstrates the following illustrative criteria:

- Environmental compliance
- Financial sustainability analysis
- Memorandum of Understanding stating the municipality will fund operations and maintenance in the out-years
- Monitoring plan
- Publication of municipal budget and annual financial performance
- Alignment with citizen priorities
- Impact analysis on the local private sector
- Budget execution performance (defined as expenditures over actual revenue)
- Women's usability

In addition to the aforementioned illustrative list of criteria for eligibility, municipalities will be expected to contribute at least 75% of the total project cost, with USAID contributing the remaining 25%. Although USAID and municipal funds will not be comingled, each party's contribution will be a component of the same overarching development project. For example, the municipality may fund the construction of a park and USAID the landscaping/irrigation; or the municipality may fund a sidewalk and USAID the streetlights needed to ensure safety. In the event a municipality has a small staff, limited budget, and/or minimal opportunities for increased revenue generation, the default cost share of 75% (municipality) and 25% (USAID) may be adjusted and/or a portion of the municipality's contribution may be in-kind. In such instances, the Contractor will obtain USAID concurrence before adjusting the default cost share. The Contractor will dedicate roughly 10% of the project's total estimated cost to this deliverable.

Municipalities may be eligible to receive assistance through this mechanism for the development of detailed land-use plans (see Component B Deliverable Comprehensive Five-Year Urban Plan). In this case, municipalities' cost share contributions can be in-kind (e.g., workspace, labor, and forums for citizen consultation) instead of financial. Detailed land-use plans may be contracted through Afghan or international private sector firms, however, Afghan firms with demonstrated capability will be given priority.

The final set of eligibility requirements for this mechanism will be decided by USAID in consultation with GDMA. Conditionality should be structured using a phased approach, allowing municipalities the space to make organizational improvements over the life of the contract. All applications for USAID financial contributions should originate from the

municipalities themselves, though the Contractor may provide technical assistance to the municipalities in preparing the analyses and materials. Applications will be reviewed by a committee composed of representatives from USAID, GDMA, and the Contractor. USAID contributions will not be activated until USAID provides concurrence. The competitive urban service delivery mechanism will be treated as a single, competitive mechanism for which all municipalities are eligible. There exists the possibility that some municipalities will not qualify for assistance. However, municipalities will be allowed multiple application attempts and the Contractor will provide the technical assistance needed to navigate the application process. Upon finalization of the project budget, the Contractor will seek USAID's approval of the maximum amount of financial support municipalities are eligible for throughout the life of the project. This will help ensure a more equitable distribution of resources.

The Contractor will coordinate with the municipality, the citizenry, and the local Directorate for Women's Affairs to identify potential projects that meet the urban service delivery needs of women. Examples include women's markets and women's parks, where women can engage in commerce and leisure in a safe, harassment-free environment. Development projects that encourage women's participation in public life will be given priority under this mechanism.

The Contractor will ensure that projects financed using this mechanism are used to "anchor" the skills acquired by the municipality through the project's capacity-building efforts under Component B Deliverable Customized Capacity Building for Municipal Officials.

Public-private partnerships forged with USAID technical assistance (see Component B Deliverable Public-Private Partnerships for Service Delivery) will be given priority under this mechanism.

### Create Urban Plans

Currently, most urban plans in Afghanistan are out-of-date, incomplete, or non-existent. This deficit of long-term planning means municipalities are operating without a shared vision around which to build budgets and design projects. The contractor will assist the selected municipalities in developing urban plans that take into account land use strategies, capital improvements, and improving delivery of public services.

#### Deliverable B.1.4

In close collaboration with MUDA, GDMA, municipal officials, and municipal citizens, the Contractor will produce a Municipal Urban Plan for each municipality participating in the project. Planning should be based on the fiscal reality of Afghan municipalities, not a wish list of development projects. Plans should be more modest in scope than those of a large metropolitan area in a highly industrialized country.

Land-use planning is essential for achieving sustainable urban development, particularly in a country like Afghanistan where a high rate of urbanization is transforming urban landscapes in small but quickly growing cities. According to the American Planning Association, "the goal of land-use planning is to further the welfare of people and their communities by creating convenient, equitable, healthful, efficient, and attractive environments for present and future generations." MUDA is currently taking the lead on developing strategic land-use plans for all

Afghan provincial capitals. In turn, municipalities are required to implement development projects in accordance with approved strategic land-use plans. The strategic land-use plans divide municipal territories into zones (e.g., residential, industrial, commercial, and green space).

### Deliverable B.2.3

A recent agreement between GDMA and MUDA gives municipalities' greater flexibility when commissioning detailed land-use plans. Municipalities now have three distinct options: plans can be produced by the municipality itself, by a private contractor, or by MUDA but with financial assistance from the municipal budget.

The SHAHAR Contractor may fund detailed land-use plans through the Component B deliverable Competitive Urban Service Delivery Mechanism. The process should be demand-driven and only undertaken in municipalities with a demonstrated need for land-use planning in specific zones in need of development, upgrading, or formalization. Detailed land-use plans may be contracted through Afghan or international private sector firms, however, Afghan firms with demonstrated capability will be given priority. Firms contracted to produce detailed land-use plans will act as facilitators and will include, to the extent possible, the following stakeholders in the preparation of detailed plans at the municipal level:

- MUDA Line Directorate staff
- Municipal Engineers
- Representative of the local business community
- Representative of IDLG/GDMA
- Observers from surrounding municipalities

The ultimate goal is to transfer land-use planning knowledge so that municipalities are capable of producing such plans with limited outside help in future years.

Design Interventions and Implement Trainings in order to have Provincial Capitals become Learning Hubs for Mentoring of District Municipalities

### Deliverable B.1.5

Provincial capitals are responsible for serving as "learning hubs" for outlying district municipalities even though all approved municipalities at both the provincial and district levels independently report to GDMA. From a geographic standpoint, provincial capitals are convenient locations for municipal officials from nascent district municipalities to acquire the skills needed to improve performance such as budget preparation, project management, financial management, human resource planning, and citizen consultation. Currently, this mentor-mentee relationship is primarily informal in nature; however, GDMA is committed to formalizing the arrangement through the provision of additional resources and the dissemination of policy guidelines. The Contractor will design specific interventions to strengthen provincial capitals as learning hubs for district municipalities.

### Deliverable B.2.4

Following the design of the learning hubs for mentoring of district municipalities strategies, the Contractor will proceed with implementation. Interventions will entail training for district

officials on basic administrative functions, accountability of local government, and delivery of urban services. The training methodology will emphasize temporary internships that place district officials as understudies with their provincial capital counterparts. Formal classroom trainings, communities of interest, and provision of SOPs will also complement efforts. As a cost-saving and efficiency measure, training for district municipal officials will primarily take place in provincial capitals. However, the Contractor may be required to provide targeted, short-term technical assistance on-site at district municipal offices. The Contractor will include in the budget a line item for district municipal office upgrades (e.g., office furniture, equipment, and supplies) and will utilize a “milestone funding” approach wherein district municipalities must meet agreed-upon performance requirements before being eligible for funding. Illustrative requirements include regular attendance at training events, utilization of SOPs, and individual action plans. Under this deliverable, the Contractor will coordinate with the Civil Service Commission to ensure trainings are complementary and not redundant.

#### Prepare and Implement Customized Capacity-Building Plans for Municipal Officials

Capacity building is a core, crosscutting component of SHAHAR. In order for mayors and municipal officials to perform their duties effectively, a mix of training methodologies will be needed to inculcate relevant skills. Training will consist primarily of on-the-job coaching and mentoring from embedded advisors. Classroom training and SOPs will also be utilized as skills transfer interventions. Given that a wave of new employees will enter municipal governments in the coming months and years as part of Civil Service Commission reforms, capacity-building efforts should be flexible enough to meet the needs of a dynamic and changing workforce. The goal and intent is that municipalities have the sustainable capacity to plan, fund, and execute development projects.

#### Deliverable B.1.6

Upon mobilization of the project, the Contractor will conduct a rapid municipal capacity gap assessment to determine how municipal staff is performing across a range of functional areas as well as create a capacity index tool using the assessment data. Using a capacity index, each functional area within each municipality will receive a baseline score.

#### Deliverable B.1.7

The Contractor will ensure that GDMA officials are trained on the capacity index tool and are familiar with the concept. The Contractor will not treat the capacity tool as a project-specific exercise but rather will take the steps needed to transfer the tool to GDMA in a gradual manner (see Component A deliverable, Evaluate Municipal Capacity). GDMA should have the capacity and will to implement the tool beyond the life of the contract to assess municipal capacity in a quantitative, comparable manner.

#### Deliverable B.1.8

The Contractor will then design a customized capacity-building plan for each municipality that takes into account the most pronounced gaps. On an annual basis, the Contractor will conduct the same assessment, in conjunction with GDMA, in order to measure capacity-building progress in a quantifiable manner. To the extent possible, the Contractor will seek to build on capacity assessments and indexes produced by previous USAID municipal support programs in Afghanistan.

Customized capacity-building plans will be structured according to five essential skill areas, along with the following illustrative relevant sub-skills:

#### Financial Management

- Revenue Generation
- Business and Property Registration
- Accounting
- Payroll

#### Strategic Planning

- Budgeting
- Strategic Plans
- Land-Use Plans
- Capital Improvement Plans
- Local Economic Development Plans
- Private Sector Participation in Service Delivery

#### Project Management

- Procurement
- Engineering and Public Works
- Operations and Maintenance
- Solid Waste Management
- Geographic Information System (GIS)

#### Administrative Reform

- Streamlined Operations
- Asset Management
- Standard Operating Procedures
- Citizen Service Centers
- Performance Metrics
- Employee Evaluations

#### Community Outreach

- Citizen Consultation
- Communications
- Coordination with Municipal Advisory Boards
- Women and Youth Initiatives
- Creating a Business Friendly Environment

#### Deliverable B.2.5

Drawing on baseline measurements and the customized capacity-building plans, the Contractor in collaboration with GDMA will work with the municipalities to implement the plans. Part of this process will include establishing specific performance goals for both individuals and departments. For example, the Revenue Department may establish as its annual goal to reduce late property tax payments by 50 percent; or, the Director of Outreach and Communications may establish as his/her goal to conduct town hall meetings at least once per month. The Contractor will work to ensure that realistic performance goals are inculcated by the

municipality and integrated into a municipality-owned performance evaluation system for both individuals and departments.

All training and training materials will be provided in the primary native language of each municipality. Training curricula will align, to the extent possible, with municipalities' SOPs and adherence to SOPs will be tested as a means to assess capacity improvement. The Contractor may be required to provide basic literacy and/or numeracy courses as a precursor to functional trainings.

The Contractor may be required to provide trainings on the aforementioned topics or specialized technical trainings for mayors on an as-needed basis. Customized trainings for mayors will strengthen mayors' ability to chair the City Coordination Body (CCB), a GDMA-sanctioned monthly coordination meeting between the mayor, relevant line directorates, and donors.

#### Develop Standard Operating Procedures (SOPs)

##### Deliverable B.1.9

The Contractor will develop SOPs to serve as guidelines for how municipal functions should be carried out. The emphasis for SOPs will be simplicity, clarity, and completeness. SOPs should be standardized across all municipalities as much as possible, but will be grounded in local experience to ensure acceptability. The SOPs will include best practices for internal control and separation of duties while complying with Afghan municipal policies. In the case of municipalities with existing SOPs in place, the Contractor will review and revise those documents, as required. The Contractor will validate the SOPs and then use them as a basis for developing functional training curriculums. Municipalities that are not yet ready to implement SOPs will be supported by the embedded advisors and technical managers to identify the limiting factors and resolve them.

#### Create Initiatives for Gender and Youth

##### Deliverable B.1.10

Women and youth constitute the majority of the population of Afghan municipalities, yet, for reasons ranging from cultural norms to lack of access to education, they are largely excluded from participation in governance or economic activities. The Contractor will work with municipalities and, where appropriate, governmental and non-governmental organizations to increase opportunities for these groups.

The Contractor will assist each municipality in developing and implementing a strategy to increase the participation of women in governance, which includes both municipal employment and civic activities. Interventions should be contextually appropriate and in alignment with IDLG's Gender Mainstreaming Policy and GDMA guidance. SHAHAR will also use the results of the USAID/Afghanistan Gender Analysis for SNG programs<sup>7</sup> to shape activities to improve gender equity.

The Contractor will exert all efforts to ensure that municipalities: (1) allocate a budget line in the annual budget for gender-related activities, (2) provide for development of women-only infrastructure like women's parks, women's public latrines, etc., (3) recruit and increase female employees in municipalities up to 30 percent as provided under NAPWA, (4) coordinate gender- and youth-related activities with other sub-national government entities and civil society organizations, and (5) develop and adopt policies that address the particular needs of businesswomen, youth, and other interest groups.

As stated in USAID's new Youth in Development Policy, the USG Foreign Assistance Framework defines youth development as activities that "support, protect, prepare, empower and engage youth, aged 10-29 years (including adolescents and young adults) for participation in civil society, work, and family life; and enable them to participate in addressing the development challenges of their communities and nations."<sup>8</sup>

### Initiatives for Public Outreach, Transparency, and Accountability

#### Deliverable B.1.11

Inclusiveness, outreach, transparency, and accountability are necessary for a municipality to attain legitimacy in the eyes of its population. Inclusiveness increases citizen involvement, outreach increases citizen awareness, and transparency and accountability build trust.

Municipalities must demonstrate they are open to public engagement, responsive to citizen needs, and able to deliver results. Accordingly, the Contractor will work with each municipality, and, where appropriate, its community leaders to develop the tools, skills, systems, and venues to effectively communicate and engage with their citizens. The Contractor may support initiatives of municipal outreach officials through grants under contract. Media initiatives, sports and cultural events, vocational trainings, citywide cleaning days, and other community events are illustrative examples.

Municipal transactions and activities must be transparent and accountable to public scrutiny. The Contractor will advise and assist each municipality to include transparency initiatives in its activities and processes, with specific emphasis on ensuring transparency of accounting, contracting, and hiring. Implementation and utilization of the Integrated Financial Management System (see Component B Deliverable Implementation and Utilization of the Integrated Financial Management System) will be an important step towards transparency of public financial management. The Contractor will work with municipalities and in consultation with GDMA to encourage publication of municipal budgets and financial reports.

Outreach methods will be both static and active. Static forms could include billboards, publically accessible bulletin boards, and public service announcements. For active methods, the Contractor will encourage the municipality to develop a variety of engagements such that all citizenry are provided the opportunity to participate in forums. The Contractor will also assist the municipality in developing a plan to respond systematically to issues and requests raised in public engagements with Municipal Advisory Boards and other citizen bodies.

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<sup>8</sup> [http://www.usaid.gov/sites/default/files/documents/1870/Youth\\_in\\_Development\\_Policy.pdf](http://www.usaid.gov/sites/default/files/documents/1870/Youth_in_Development_Policy.pdf)

## Conduct Assessments, Develop Plans, and Provide Technical Assistance on Solid Waste Management (SWM)

Under previous USAID municipal support programs in Afghanistan, capacity-building interventions were “anchored” in SWM initiatives. In most cases, Service Delivery Advisory Groups (SDAG) and other consultative bodies identified solid waste management as an urban service priority. Years of conflict, a limited local government presence, and stagnant revenues eroded community-driven systems for solid waste collection.

All Afghan municipalities now have a basic, functioning SWM system in place. In some cities, municipal governments no longer require donor subsidies and have successfully absorbed donor-funded equipment and labor. In other cities, subsidies and a high degree of technical assistance are still required to ensure continuity.

### Deliverable B.1.12

As part of the rapid municipality capacity gap assessment (see Component B Deliverable Customized Capacity Building for Municipal Officials), the Contractor will compile baseline measurements for each municipality related to SWM efficiency, coverage, and capabilities. This baseline will then form the basis for the Contractor to create customized Municipality Plans for SWM technical assistance for each.

### Deliverable B.1.13

The Contractor will use these Municipality Plans for SWM to implement interventions for SWM technical assistance tailored to the municipality. For example, nascent municipalities will require continued assistance with the refinement of basic systems whereas more advanced municipalities will need assistance with route analysis planning, performance-based budgeting principles, and the structuring of PPPs or outsourcing arrangements. Municipalities are eligible for financial support for SWM-related equipment and infrastructure under the competitive urban service delivery mechanism (see Component B deliverable Competitive Urban Service Delivery Mechanism). The Contractor may be required to take a similar approach to improving delivery of other urban services.

### Deliverable B.1.14

As a complement to solid waste management interventions, the Contractor will organize, in close coordination with the municipality, awareness-raising campaigns to educate the citizenry on the importance of maintaining a clean city, paying the Safay’i cleaning fees, and participating in primary waste collection. The Contractor will place a strong emphasis on the involvement of children. Building on the successes of USAID’s KCI project, the Contractor will incorporate the well-known Shir Sultan lion mascot into educational materials and events, thus ensuring brand continuity.

### Deliverable B.1.15

In addition to targeted technical assistance for SWM, the Contractor will produce at least one feasibility study in each municipality titled Clean and Green Approaches to Trash Collection. The feasibility studies will explore at least three contextually appropriate models for environmentally-responsible SWM initiatives that align with the principles of the triple bottom-line: environmental, social, and financial sustainability. Examples of appropriate initiatives

include but are not limited to a composting operation for organic waste, a recycling facility, a waste sorting facility, a waste-to-energy operation, or the utilization of plastic waste as road construction material. The feasibility studies should clearly lay out the steps needed to bring new initiatives to fruition, including private sector involvement and the structuring of appropriate PPPs or outsourcing arrangements.

#### Deliverable B.2.6

For proposals determined feasible by USAID, GIRA, and the Contractor under the Clean and Green Approaches to Trash Collection, the Contractor will provide the technical assistance needed to structure the PPPs or outsourcing arrangements (see COMPONENT B deliverable Private Sector Participation in Service Delivery).

#### Implementation and Utilization of the Integrated Financial Management System (IFMS)

USAID's Regional Afghan Municipalities Program for Urban Populations (RAMP-UP) established IFMS in several of Afghanistan's provincial municipalities (see Attachment J.4). IFMS merges a municipality's accounting, budgeting, payroll, revenue, financial reporting, business licensing, and property registration processes into one system to improve overall municipal financial management. As a result, the accountability, transparency, and efficiency of a municipality's use of resources are improved.

#### Deliverable B.1.16

The financial management capabilities of Afghanistan's provincial municipalities vary to a wide degree. Some require assistance in improving basic financial management practices while others may be ready to expand their system to provide a broader range of municipal management functions. Under Component A deliverable Implementation and Utilization of the Integrated Financial Management System Hub, the Contractor will perform an initial assessment of the financial management system (FMS) of each of the 16 municipalities in which SHAHAR works. Based on these assessments, the Contractor will develop an IFMS implementation plan for each municipality. At a minimum, each implementation plan will contain:

- A description of the municipality's current FMS.
- A description of the municipality's current financial management proficiency.
- A plan for IFMS development for the municipality for the remainder of the project, with milestones and timelines for each new IFMS module implemented.
- A detailed training plan to achieve the milestones laid out in the IFMS implementation plan.

The financial management capabilities of some municipalities may be assessed as too low to manage properly IFMS at its most basic level. In these cases, the Contractor may design a simpler spreadsheet-based FMS for the municipality to use as it builds the skills needed to achieve basic IFMS implementation.

#### Deliverable B.1.17

Once a municipality's IFMS implementation plan is complete and approved by the COR, the Contractor will immediately begin execution of the plan through the remainder of the contract. At least once per year, the Contractor will reassess the financial management capabilities of

each municipality. Based on the results of these assessments, the Contractor may modify a municipality's IFMS implementation plan and its accompanying milestones.

In its efforts to implement and ensure utilization of IFMS at the municipal level, the Contractor, to the extent possible, will use IT equipment purchased by USAID and transferred to the municipality under RAMP-UP. While IT investments in hardware, software, and internet service will be required for the national rollout of IFMS in some cases, USAID will apply considerable scrutiny when evaluating new IT purchases in support of this deliverable.

### Establish and Operationalize Citizen Service Centers

Citizen Service Centers (CSCs) are a best practice for municipal governments around the world. They function as "one-stop-shops" where citizens can inquire about a variety of municipal services (e.g., business and property registration, tax payments, trash collection, road repairs) or file complaints. In this way, the municipality can respond to requests for assistance in a systematic, responsive, and timely manner. CSCs reduce opportunities for corruption by standardizing services and streamlining interactions between citizens and government officials. Other benefits include improved organization, higher levels of customer service, and a local government that is accessible and responsive to citizen needs.

#### Deliverable B.1.18

The Contractor will establish and develop systems for a CSC in each municipality. In municipalities where a CSC has already been established the Contractor will provide technical assistance for improving operational effectiveness. The Contractor will oversee the implementation of a computer-based case management system for each CSC. An electronic case management system will allow municipalities to track individual requests, register complaints, and evaluate the municipality's service delivery efforts.

The CSC will provide, at a minimum, the following services:

- Business registration and licensing
- Property registration and issuance of the Safay'i booklet
- Verification of residency, passport and marriage applications, ID cards
- Property deed registration
- Construction permits
- Mail registry
- Processing of applications and petitions
- Service requests and complaints
- Public education and outreach
- Requests for information
- Municipal maps
- Calendar of cultural and community events
- Listing of NGOs
- Employment opportunities (job advertisements)
- Opportunities to do business with the municipality (bid notices)

The Contractor will procure the necessary equipment to operationalize each CSC. The Contractor may also allocate a budget for renovations of municipal buildings that will serve as

CSCs. Prior to the implementation of each CSC, the Contractor will ensure the municipality signs a memorandum of understanding agreeing to provide fulltime staffing, space, utilities, and operations and maintenance for the CSC once it is fully operational.

### International Study Tours and Conferences

#### Deliverable B.2.7

Most municipal officials in Afghanistan have not been exposed to local government models in other countries as a basis for comparison. International study tours are a proven method for exposing civil servants in the developing world to best practices, new modes of thought, and international mentors.

The Contractor must arrange conference participation and regional or international study tours for GDMA employees, mayors and municipal officials (including Municipal Advisory Board members); however, the Contractor must submit a detailed concept proposal for USAID's approval prior to implementation. Any proposal for international study tours must align with USAID/Afghanistan Mission Order 253.01, Participant Training (June 20, 2010).

The Contractor will ensure the selection process for international study tours or conference participation is transparent and competitive. Potential participants will be required to submit applications for consideration. The Contractor, along with USAID and GDMA, will form a panel to review applications. USAID will provide concurrence for all final decisions. The Contractor will ensure that participants in study tours and international conferences, upon their return, produce an action plan that details how lessons learned from exposure visits will be put into practice to improve job performance. The Contractor will then monitor each action plan and include updates when reporting to USAID.

### Municipal Internship Program

#### Deliverable B.2.8

A new Civil Service Commission merit-based hiring initiative will lead to greater numbers of young Afghans working in municipal government in the coming years. With approximately 70 percent of the country's population under 25 and an urban population growing at nearly five percent per year, Afghanistan's local government sector has the potential to absorb new, young employees as well as involve young Afghans in municipal decision-making. Internships are a proven means to expose youth to local public service and can lead to permanent employment.

The Contractor will design and implement a Municipal Internship Program drawing on internship best practices from around the world. In addition to performing their day-to-day duties, interns will receive additional training on municipal management fundamentals, project management, budgeting, revenue generation, public speaking, and principles of leadership. The Contractor will design the internship with an eye towards securing permanent employment for those participants willing to commit to public service. The Contractor will ensure to the greatest extent possible that the program reaches women interns and subsequently leads to permanent employment for women participants. The Contractor will work to ensure that female interns make up at least 50 percent of participants in each municipality. (In those municipalities that present significant cultural constraints to female participation, USAID and the Contractor will

decide upon targets that are realistic for the context).

### Business and Property Registration, Housing Number Plates, Mobile Money, and Other Forms of Revenue Generation

To become sustainable, self-financed government entities, municipalities must have sufficient and diverse revenue streams to pay for the services required by a growing population. As a result of previous municipal support programs, many municipalities now have systems in place to both register properties and businesses and collect annual taxes in partnership with participating banks. However, municipalities still require targeted technical assistance to maintain these systems, incorporate them into their IFMS, train new employees, and fine-tune collection procedures.

#### Deliverable B.1.19

The Contractor will assist municipalities to continue systematic registration of properties and businesses to create a more accurate GIS-based database for levying and collecting business fees and Safay'i tax. The registration process will also generate information on characteristics of properties and structures for assessment purposes. Accurate registration data also allows for realistic planning of service improvements. The Contractor will continue to provide technical assistance to the revenue (collections) and real property management (tax mapping) functions of the municipalities. The Contractor will utilize, to the extent possible, IT equipment (desktop computers, scanners, printers, barcode readers, etc.) purchased under the RAMP-UP project for establishing basic automatic systems for business and property registration and Safay'i tax administration. Upgrades and new equipment purchases will be reviewed closely by USAID.

Under the capacity-building core function of Financial Management (see Component B Deliverable Customized Capacity Building for Municipal Officials), the Contractor will work with each municipality's Revenue Department to evaluate potential new sources of revenue, assess feasibility of such sources (including legality), and implement collection methods following approval by provincial and central authorities. This will allow municipalities to broaden the revenue base by including new and innovative forms of revenue generation. Illustrative examples of additional revenue sources include user fees for public facilities (e.g., parking lots), rental of municipal property, expansion of Safay'i to include line ministry offices, sale or leasing of municipal land, map fees, penalties and fines, billboard revenue, sanitation inspections, and enterprise funds (for which benefits are only conferred to users of the service).

#### Deliverable B.1.20

The Contractor will work with each municipality to identify the most appropriate mix of revenue (both recurring and non-recurring) and will develop a Revenue Generation Action Plan (RGAP) with each municipality to guide this process. For those municipalities that already have an RGAP, the Contractor will work with the municipality to update the plan based on current economic conditions.

Under this deliverable, the Contractor will explore the possibility of semi-annual billing and implement semi-annual collections if feasible. Switching to a semi-annual billing will smooth the city's cash flow, be less of a payment burden on citizens, and decrease the amount of outstanding receivables.

Deliverable B.1.21

As a new revenue generation activity, the Contractor will implement a scheme for assigning housing number plates to each municipality. Housing number plates are essential for delivering a variety of services including emergency response, trash collection, and mail delivery. Installation of housing number plates will require a nominal fee from each household. The Contractor will assess the feasibility of implementing this scheme under a PPP or outsourcing arrangement (see Component B Deliverable Private Sector Participation in Service Delivery). Prior to implementation, the Contractor will assist the relevant municipal department with a GIS-based master plan for systematically assigning numbers to each property.

Deliverable B.1.22

Mobile Money is a scalable cell phone technology that provides secure and affordable financial services to customers in developing countries. As an innovative approach to revenue generation, the Contractor will assess the feasibility in each municipality of implementing a Mobile Money system for the municipality to receive municipal fee payments. Mobile Money may save citizens valuable time when paying business license and Safay'i fees while benefiting the municipality with increased collections and improved transparency.

Deliverable B.1.23

With the Contracting Officer's Representative (COR) as facilitator, the Contractor will work with USAID/ Afghanistan's Economic Growth Office to implement a Mobile Money pilot in at least one municipality.

Deliverable B.2.9

If the Mobile Money pilot is found successful, USAID will request the Contractor to replicate the same model in additional municipalities.

## **COMPONENT C - ASSISTANCE TO MUNICIPAL ADVISORY BOARDS (MABs)**

Interventions targeting MABs will focus on systematic monitoring of municipal development projects and formal mechanisms for both citizen consultation and delivering feedback to municipal governments. By the end of the period of performance of this contract, MABs (and eventually Municipal Councils) will be aware of the functions they are envisioned to play in municipal governance, which are described in the Terms of Reference (ToR) in Attachment J.6, and as well will be laid out eventually in the new municipal laws. MABs will also be able to perform, and with an increasing degree of competence and confidence, their functions under the ToR, which include:

- Facilitating and promoting citizen representation on a regular basis in all facets of municipal administration.
- Handling, documenting, and systematically addressing citizen priorities and concerns.
- Monitoring municipal service delivery.
- Reviewing municipal budgets, development plans, and contracts.
- Reviewing municipal fees and charges.
- Oversight of municipal administration.
- Recommending municipal by-laws and regulations.

MABs will also be able to effectively incorporate public participation and gender development

principles, youth, and other cross-cutting themes in all or many aspects of municipal administration and operations, including budgets, development plans and projects, service delivery activities, and tashkeels.

### **COMPONENT C: Deliverables**

The Contractor will be expected to provide the following deliverables under SHAHAR:

#### Create and Implement a Capacity-Building Program for MAB Members

##### Deliverable C.1.1

The Contractor will develop and implement a comprehensive, culturally sensitive capacity building program for MABs that will enable members to perform adequately their various tasks. This may include classroom and learning-by-doing exercises and activities. As much as practical, the training will include both males and females to promote better interaction among genders. However, separate trainings for females that are aimed to improve further their capacity and roles as gender advocates may be designed and conducted. Suggested topics for capacity building include:

- Financial and performance audits
- The procurement process
- Oversight function
- Raising public awareness
- Facilitating public meetings, hearings, consultations
- Conflict dispute resolution
- Communication and public speaking
- Critical, analytical, and strategic thinking
- Advocacy and confidence building techniques
- Effective leadership and decision making
- Negotiation and alliance building
- Management and supervision
- Public administration
- Information on ways to mainstream gender
- Engaging media and civil society organizations

The Contractor's capacity-building plan should account for the fact that MABs are temporary bodies that will eventually be supplanted by Municipal Councils when municipal elections are held, as stipulated in the Afghan Constitution. MABs, while temporary, will serve as democratic foundations for citizens' formal participation in local government.

#### Formal Mechanisms for Citizen and Civil Society Participation and Representation in Municipal Affairs

##### Deliverable C.1.2

The Contractor will assist MABs in developing culturally appropriate mechanisms to increase public awareness of citizens' and municipalities' roles and responsibilities in community-building as well as promote and encourage citizen and civil society engagement in all facets of

municipal activity and operations. These mechanisms will both ensure that municipalities routinely take into account citizens' needs and priorities and strengthen the roles of citizens as development partners and transparency "watchdogs" in the communities. For example, citizens should be able to participate in development of municipal plans and budgets, in the review of municipal revenues and expenditures, and other activities through regular public hearings, consultations, roundtable discussions, and other forums. The Contractor will ensure that the mechanisms involve all sectors of the community, including businesspeople, women, youth, professionals, marginalized groups, and others.

### Regional/National Network of MAB Members and Advocacy Groups

#### Deliverable C.1.3

The Contractor will facilitate the organization of a regional and/or national network of MAB members, a female MAB members' coalition, and other specific advocacy groups to share lessons learned and ensure that community engagements continues beyond the life of the project.

## **C.4 MONITORING, EVALUATION, AND REPORTING**

The Contractor must produce a performance management plan (PMP) (as stated in Section F.5.B) for approval by USAID. This PMP must reflect the following assistance objective and intermediate results of the Mission's Governance Results Framework, including sub-intermediate results specific to this project, as follows:

**AO:** Improved performance and accountability of governance

**IR:** Sub-national governance strengthened to meet citizen priorities and needs in service delivery

**Sub IR 1:** Planning processes improved at the municipal level in coordination with the central level

**Sub IR 2:** Municipal administrative and financial systems strengthened

**Sub IR 3:** Improved capacity at the municipal level to advocate, lobby, and represent citizen needs

**Sub IR 4:** Citizen awareness, understanding, and engagement of municipal governance improved

The Contractor must present a PMP that demonstrates how all outcomes will support a robust and evidence-based results framework. The PMP will include all relevant results, indicators, and targets by year. The PMP will include at least four indicators per outcome reflecting the targets presented in the Components. In addition, wherever possible the PMP must disaggregate indicators by gender. The Contractor must present the PMP, using the information provided below as a starting point, with adjustments made based on the specific technical approach and methodology for gathering data. USAID will approve the final PMP.

**Outcome 1: Planning processes improved at the municipal level in coordination with the central level**

## Expected Result:

- Long term, strategic planning in close coordination with GDMA will provide citizens with the best possible mix of services given limited resources.
- Illustrative Indicators and Targets:
- Number of municipalities with comprehensive five-year plans in place and utilized.
- End-of-project target: 16 municipalities
- Percent of municipal development projects aligned with the municipality's approved strategic and detailed land-use plans.
- End-of-project target: 80%
- Average number of days required for GDMA to approve municipal budgets.
- End-of-project target: 30 days
- Number of municipal budgets formulated using a consultative process.
- End-of-project target: 16 municipal budgets
- Percent of actual annual revenue expended by municipalities on a yearly basis.
- End-of-project target: 90%

**Outcome 2: Municipal administrative and financial systems strengthened**

## Expected Result:

Standardized and streamlined municipal systems will lead to more effective delivery of urban services.

## Illustrative Indicators and Targets:

- Number of municipalities using an automated, transparent information management system for all financial and budget functions.
- End-of-project target: 12 municipalities
- Number of municipalities with SOPs in place in all municipal departments.
- End-of-project target: 16 municipalities
- Number of municipalities able to demonstrate improved performance for at least three key services using quantitative tools.
- End-of-project target: 15 municipalities
- Number of municipalities submitting annual budgets to GDMA electronically.
- End-of-project target: 15 municipalities
- Percentage increase of municipal revenue on an annual basis.
- End-of-project target: 20%
- Percentage of development project costs covered by municipalities under the Competitive Urban Service Delivery Mechanism
- End-of-project target: 75%
- Number of municipalities using sustainable planning techniques (citizen consultations, environmental compliance, maintenance planning, gender inclusion) for urban service delivery.
- End-of-project target: 16 municipalities

### **Outcome 3: Improved capacity at the municipal level to advocate, lobby, and represent citizen needs**

#### Expected Result:

Municipal systems for receiving and evaluating citizen priorities and concerns will lead to informed municipal decision-making better able to meet citizen needs.

#### Illustrative Indicators and Targets:

- Number of municipalities with functioning citizen service centers.
- End-of-project target: 15 municipalities
- Number of outreach events organized by a municipal administration.
- End-of-project target: 36 outreach events (at least one per month)
- Number of citizen inquiries officially registered by citizen service centers.
- End-of-project target: 12,000 registered inquiries
- Citizen satisfaction ratings of municipal service delivery efforts.
- A majority of surveyed citizens acknowledge service delivery improvements over the life of project.
- Citizen satisfaction ratings of municipal outreach efforts.
- A majority of surveyed citizens acknowledge service delivery improvements over the life of project.

### **Outcome 4: Citizen awareness and engagement of municipal governance improved**

#### Expected Result:

Improved oversight of municipal affairs will lead to transparent and accountable service delivery.

#### Illustrative Indicators and Targets:

- Number of municipal advisory boards actively monitoring municipal service delivery projects.
- End-of-project target: 16 municipalities
- Number of municipal advisory boards with a systematic process for receiving and responding to citizen concerns.
- End-of-project target: 16 municipalities
- Number of municipal public participation mechanisms.
- End-of-project target: 3 per municipality (town hall, budget hearing, annual progress report presentation)
- Level of citizen awareness of municipal initiatives
- End-of-project target: A majority of surveyed citizens can name at least one new initiative undertaken by the municipality in the past year
- Number of municipal projects amended due to MAB input
- End-of-project target: 3 per municipality (1 per year)

Each year the Contractor will conduct a citizen perception survey that gauges not only overall perceptions of municipal governance and service delivery, but also perceptions of specific sub-projects under the contract. The Contractor will be required to collect baseline data for all indicators, and this baseline will be used to evaluate program impact and results in each quarterly report. Agreement will be reached between the Contractor and USAID as to how data for these indicators will be tracked to ensure consistency. Baseline data gathering will be completed within the first six months, with initial results from secondary sources provided within 90 calendar days of contract award. The Contractor will budget approximately 0.006% or less of the project's total estimated cost for annual citizen perception surveys.

The PMP will be supported by a work plan for the Contractor that will include specific implementation and budgeting for the initial and subsequent 12 months. The Contractor must submit quarterly and annual reports in addition to short weekly and monthly operational briefs and quarterly data entry into USAID's Afghan Info database.

The Contractor must think carefully and strategically about which indicators are appropriate within the proposed program context and adequately reflect programmatic results. The focus of these indicators must be on the quality of measurement capacity and ability to gather requisite information.

#### **C.4.1 Program Evaluation**

The Contractor must demonstrate how the technical approach complements or expands on the theory of change approach for SHAHAR to achieve measureable, sustainable results.

The theories of change central to this program include:

- Long-term strategic planning will provide citizens with the best possible mix of services given limited resources.
- An integrated performance and financial management system will enable municipal managers to deliver more effectively urban services.
- Municipal systems for receiving and evaluating citizen priorities and concerns, including those of marginal populations, will lead to informed municipal decision-making better able to meet citizens' needs.
- Improved oversight of municipal affairs by central authorities and local representative bodies will lead to transparent and accountable service delivery.

In order to measure progress towards achieving these theories of change, monitoring and evaluation plans for this project will be designed to answer the following illustrative key questions through mid-term (1.5 years) and final program evaluations:

- Are the trainees currently using the new skills/knowledge they gained from SHAHAR training?
- What changes have taken place regarding the functionality of IFMS?

- What were the characteristics of high and low revenue municipalities?
- How do municipalities plan to sustain the gains made in revenue generation and service delivery without continued donor assistance?
- Do municipal workers feel that corruption has reduced within the municipal government? Why or why not?
- Have municipal workers' attitudes changed towards the inclusion of women and youth in municipal activities and decision-making?
- What factors led to the formation of profitable public-private partnerships and/or outsourcing arrangements for municipal service delivery?

USAID intends to conduct complementary programmatic evaluations through a separate mechanism. External, third party evaluations – including a mid-term and final evaluation – will be covered by this separate mechanism. The Contractor must budget for monitoring, first party evaluations, and the collection of a baseline.

### **C.5 PROJECT MANAGEMENT APPROACH**

The COR function will be located at the U.S. Embassy in Kabul. Monitoring will entail a four-tiered approach: USAID will utilize field-based staff located at regional platforms; the Contractor will monitor against the PMP; IDLG's Monitoring and Evaluation Unit and Municipal Advisory Boards, with USAID assistance, will play a greater in monitoring municipal-level activities; and the remaining monitoring gaps will be covered by a Monitoring Support Program (MSP) that works through local Afghan organizations. The Contractor must provide all governmental and non-governmental monitoring organizations with access to project sites, records, informational resources, subcontractors, and project stakeholders as required.

Under the contract, advisors will be embedded in the municipalities to carry out the day-to-day work of the project including on-the-job mentoring and oversight of service delivery subprojects. These embedded advisors will be physically located in municipal offices to ensure maximum interaction and knowledge transfer.

The project will have one headquarters based in Kabul. Key personnel based in Kabul will travel to municipalities for key leader engagements, special events, and onsite inspections for quality control.

Prior to commencing work, a memorandum of understanding detailing contributions by each municipality to the project will be signed. At a minimum, municipalities are required to provide workspace and associated utilities within municipal offices.

The Contractor will ensure that, to the extent possible, all interventions at the municipal level are informed and approved by mayors to ensure that SHAHAR aligns with municipal governments' short- and long-term goals.

SHAHAR's start-up is not likely to take place before the end of the RAMP-UP project. However, the Contractor will work with USAID, GDMA, and the municipalities to obtain useful project documents, tools, and other information from the RAMP-UP project in order to promote a

smooth programmatic transfer.

In line with USAID Forward and good development practices, the Contractor will partner with local organizations to implement the project and build capacity of Afghan organizations specializing in local governance. In the proposal, one or two local partners will be named to carry out specific activities throughout the life of the project.

#### **C.6 GRANTS UNDER CONTRACT**

The Contractor may utilize grants under contract to non- governmental organizations in order to support specific initiatives of municipal outreach officials. Media initiatives, sports and cultural events, vocational trainings, citywide cleaning days, and other community events are illustrative examples. The Contractor will obtain mayors' concurrence for all grants under contract to ensure activities align with municipal priorities. Groups not registered with GIROA will not be eligible for grants under contract.

The Grants under Contract component should account for approximately [REDACTED] of the total project budget. Unless USAID authorizes an exception, individual grants should be less than [REDACTED]. Special contract requirement listed under contract section H.35 will also apply.

**[END OF SECTION C]**

## SECTION D: PACKAGING AND MARKING

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### D.1 BRANDING STRATEGY

The branding strategy for this contract, as specified in USAID ADS 320.3.2.1 is as follows:

**Program Name:** Strong Hubs for Afghan Hope and Resilience (SHAHAR)

**Branding:** The branding must incorporate the message: The assistance is “from the American People jointly sponsored by USAID and the Government of the Islamic Republic of Afghanistan.”

**Desired Level of Visibility:** USAID identity must be prominently displayed on commodities or equipment; in printed, audio, visual or electronic public communications; in studies, reports, publications, web sites, and all promotional and informational products; and events.

**Organizations to Acknowledge:** The branding may acknowledge other organizations deemed as partners of an event or deliverable.

### D.2 AIDAR 752.7009 - MARKING (JAN 1993)

- (a) It is USAID policy that USAID-financed commodities and shipping containers, and project construction sites and other project locations be suitably marked with the USAID emblem. Shipping containers are also to be marked with the last five digits of the USAID financing document number. As a general rule, marking is not required for raw materials shipped in bulk (such as coal, grain, etc.), or for semi-finished products which are not packaged.
- (b) Specific guidance on marking requirements should be obtained prior to procurement of commodities to be shipped, and as early as possible for project construction sites and other project locations. This guidance will be provided through the cognizant technical office indicated on the cover page of this contract, or by the Mission Director in the Cooperating Country to which commodities are being shipped, or in which the project site is located.
- (c) Authority to waive marking requirements is vested with the Regional Assistant Administrators, and with Mission Directors.
- (d) A copy of any specific marking instructions or waivers from marking requirements is to be sent to the Contracting Officer; the original should be retained by the Contractor.

### D.3 BRANDING AND MARKING POLICY

In accordance with provision D.1 above, and where applicable, the Contractor shall comply with the requirements of the policy directives and required procedures outlined in USAID Automated Directive System (ADS) 320.3.2 “Branding and Marking in USAID Direct Contracting” and USAID “Graphic Standards Manual” available at <http://www.usaid.gov/branding>, or any successor branding policy.

[END OF SECTION D]

## SECTION E: INSPECTION AND ACCEPTANCE

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### E.1 NOTICE LISTING CONTRACT CLAUSES INCORPORATED BY REFERENCE

The following contract clauses pertinent to this section are hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the clause at FAR "52.252-2 CLAUSES INCORPORATED BY REFERENCE" in Section I of this contract. See <http://acquisition.gov/far/index.html> for electronic access to the full text of a FAR clause.

FEDERAL ACQUISITION REGULATION (48 CFR Chapter 1)

NUMBER	TITLE	DATE
52.246-5	INSPECTION OF SERVICES--COST-REIMBURSEMENT	APR 1984

### E.2 INSPECTION AND ACCEPTANCE

USAID inspection and acceptance of services, reports and other required deliverables or outputs must take place at the principal place of performance or at any other location where the services are performed and reports and deliverables or outputs are produced or submitted. The COR listed in Section G has been delegated authority to inspect and accept all services, reports and required deliverables or outputs.

### E.3 MONITORING AND EVALUATION PLAN

A multi-tiered monitoring and evaluation approach will be adopted to ensure program impacts are identified accurately and reported on a timely basis. The result of these monitoring and evaluation efforts will be used to assess whether or not objectives are being achieved and if they should be adjusted. The Contractor must input all required information into the USAID Afghan Info System (or any successor database) on a quarterly basis. This monitoring and evaluation approach is consistent with the Mission's focus on ensuring effective monitoring and evaluation, in a transition environment with a reduced Chief of Mission, (COM), footprint.

The Multi-Tiered Approach recognizes the increasing importance of a variety of monitoring actors to gather project monitoring data. The first tier of the monitoring and evaluation approach will consist of monitoring conducted by USG staff including the USAID Contracting Officer Representative (COR). The COR and his/her support staff are envisioned to engage in regular consultations with the IP, in person and through regular meetings and attendance at project-related events in Kabul, and remotely through other means of communication. The COR will also review any monthly, quarterly, and annual reports reflecting the progress of the project.

The second tier of monitoring will be conducted by the IP, through an internal monitoring and evaluation (M&E) system, which will include data collection on the precise project locations, using various methods, such as GPS and/or hard copy maps, on a weekly basis. The third tier of monitoring will be provided by GIRoA actors. This will consist of monitoring through data collected using internal GIRoA M&E systems. Furthermore, the COR and the IP will have

regular communications, access to reports, and meetings with GIRoA officials that could provide additional monitoring data. This may occur on a weekly, monthly, or more frequent basis, depending on availability of resources.

The fourth tier of monitoring will be offered through local organizations, such as civil society, media organizations, and other stakeholders. The COR will actively monitor open source reports from these entities and, where possible, develop a direct relationship in order to facilitate gathering relevant information. The fifth and last tier of monitoring will be conducted through an independent mechanism. This level of monitoring will provide additional data and analysis through illustrative documentation of project results such as GPS-, date-, and time-stamped photos of project sites, surveys of beneficiaries, conducted in person and remotely, and crowd-sourcing.

#### **E.4 PERFORMANCE STANDARDS**

Evaluation of the contractor's overall performance in accordance with performance standards/indicators established under Section C of this Contract and must be conducted jointly by the COR and the Contracting Officer, and must form the basis of the contractor's permanent performance record with regard to this Contract. The COR and Contracting Officer will undertake periodic evaluations of the Contract to discern their level of satisfaction with services rendered under this contract. The following general performance standards must form the basis of the evaluation for the Contractor Performance Assessment Report (CPAR):

##### **1. Quality of Product and Service**

The contractor's conformance to Contract requirements, specifications, and standards of good workmanship (e.g., commonly accepted technical, professional, environmental, or safety and health standards).

- Does the product or service provided meet the specifications of the contract/order?
- Does the contractor's work measure up to commonly accepted technical or professional standards?
- What degree of Government technical direction was required to solve problems that arise during performance?

##### **2. Schedule**

Timeliness of the contractor against the completion of the contract, milestones, delivery schedules, and administrative requirements (e.g., efforts that contribute to or affect the schedule variance). This evaluation of the contractor's adherence to the required delivery schedule will include the contractor's efforts during the evaluation period that contributes to or affects the schedule variance. This element applies to contract/order closeout activities as well as contract/order performance. Instances of adverse actions such as the evaluation of liquidated damages or issuance of Cure Notices, Show Cause Notices, and Delinquency Notices are indicators of problems which may have resulted in variance to the contract/order schedule and should, therefore, be noted in the evaluation.

### 3. Cost Control

The contractor's effectiveness in forecasting, managing, and controlling Contract cost:

- Does the contractor keep within the total estimated cost (what is the relationship of the negotiated costs and budgeted costs to actuals)?
- Did the contractor do anything innovative that resulted in cost savings?
- Were billings current, accurate and complete?
- Are the contractor's budgetary internal controls adequate?

### 4. Business Relations

Integration and coordination of all activity needed to execute the Contract, specifically the timeliness, completeness and quality of problem identification, corrective action plans, proposal submittals, the contractor's history of reasonable and cooperative behavior (to include timely identification of issues in controversy), customer satisfaction, timely award and management of subcontracts.

- Is the contractor oriented toward the customer?
- Is interaction between the contractor and the government satisfactory or does it need improvement?
- Adequacy of the contractor's accounting, billing, and estimating systems and the contractor's management of Government Property (GFP) if a substantial amount of GFP has been provided to the contractor under the Contract.
- Timeliness of awards to subcontractors and management of subcontractors, including subcontract costs. Efforts taken to ensure early identification of subcontract problems and the timely application of corporate resources to preclude subcontract problems from impacting overall prime contractor performance.
- Prime contractor's effort devoted to managing subcontracts and whether subcontractors were an integral part of the contractor's team.

### 5. Management of Key Personnel

The contractor's performance in selecting, retaining, supporting and replacing when necessary key personnel. For example:

- How well did the contractor match the qualifications of the key position, as described in the Contract, with the person who filled the key position?
- Did the contractor support key personnel so they were able to work effectively?
- If a key person did not perform well, what action was taken by the contractor to correct this?
- If a replacement of a key person was necessary, did the replacement meet or exceed the qualifications of the position as described in the contract/order schedule?

### 6. Other Areas

As applicable in those instances where an aspect of the contractor's performance does not fit into any of the other criteria.

[END OF SECTION E]

## SECTION F: DELIVERIES OR PERFORMANCE

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### F.1 NOTICE LISTING CONTRACT CLAUSES INCORPORATED BY REFERENCE

The following contract clauses pertinent to this section are hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the clause at FAR 52.252-2 "CLAUSES INCORPORATED BY REFERENCE" in Section H of this contract. See <http://acquisition.gov/far/index.html> for electronic access to the full text of a FAR clause and [http://www.usaid.gov/sites/default/files/documents/1868/aidar\\_0.pdf](http://www.usaid.gov/sites/default/files/documents/1868/aidar_0.pdf) for electronic access to the full text of an AIDAR clause.

#### FEDERAL ACQUISITION REGULATION (48 CFR Chapter 1)

NUMBER	TITLE	DATE
52.242-15	STOP-WORK ORDER ALTERNATE I	AUG 1989 APR 1984

#### AIDAR PART 752

752.7005	SUBMISSION REQUIREMENTS FOR DEVELOPMENT EXPERIENCE DOCUMENTS	SEP 2013
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### F.2 PERIOD OF PERFORMANCE

The period of performance for this contract is three (3) years, beginning on the date specified in Box 20C of the SF-26 cover page.

### F.3 PLACE OF PERFORMANCE

The place of performance under this Contract is Afghanistan, as specified in Section C, Statement of Work.

### F.4 AUTHORIZED WORK DAY/WEEK

No overtime or premium pay is authorized under this Contract. A six-day workweek is authorized.

### F.5 REPORTS AND DELIVERABLES

In addition to other required reports and deliverables in this contract, the Contractor must deliver the following to the Contracting Officer's Representative (COR). Items identified by an asterisk (\*) will also be submitted to the USAID Development Experience Clearinghouse (DEC), upon COR approval of final draft versions.

## A. REPORTS

1. **Work Plan:** This plan will outline activities to be conducted to achieve program targets and objectives.
2. **Municipalities' Capacity Assessment, Baseline Data Collection, and GDMA Needs Assessment Report:** This report will include an overarching municipal capacity index, baseline index data and assessments of each of the municipalities' capacities, and a rapid but thorough needs assessment of GDMA to refine and inform the project's planned work with GDMA.
3. **Environmental Mitigation and Monitoring Plan:** This will be developed by the contractor and approved by USAID prior to the launch of each activity having a potential adverse impact on physical and natural environment.
4. **Grants under Contract Manual:** The contractor will describe the objectives, target beneficiaries, procedures for approval, dispersal process, and monitoring mechanisms for utilizing the available grant funds.
5. **Weekly Progress Reports:** These reports are designed to keep the COR and Regional Platforms informed of all ongoing program information and results in target municipalities.
6. **Monthly Progress Reports:** These reports are designed to keep the COR and Regional Platforms informed of all ongoing program information and results in target municipalities.
7. **Quarterly Progress Reports\*:** The main thrust of the quarterly report is to discuss progress towards the indicators and intermediate results in the Performance Management Plan and a section outlining how the contract objectives have been achieved that quarter. These reports will discuss progress made during the previous quarter, problems encountered when not routine, successes or anecdotes worthy of highlighting, and good practices for programming in less-permissive areas. Quarterly Reports must include at least one USAID-approved Success Story in the approved USAID format. Quarterly reports may be submitted to GIRoA once USAID has provided approval.
8. **Annual Progress Reports\*:** Annual reports will be submitted in lieu of the fourth quarterly report of every year. Reporting must clearly distinguish between the last quarterly data, and overall annual reporting.
9. **Final Progress Report\*:** The Contractor must submit a detailed draft final report 60 calendar days prior to contract completion, which will include but not be limited to:
  - i. Financial report showing, by line item, the amounts expended.
  - ii. Summary of accomplishments achieved under this contract tied to the contract objective and Intermediate Results.
  - iii. Clearly show how the contract objectives have been accomplished or not and why.
  - iv. Discussion of problems encountered and where objectives were not achieved.

- v. Lessons learned.
- vi. Suggestions concerning desirable future and follow-on projects, if any.
- vii. Description of all municipal entities to include GIROA and non-GIROA partners along with Afghan non-governmental organizations which whom the Contractor worked with and an evaluation of their strengths and weaknesses.
- viii. Index of all reports and information products produced under this contract.
- ix. Attest that all relevant reports have been submitted to the Development Experience Clearinghouse (DEC).
- x. Analyze baseline data versus the final results

The draft final narrative report will be submitted 60 calendar days prior to contract completion date, and final report will be submitted within 30 days after completion date of the contract.

10. **Branding and Marking Plan:** The contactors shall submit a Branding and Marking Plan that adheres to the USAID Branding and Marking requirements and will inform how all projects branding and marking will be implemented. It is expected that all sub-projects will be branded unless a waiver is requested from the USAID Mission Director. It is also expected that GIROA will be co-branded for all projects. USAID’s COR may request that this plan is updated during the life of the project. The Branding and Marking Plan shall be submitted to the COR within 45 working days of the award.
11. **Demobilization, Closeout Plan and the Disposition of Assets:** During the last year of the Contract term at least 90 days before the completion date of the Contract, the Contractor shall provide to USAID COR and CO in writing a proposed plan for the orderly closeout of the contract activities and the disposition of the assets remaining at the termination of the Contract. This will also include an explanation of how any disposed goods will be effectively maintained and utilized. USAID shall approve or disapprove the proposed plan in writing, at least 60 days prior to the completion of the Contract. However, regardless of any prior approval of all or portions of the proposed disposition plan for assets, USAID reserves the right to direct or redirect such disposition plan.

**B. SUMMARY**

REPORTS	DESCRIPTION AND DUE DATE
Work Plan	The Draft Work Plan will be submitted to the COR within 45 calendar days of the effective date of the contract. The Contractor must then work with USAID (at central and field platform levels) to finalize the document within 90 calendar days of the effective date of the contract.
Performance Management Plan and Baseline Data Collection	The Contractor must submit to USAID a plan for collection of key baseline and control data within 45 calendar days of the effective date of the contract. Secondary data will be used to finalize the Performance Management Plan (PMP) and be available within 90 calendar

	days of the effective contract date. Primary data collection and analysis will be completed by 180 calendar days of the effective contract date and incorporated into the PMP.
Municipalities' Capacity Assessment, Baseline Data Collection, and GDMA Needs Assessment Report	The Contractor must submit to USAID by the end of the Month 5 of the effective contract date a Municipalities' Capacity Assessment and Baseline Data Collection Report. This report will include an overarching municipal capacity index, baseline index data and assessments of each of the municipalities' capacities (see Deliverables A.1.4 and B.1.5), and a rapid but thorough needs assessment of GDMA to refine and inform the project's planned work with GDMA (see Deliverable A.1.7). If necessary, based on the findings of these assessments/primary data collection, the PMP will be further refined.
Environmental Mitigation and Monitoring Plan	The need for environmental mitigation will be dependent on activities proposed and the requirement to mitigate risk. The EMMP will be submitted to the COR for USAID review and approval within 90 calendar days of the effective date of the contract.
Grant Under Contract Manual	The Grant Under Contract Manual will be submitted to the COR within 45 calendar days of the effective date of the contract. The Contractor must then work with USAID to finalize the document within 90 calendar days of the effective date of the contract.
Weekly Progress Reports	Weekly Reports will be submitted to the COR and USAID Platform representatives on Wednesday of each week.
Monthly Progress Reports	Monthly Reports will be submitted to the COR and USAID Platform representatives on the 15th of the following month.
Quarterly Progress Reports*	The Contractor must submit progress reports on a quarterly basis. The draft will be submitted to the COR not later than 30 calendar days after the close of each U.S. fiscal year quarter (i.e. 1st quarter ends on 31 December, 2nd quarter ends on 31 March, 3rd quarter ends on 30 June, and 4th quarter ends on 30 September). Each quarterly report will also include a quarterly PMP data update. Annual reports will be in lieu of fourth

	quarterly reporting.
Annual Report*	The annual report will be submitted within 30 calendar days after the end of the annual reporting period.
Final Program Report*	The draft final narrative report will be submitted 60 calendar days prior to contract completion date, and final report will be submitted within 30 days after completion date of the contract.
Branding and Marking Plan	The Branding and Marking Plan shall be submitted to the COR within 45 working days of the contract award.
Demobilization, Closeout Plan and the Disposition of Assets:	At least 90 days before the completion date of the Contract, the Contractor shall provide to USAID COR and CO in writing a proposed plan for the orderly closeout of the contract activities and the disposition of the assets remaining at the termination of the Contract. This will also include an explanation of how any disposed goods will be effectively maintained and utilized. USAID shall approve or disapprove the proposed plan in writing, at least 60 days prior to the completion of the Contract. However, regardless of any prior approval of all or portions of the proposed disposition plan for assets, USAID reserves the right to direct or redirect such disposition plan.

### C. STATEMENT OF WORK DELIVERABLES

DELIVERABLE NUMBER	DELIVERABLE	DUE DATE
Deliverable A.1.1	IFMS - Legal and Policy Module	By end of Year 1
Deliverable A.1.2	IFMS - Performance Measurement Databank Module	By end of Year 1
Deliverable A.1.3	IFMS - GDMA National Hub	By end of Year 1
Deliverable A.3.1	GDMA able to evaluate municipalities' financial and technical performance in real time via data obtained from instantaneous IFMS reports.	By end of Year 3
Deliverable A.1.4	Develop Municipality Capacity Index and prepare Municipalities' Capacity	By end of Month 5 in Year 1

DELIVERABLE NUMBER	DELIVERABLE	DUE DATE
	Assessment and Baseline Data Collection Report	
Deliverable A.2.1	Second Annual Municipality Capacity Assessment	By end of Year 2
Deliverable A.1.5	Two-way GDMA – Municipalities Communication System installed	By end of Year 1
Deliverable A.1.6	Municipal Development Fund piloted	By end of Year 1
Deliverable A.1.7	GDMA Municipal Advisor(s) embedded	By end of Month 4 in Year 1
Deliverable A.1.8	Mayor’s Network established	By end of Year 1
Deliverable A.1.9	Annual National, Regional, District Conferences	TBD
Deliverable A.1.10	GDMA Mobile Outreach Teams established	By end of Month 8 in Year 1
Deliverable A.1.11	GDMA Monitoring & Outreach Visits begin	By end of Month 9 in Year 1
Deliverable B.1.1	Municipalities’ Advisors embedded	By end of Month 4 in Year 1
Deliverable B.1.2	Municipal PPP Unit established with SHAHAR assistance	By end of Year 1
Deliverable B.2.1	2+ PPP or Outsourcing Arrangements established in each Municipality	Preferably by end of Year 2, no later than Year 3
Deliverable B.1.3	Economic Development Plans for each Municipality	By end of Year 1
Deliverable B.2.2	Competitive Urban Service Delivery Mechanism established in each Municipality	By end of Month 18 in Year 2
Deliverable B.1.4	Individual Municipal Urban Plans	By end of Year 1
Deliverable B.2.3	Individual Municipal Land Use Plans	By end of Year 2
Deliverable B.1.5	Design interventions for included Provincial Capitals to be Learning Hubs for neighboring District Municipalities	By end of Year 1
Deliverable B.2.4	Implement designed interventions for Learning Hubs in B.1.4	By end of Year 2
Deliverable B.1.6	Rapid Municipalities’ Capacity Gap Assessments and create Capacity Index Tool	By the end of Month 5 of Year 1
Deliverable B.1.7	GDMA adoption of, and training on, the Capacity Index Tool	By the end of Year 1
Deliverable B.1.8	Individual Municipalities’ Capacity Building Plan prepared annually	First by end of Year 1

DELIVERABLE NUMBER	DELIVERABLE	DUE DATE
Deliverable B.2.5	Implement Capacity Building Plan with each municipality.	By end of Year 2
Deliverable B.1.9	Develop Standard Operating Procedures for/with Municipalities	By end of Year 1
Deliverable B.1.10	Create and implement a strategy to increase women and youth's participation in municipal governance	By end of Year 1
Deliverable B.1.11	Undertake initiatives to increase public outreach, transparency, and accountability of municipal governance	By end of Year 1
Deliverable B.1.12	Create Municipalities' Plans for Solid Waste Management	By end of Year 1
Deliverable B.1.13	Implement Municipality Plan for Solid Waste Management with each municipality	By end of Year 2
Deliverable B.1.14	Establish Municipal Awareness Raising Campaigns on maintaining clean cities	By end of Year 1
Deliverable B.1.15	Feasibility Study on Clean and Green Approaches to Trash Collection for each Municipality	By end of Year 1
Deliverable B.2.6	Implement Clean and Green Approaches to Trash Collection in feasible municipalities	By end of Year 2
Deliverable B.1.16	Develop an Implementation Plan for IFMS in each Municipality	By end of Year 1
Deliverable B.1.17	Implement IFMS (or simpler appropriate system where required) in each municipality	By end of Year 1
Deliverable B.1.18	Establish and develop systems for a Citizen Service Center (CSC), or improve existing one, in each municipality	By end of Year 1
Deliverable B.2.7	Propose and implement international study tours and conferences as appropriate	By end of Year 2
Deliverable B.2.8	Design and implement a Municipal Internship Program	By end of Year 2
Deliverable B.1.19	Assist municipalities to continue systematic registration of properties and businesses to create a more accurate GIS-based database for levying and collecting business fees and Safay'i tax.	By end of Month 4 in Year 1
Deliverable B.1.20	Develop Revenue Generation Action Plans for each Municipality	By end of Year 1
Deliverable B.1.21	Implement a scheme for each Municipality to assign Housing Numbers	By end of Year 1
Deliverable B.1.22	Assess feasibility of implementing Mobile Money systems in each Municipality	By end of Year 1

DELIVERABLE NUMBER	DELIVERABLE	DUE DATE
Deliverable B.1.23	Implement Mobile Money pilot in at least one Municipality	By end of Year 1
Deliverable B.2.9	If the Mobile Money pilot is successful replicate it in additional Municipalities	By end of Year 2
Deliverable C.1.1	Develop and Implement a Capacity Building Program for Municipal Advisory Boards	By end of Year 1
Deliverable C.1.2	Development and Implement formal mechanisms for Citizen and Civil Society Participation and Representation in Municipal Affairs	By end of Year 1
Deliverable C.1.3	Establish a Regional and/or National Network of MAB Members, a Women’s MAB Members’ Coalition, and other advocacy group(s)	By end of Year 1

**F.6 KEY PERSONNEL**

a) The personnel specified below are considered essential to the work being performed hereunder. Prior to replacing any of the specified individuals, the Contractor must notify both the CO and the USAID COR reasonably in advance and as soon as possible and must submit written justification (including proposed substitutions) in sufficient detail to permit evaluation of the impact on the contract. No replacement will be made by the Contractor without the written consent of the Contracting Officer.

<u>Number</u>	<u>Position</u>	<u>Name</u>
1.	Chief of Party	
2.	Deputy Chief of Party	
3.	Senior Municipal Governance Advisor	
4.	Senior Revenue Generation & Economic Development Advisor	
5.	Senior Subcontracts, Grants & Compliance Manager	

**Qualifications of Key Personnel:**

The **Chief of Party** candidate will be responsible for – but not limited to – overall program management, providing leadership to attain objectives, ensuring adequate communications with USAID, and identifying and mitigating program risks. The candidate for this three-year position should meet the following minimum qualifications:

**Education:** A minimum of a master’s degree in public policy, urban planning, international development, or other relevant field such as political science is required;

**Work Experience:**

- At least 10 years of progressively responsible international development experience in managing and implementing large governance or urban development programs, including contract management.
- Demonstrated expertise in local governance and urban development, capacity building, and program design and implementation.

**Supervisory Experience:**

- At least 10 years of progressively responsible supervisory experience, including:
  - Direct supervision of professional and support staff.
  - Experience in building and effectively supervising a diverse team of employees.
  - Quality evaluation of staff performance and deliverables.
  - Excellent interpersonal skills and demonstrated ability to hold staff accountable for quality outputs and results.

**Other Requirements:**

- Professional oral presentation and concise writing skills in English are required. Therefore, the candidate must have the equivalent of a FSI S4/R4 proficiency in the English language.
- Ability to interact regularly and professionally with senior host-government counterparts on policy and other strategic planning issues.
- Demonstrated organizational skills and strong record of accomplishment in meeting deliverables and deadlines.
- Demonstrated ability to work collaboratively with other project implementers, local implementing partners, and teams implementing USG- or other donor-funded programs, including activities in different sectors such as infrastructure, economic growth, and water/sanitation.
- Excellent interpersonal and communication skills with external stakeholders such as national and local government officials, other donors and implementing partners, etc.

**Desirable Qualifications:**

- Prior experience in designing and implementing governance programs in Afghanistan, the region, or a conflict or post-conflict country is highly desirable.
- Experience working in city management is highly desirable.
- Capacity to effectively deal with and resolve conflict.
- Demonstrated ethical management approach.
- Demonstrated team building and management skills.
- Professional proficiency (equivalent to FSI S3/R3) in Dari or Pashto.

**The Deputy Chief of Party** candidate will be responsible for – but not limited to – providing support for overall program management, fulfilling the responsibilities of the Chief of Party when required, managing field operations to ensure achievement of goals, and identifying and mitigating program risks. The candidate should be an Afghan national. The candidate for this three-year position must meet the following minimum qualifications:

**Education:** A minimum of a bachelor's degree in public policy, urban planning, international development, or other relevant field such as political science is required;

**Work Experience:**

- At least 5 years of progressively responsible international development experience in managing and implementing large governance or urban development programs, including contract management.
- Demonstrated expertise in local governance and urban development, capacity building, and program design and implementation.

**Supervisory Experience:**

- At least five years of progressively responsible project management and supervisory experience, including:
  - Direct supervision of a diverse team of professional and support staff.
  - Excellent interpersonal skills and demonstrated ability to motivate staff to be accountable for program outcomes.
  - Experience mentoring and building capacity of national staff

**Other Requirements:**

- Equivalent to a FSI S4/R4 proficiency in Dari or Pashto is required. Professional proficiency (equivalent to FSI S3/R3) in English is required.
- Ability to interact regularly and professionally with senior host-government counterparts on policy and other strategic planning issues.
- Demonstrated organizational skills and strong record of accomplishment in meeting deliverables and deadlines.
- Demonstrated ability to work collaboratively with other project implementers, local implementing partners, and teams implementing USG- or other donor-funded programs, including activities in different sectors such as infrastructure, economic growth, and water/sanitation.
- Excellent interpersonal and communication skills with external stakeholders such as national and local government officials, other donors and implementing partners, etc.

**Desirable Qualifications:**

- Prior experience in designing and implementing governance programs in Afghanistan, the region, or a conflict or post-conflict country is highly desirable.
- Experience working in city management is highly desirable.
- Capacity to effectively deal with and resolve conflict.
- Demonstrated ethical management approach.
- Demonstrated team building and management skills.

**The Senior Municipal Governance Advisor** candidate will be responsible for – but not limited to – providing technical leadership for program activities related to support for the General Directorate of Municipal Affairs (GDMA) and Municipal Advisory Boards (MABs), customized capacity-building plans for municipal officials, and citizen outreach. The candidate for this position must meet the following minimum qualifications:

**Education:** A minimum of a master’s degree in in public policy, urban planning, international development or other relevant field such as political science is required.

**Work Experience:**

- At least five years of progressively responsible experience in implementing large governance programs, particularly in transitional, Islamic, or post-conflict countries.
- Demonstrated experience developing activities to promote citizen participation in local government.
- Record of accomplishment of project design, project implementation, capacity building, and working with host government officials and other related players.
- Prior experience with Afghanistan's Independent Directorate for Local Governance (IDLG) is highly desirable.

**Supervisory Experience:**

- At least five years of progressively responsible project management and supervisory experience, including:
  - Direct supervision of a diverse team of professional and support staff.
  - Excellent interpersonal skills and demonstrated ability to motivate staff to be accountable for program outcomes.
  - Experience mentoring and building capacity of national staff

**Other Requirements:**

- Excellent, demonstrable, oral, interpersonal and written communication skills in English. Dari or Pashto proficiency is desirable.
- Ability to interact regularly and professionally with senior host-government and community level counterparts on activity selection, planning, and field implementation.
- Demonstrated organizational skills and strong record of accomplishment in meeting deliverables and deadlines.

**The Senior Revenue Generation and Economic Development Advisor** candidate will be responsible for – but not limited to – program activities related to public-private partnerships for service delivery, revenue generation, and the Integrated Financial Management System (IFMS). The candidate for this position must meet the following minimum qualifications:

**Education:** Minimum of a master's degree in business administration, economics, accounting, finance, or other relevant work experience, such as being a practicing Certified Professional Accountant, is required.

**Work Experience:**

- At least five years of progressively responsible experience managing the public finance or economic development components of large donor-funded programs, particularly in transitional, Islamic, or post-conflict countries.
- Prior experience with municipal/city financial management is highly desirable.

**Supervisory Experience:**

- At least five years of progressively responsible program management and implementation experience developing economic development and public finance activities.
- Direct supervision of a diverse team of professionals including technical and support staff.

- Excellent interpersonal skills and demonstrated ability to motivate staff to be accountable for program outcomes.

**Other Requirements:**

- Equivalent to a FSI S4/R4 proficiency in the English language is required. Professional proficiency (equivalent to FSI S3/R3) in Dari or Pashto is desirable.

**The Senior Subcontracts, Grants, and Compliance Manager** candidate will be responsible for – but not limited to – activities related to procurement of service delivery equipment and infrastructure, compliance with all USAID rules and regulations, internal audits, monitoring of sub-grantees, and program risk mitigation. The candidate for this position must meet the following minimum qualifications:

**Education:** Minimum of a university degree in international development, public policy, urban planning, or other relevant field such as political science, is required.

**Work Experience:**

- At least five years of progressively responsible contract, subcontract and/or grants and compliance management , with demonstrated ability to:
  - Ensure quality and timeliness of service delivery equipment and infrastructure sub-projects.
  - Ensure compliance with regulations, USAID policies, and USAID/Afghanistan Mission Orders and Implementing Partner Notices.
  - Manage grants under contract funds.
  - Establish standards and procedures to ensure that compliance efforts throughout the project are effective and efficient in preventing, detecting, identifying, and correcting noncompliance with applicable rules and regulations.
  - Ensure compliance to organizational policies, procedures, and internal controls.
  - Ensure due diligence that funds are not being diverted from their development purpose outlined in the contract and are not vulnerable to corruption, extortion or otherwise benefitting malign groups.

**Other Requirements:**

- Equivalent to a FSI S4/R4 proficiency in the English language is required. Professional proficiency (equivalent to FSI S3/R3) in Dari or Pashto is desirable.
- Relevant certification from internationally recognized compliance or auditing organization (Institute of Internal Auditors, International Standards Organization, American Society for Quality, International Register of Certified Auditors, etc.) is highly preferred.
- At least five years of experience in quality control, audit, procurement, finance, management or legal fields.

**Other Personnel**

As needed, the program may also engage the services of expert local (Afghan) or expatriate (US or TCN) technical advisors on a long- or short-term basis to provide expertise in areas not possessed by other staff, including subcontractors. Such advisors will have high technical and professional qualifications and experience, and their use in each case will be based on these.

Each advisor must be assigned to work under the control and supervision of the COP, DCOP and Technical Team Leads. Expatriates and local Afghan experts may both be utilized, as necessary, to meet the objectives of SHAHAR. The skills and composition of these technical staff must make it possible that the implementer is able to give a professional briefing in English on any of the project's core areas, to USAID, at any of its locations. This does not necessarily require that all Afghan technical staff have English fluency; however, it does require that the staff composition, location thereof, and their language skills allow for a briefing at all of USAID's relevant locations.

A broad range of such technical expertise may be required to carry out the multiple components of this contract. The contractor is expected to use subcontractors with expertise related to the respective program activities to fulfill staffing requirements. Illustrative technical specialist areas include – but are not limited to – the following:

- Solid Waste Management
- Environmental Sustainability, Assessment and Compliance
- Tax Collection
- Information Technology Systems
- Performance-Based Municipal Grant Funds
- Gender
- Capacity Development
- GIS Mapping
- Community Mobilization
- Grants Management
- Monitoring and Evaluation
- Procurement
- Communications

**[END OF SECTION F]**

**SECTION G: CONTRACT ADMINISTRATION DATA**

**G.1 AIDAR 752.7003 DOCUMENTATION FOR PAYMENT (NOV 1998)**

A. Claims for reimbursement or payment under this contract must be submitted to the Paying Office indicated in the schedule of this contract. The Contracting Officer’s Representative (COR) is the authorized representative of the Government to approve vouchers under this contract. The Contractor must submit either email, paper or fax versions of the SF-1034 – Public Voucher for Purchases and Services Other Than Personal. Each voucher must be identified by the appropriate USAID contract number, in the amount of dollar expenditures made during the period covered.

- 1) The SF 1034 provides space to report by line item for products or services provided. The form provides for the information to be reported with the following elements:

<b>TOTAL EXPENDITURES</b> <b>(Document Number: XXX-X-XX-XXXX-XX)</b>			
Line Item	Description	Amt. Vouchered To Date	Amt. Vouchered This Period
0001	Assistance to the General Directorate for Municipal Affairs (GDMA)	\$XXXX.XX	\$XXXX.XX
0002	Assistance to Municipal Governments		
0003	Support to Municipal Advisory Boards	\$XXXX.XX	
0004	Grants Under Contract	\$XXXX.XX	
0005	Fee	\$XXXX.XX	
<b>Total</b>		<b>\$XXXX.XX</b>	

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

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

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

- B. Local currency payment. The Contractor is fully responsible for the proper expenditure and control of local currency, if any, provided under this contract. Local currency will be provided to the Contractor in accordance with written instruction provided by the Mission Director. The written instructions will also include accounting, vouchering, and reporting procedures. A copy of the instructions must be provided to the Contractor’s Chief of Party and to the Contracting Officer. The costs of bonding personnel responsible for local currency are reimbursable under this contract.
  
- C. Upon compliance by the Contractor with all the provisions of this contract, acceptance by the Government of the work and final report, and a satisfactory accounting by the Contractor of all Government-owned property for which the Contractor had custodial responsibility, the Government shall promptly pay to the Contractor any moneys (dollars or local currency) due under the completion voucher. The Government will make suitable reduction for any disallowance or indebtedness by the Contractor by applying the proceeds of the voucher first to such deductions and next to any un-liquidated balance of advance remaining under this contract.
  
- D. The Contractor agrees that all approvals of the Mission Director and the Contracting Officer which are required by the provisions of this contract must be preserved and made available as part of the Contractor’s records which are required to be presented and made available by the clause of this contract entitled “Audit and Records – Negotiation”.

**G.2 ADMINISTRATIVE CONTRACTING OFFICE**

The Administrative Contracting Officer and Office for all post-award matters is:

  
 USAID/ Afghanistan  
 Office of Acquisition and Assistance  
 U.S. Embassy  
 East Compound  
 Great Masood Road  
 Kabul, Afghanistan

U.S. Address:

Office of Acquisition & Assistance (OAA/Kabul)  
 USAID, Afghanistan  
 6180 Kabul Place,  
 Dulles, VA 20189-6180

**G.3 CONTRACTING OFFICER’S REPRESENTATIVE (COR)**

The Contracting Officer’s Representative (COR) for post-award management of the contract activity is:

[REDACTED]  
Office of Democracy & Governance (ODG)  
USAID/Afghanistan,  
[REDACTED] [REDACTED]

**G.4 CONTRACTOR’S PRIMARY POINT OF CONTACT**

The contractor’s primary point of contact for post – award administration matters is:

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

**G.5 TECHNICAL DIRECTIONS/RELATIONSHIP WITH USAID**

A. Technical Directions are defined to include:

- 1) Written directions to the Contractor which fill in details, suggest possible lines of inquiry, or otherwise facilitate completion of work;
- 2) Provision of written information to the Contractor which assists in the interpretation of drawings, specifications, or technical portions of the work statement;
- 3) Review and, where required, provide written approval of technical reports, drawings, specifications, or technical information to be delivered. Technical directions must be in writing, and must be within the scope of the work as detailed in Section C.

B. The COR is authorized by designation to take any or all action with respect to the following which could lawfully be taken by the Contracting Officer, except any action specifically prohibited by the terms of this Contract:

- 1) Assure that the Contractor performs the technical requirements of the contract in accordance with the contract terms, conditions, and specifications.
- 2) Perform or cause to be performed, inspections necessary in connection with a) above and require the Contractor to correct all deficiencies; perform acceptance for the Government.

- 3) Maintain all liaison and direct communications with the Contractor. Written communications with the Contractor and documents must be signed as "Contracting Officer's Representative" with a copy furnished to the Contracting Officer.
- 4) Issue written interpretations of technical requirements of Government drawings, designs, and specifications.
- 5) Monitor the Contractor's production or performance progress and notify the Contractor in writing of deficiencies observed during surveillance, and direct appropriate action to effect correction. Record and report to the Contracting Officer incidents of faulty or nonconforming work, delays or problems.
- 6) Obtain necessary security clearance and appropriate identification if access to Government facilities is required. If to be provided, ensure that Government furnished property is available when required.

LIMITATIONS: The Contracting Officer's Representative is not empowered to award, agree to, or sign any contract (including delivery or purchase orders) or modifications thereto, or in any way to obligate the payment of money by the Government. The Contracting Officer's Representative may not take any action that may affect the contract schedule, funds, scope, or rate of utilization of LOE. All contractual agreements, commitments, or modifications that involve prices, quantities, quality, and schedules shall be made only by the Contracting Officer.

- a) In the separately-issued Contracting Officer's Representative Designation letter, the CO designates an alternate Contracting Officer's Representative to act in the absence of the designated Contracting Officer's Representative, in accordance with the terms of the letter.
- b) Contractual Problems - Contractual problems, of any nature, that may arise during the life of the contract must be handled in conformance with specific public laws and regulations (i.e. Federal Acquisition Regulation and Agency for International Development Acquisition Regulation). The Contractor and the Contracting Officer's Representative must bring all contracting problems to the immediate attention of the Contracting Officer. Only the Contracting Officer is authorized to formally resolve such problems. The Contracting Officer will be responsible for resolving legal issues, determining contract scope and interpreting contract terms and conditions. The Contracting Officer is the sole authority authorized to approve changes in any of the requirements under this contract. Notwithstanding any clause contained elsewhere in this contract, the said authority remains solely with the Contracting Officer. These changes include, but will not be limited to the following areas: scope of work, price, quantity, technical specifications, delivery schedules, and contract terms and conditions. In the event the Contractor effects any changes at the direction of any other person other than the Contracting Officer, the change will be considered to have been made without authority.
- c) Failure by the Contractor to report to the Administrative Contracting Office, any action by the Government considered to a change, within the specified number of days contained in FAR 52.243-7 (Notification of Changes), waives the Contractor's right to any claims for equitable adjustments.

**G.6 PAYING OFFICE**

The preferred method of transmission of invoices is through electronic medium at the following address: [KabulAIDEVouchers@state.gov](mailto:KabulAIDEVouchers@state.gov). Subject line must read Award No: AID-306-C-14-00016 and name of firm, Development Alternatives, Inc. (DAI). The SF-1034 must be signed, and it must be submitted along with the invoice and any other documentation in Adobe format. If submitting invoices electronically, do not send a paper copy.

Paper copy submission: One (1) original of each invoice must be submitted on an SF-1034 Public Voucher for Purchases and Services Other Than Personal to the Office of Financial Management (OFM) at the following address:

Office of Financial Management  
 USAID/Afghanistan  
 U.S. Embassy  
 East Compound  
 Great Masood Road  
 Kabul, Afghanistan

**G.7 ACCEPTANCE AND APPROVAL**

In order to receive payment for costs incurred for services rendered under this contract, such costs and the work performed must be verified and approved by the COR. In order to receive payment of the fixed fee or a portion thereof, all pertinent deliverables must be accepted and approved by the COR. Fixed Fee will be paid only upon completion of deliverables, pursuant to FAR 16.306(d).

**G.8 ACCOUNTING AND APPROPRIATION DATA**

Accounting Template:

GLAAS Requisition #: REQ-306-13-000145/000001  
 BBFY: 2010  
 EBFY: 2011  
 Fund: ES  
 OP: AFGHANISTA  
 Prog Area: A08  
 Dist Code: 306-M  
 Prog Elem: A036  
 Team/Div: AFG/DGO  
 BGA: 306  
 SOC: 4100302

REQ-306-13-000145/000002  
 BBFY: 2013  
 EBFY: 2014  
 Fund: ES  
 OP: AFGHANISTA  
 Prog Area: A08  
 Dist Code: 306-M  
 Prog Elem: A036  
 Team/Div: AFG/DGO  
 BGA: 306  
 SOC: 4100100



[END OF SECTION G]

## SECTION H: SPECIAL CONTRACT REQUIREMENTS

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### H.1 NOTICE LISTING CONTRACT CLAUSES INCORPORATED BY REFERENCE

The following contract clauses pertinent to this section are hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the clause at FAR "52.252-2 CLAUSES INCORPORATED BY REFERENCE" in Section H of this contract. See <http://acquisition.gov/far/index.html> for electronic access to the full text of a FAR clause and [http://www.usaid.gov/sites/default/files/documents/1868/aidar\\_0.pdf](http://www.usaid.gov/sites/default/files/documents/1868/aidar_0.pdf) for electronic access to the full text of an AIDAR clause.

NUMBER	TITLE	DATE
<b>AIDAR PART 752</b>		
752.245-71	TITLE TO AND CARE OF PROPERTY	APR 1984
752.7015	USE OF POUCH FACILITIES	JUL 1997
752.7027	PERSONNEL	DEC 1990

### H.2 752.225-70 SOURCE AND NATIONALITY REQUIREMENTS (FEB 2012)

(a) Except as may be specifically approved by the Contracting Officer, the Contractor must procure all commodities (e.g., equipment, materials, vehicles, supplies) and services (including commodity transportation services) in accordance with the requirements at 22 CFR Part 228 "Rules on Procurement of Commodities and Services Financed by USAID Federal Program Funds." The authorized source for procurement is Geographic Code 937 unless otherwise specified in the schedule of this contract. Guidance on eligibility of specific goods or services may be obtained from the Contracting Officer.

(b) Ineligible goods and services. The Contractor must not procure any of the following goods or services under this contract:

- (1) Military equipment,
- (2) Surveillance equipment,
- (3) Commodities and services for support of police and other law enforcement activities,
- (4) Abortion equipment and services,
- (5) Luxury goods and gambling equipment, or
- (6) Weather modification equipment.

(c) Restricted goods. The Contractor must obtain prior written approval of the Contracting Officer or comply with required procedures under an applicable waiver as provided by the Contracting Officer when procuring any of the following goods or services:

- (1) Agricultural commodities,
- (2) Motor vehicles,
- (3) Pharmaceuticals and contraceptive items,
- (4) Pesticides,

- (5) Fertilizer,
- (6) Used equipment, or
- (7) U.S. government-owned excess property.

If USAID determines that the Contractor has procured any of these specific restricted goods under this contract without the prior written authorization of the Contracting Officer or fails to comply with required procedures under an applicable waiver as provided by the Contracting Officer, and has received payment for such purposes, the Contracting Officer may require the contractor to refund the entire amount of the purchase.

### **H.3 AIDAR 752.7004 EMERGENCY LOCATOR INFORMATION (JUL 1997)**

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

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

### **H.4 AIDAR 752.228-3 WORKER'S COMPENSATION INSURANCE**

As prescribed in 728.309, the following supplemental coverage is to be added to the clause specified in FAR 52.228-3 by the USAID contracting officer. (See FAR 52.228).

- a) The Contractor agrees to procure Defense Base Act (DBA) insurance pursuant to the terms of the contract between USAID and USAID's DBA insurance carrier unless the Contractor has a DBA self-insurance program approved by the Department of Labor or has an approved retrospective rating agreement for DBA.
- b) If USAID or the Contractor has secured a waiver of DBA coverage (see AIDAR 728.305-70(a)) for contractor's employees who are not citizens of, residents of, or hired in the United States, the contractor agrees to provide such employees with worker's compensation benefits as required by the laws of the country in which the employees are working, or by the laws of the employee's native country, whichever offers greater benefits.
- c) The Contractor further agrees to insert in all subcontracts hereunder to which the DBA is applicable, a clause similar to this clause, including this sentence, imposing on all subcontractors a like requirement to provide overseas workmen's compensation insurance coverage and obtain DBA coverage under the USAID requirements contract.

**H.5 INSURANCE AND SERVICES**

- a) Pursuant to AIDAR 752.228-3 Worker's Compensation Insurance (Defense Base Act); USAID's DBA insurance carrier is:

AON Risk Insurance Services West, Inc.  
 199 Fremont St., Suite 1400  
 San Francisco, CA 94105

[REDACTED]

[REDACTED]

OR

(2) AON Risk Insurance Services East, Inc.  
 1120 20th St., N.W., Suite 600  
 Washington D.C. 20036

[REDACTED]

[REDACTED]

In compliance with new Agency guidelines, Contractors will be required to submit a copy of DBA coverage for which contract performance is to occur outside of the U.S. This document is to be provided prior to start of performance overseas.

- b) **New Rates:** There are three different rates depending on the nature of the services to be provided. If a contract contains more than one of the services listed, the premium will be distributed proportionally.

PERIOD		Services	Construction	Security Guards
Life of contract	03/01/10 - 02/28/15	\$2.00	\$4.50	\$7.50

## H.6 AIDAR 752.7007 PERSONNEL COMPENSATION (JUL 2007)

(a) Direct compensation of the Contractor's personnel will be in accordance with the Contractor's established policies, procedures, and practices, and the cost principles applicable to this contract.

(b) Reimbursement of the employee's base annual salary plus overseas recruitment incentive, if any, which exceed the USAID Contractor Salary Threshold (USAID CST) stated in USAID Automated Directives System (ADS) Chapter 302 USAID Direct Contracting, must be approved in writing by the Contracting Officer, as prescribed in 731.205-6(b) or 731.371(b), as applicable.

## H.7 ADDITIONAL REQUIREMENTS FOR PERSONNEL COMPENSATION

(a) Limitations:

(1) Salary ranges for all local professional positions under this contract shall be established based on the market value of the position in the country of contract performance. The established range must be realistic and reasonable for the responsibilities of each position and shall not be based on the salary history or the qualifications of the candidate selected. The salary ranges shall be certified by the Contractor and submitted to the Contracting Officer with the proposal. Upon establishment of the salary ranges of the professional positions, an appropriate candidate shall be selected based on the qualifications sought for that position and the Contractor's personnel practices. That individual's salary shall be negotiated within the established range, based on his or her certified salary history and the conditions stated further in this paragraph. The Contractor shall avoid "rank-in-person" salaries, which are in excess of the value and the responsibilities of the position. In addition, the salary ranges may not exceed the Contractor's established policy and practice, including the Contractor's established pay scale for equivalent classifications of employees. If, during contract performance, the Contractor proposes salary or wages for an individual(s) that exceeds ■ percent of the individual's current salary or wage or the highest rate of annual salary or wage received during any full year of the immediately preceding three (3) years, the cognizant Contracting Officer's approval is required.

(2) In addition, there is a ceiling on the reimbursable base salary or wage paid to personnel under the contract equivalent to the maximum annual salary rate specified in Section H. 7(d) below.

(b) Salaries During Travel: Salaries and wages paid while in travel status will not be reimbursed for a travel period greater than the time required for travel by the most direct and expeditious air route.

(c) Return of Overseas Employees: Salaries and wages paid to an employee serving overseas who is discharged by the Contractor for misconduct, inexcusable nonperformance, or security reasons will not be reimbursed for a period which extends beyond the time required to return him promptly to his point of origin by the most direct and expeditious air route. USAID shall not reimburse any costs including airfares, mob/demobilization in the event that such employee/Consultant has not completed one (1) full year tenure in Afghanistan.

(d) Annual Salary Increases: Annual salary increase (of any kind -- cost of living, merit, promotion increase, or any other type) [REDACTED] may be granted after the employee's completion of each twelve-month period of satisfactory services under the contract. Annual salary increases of any kind exceeding these limitations or exceeding the restrictions detailed in ADS 302.3.6.10 may be granted only with the advance written approval of the Contracting Officer.

(e) Consultants: For Short-Term Technical Assistance (Consultants) associated with CPFF contract, the Offeror must submit a Pay Scale, which will include the level of expertise (e.g., Junior, Mid-Level, Senior), along with the responsibilities and the qualifications sought for each level. No compensation for consultants will be reimbursed unless their use under the contract has advance written approval of the Contracting Officer or if the consultant was specifically named in the approved budget and a Contractor Employee Biographical Data Sheet was submitted; and if such provision has been made or approval given, compensation shall be within the pay scale specified and shall not exceed: 1) the highest rate of annual compensation received by the consultant during any full year of the immediately preceding three years or 2) the maximum daily salary rate as described in ADS 302.3.6.10, whichever is less.

(f) Initial Salaries: Contractor shall compensate non-US personnel in accordance with its salary scale, staffing plan and compensation package. Only the salary rates for individuals whose Biographical Data forms were submitted with the proposal are approved. Contractor shall submit a salary scale that reflects its proposed Contract staffing plan covering all planned non-US (CCN/TCN) positions together with Contractor's compensation policies. The compensation plan shall cover all proposed initial salaries and salary ranges for all positions. Initial salaries will be within each range and will be based on other factors including but not limited to consideration of the prevailing in country salaries for similar positions in the markets, the individual's education, salary and/or consultant rate history over the most recent 3 years.

(g) Work Week:

(1) Non-overseas Employees

The length of the contractor's U.S., non-overseas employees workday shall be in accordance with the contractor's established policies and practices and shall not be less than 8 hours per day and 40 hours per week.

(2) Overseas Employee

The workweek for the Contractor's overseas employees shall not be less than 40 hours and shall be scheduled to coincide with the workweek for those employees of the USAID Mission and the Cooperating Country associated with the work of this contract. A six (6) day workweek is authorized for this contract. No overtime or premium pay is authorized under this Contract. However, for occasions when there are essential and time-sensitive tasks to be performed that cannot be accomplished during a five-day workweek, a six-day workweek is authorized only for consultants and overseas personnel. The Contractor shall document these instances and inform the COR with a copy to the Contracting Officer.

(h) Definitions: As used in this contract, the terms "salaries" and "wages" mean the periodic remuneration received for professional or technical personal services rendered. Unless the contract states otherwise, these terms do not include any other elements of personal compensation described in the cost principle in FAR 31.205-6 "Compensation for Personal Services," such as (but not limited to) the differentials or allowances defined in the clause of this contract entitled "Differentials and Allowances" (AIDAR 752.7028). The term "compensation" is defined in FAR 31.205-6(a) and includes fees and honoraria related to the personal services provided under this contract, but excludes earnings from sources other than the individual's professional or technical work, overhead, or other charges.

#### **H.8 752.231-71 SALARY SUPPLEMENTS FOR HOST GOVERNMENT (HG) EMPLOYEES (OCT 1998)**

(a) Salary supplements are payments made that augment an employee's base salary or premiums, overtime, extra payments, incentive payment and allowances for which the HG employee would qualify under HG rules or practice for the performance of his/her regular duties or work performed during his/hers regular office hours. Per Diem, invitational travel, honoraria, and payment for work carried out outside of normal working hours are not considered to be salary supplements.

(b) Salary supplements to HG Employees are not allowable without the written approval of the Contracting Officer.

#### **H.9 AIDAR 752.7031 LEAVE AND HOLIDAYS (OCT 1989)**

(a) Vacation leave.

(1) The Contractor may grant to its employees working under this contract vacations of reasonable duration in accordance with the Contractor's practice for its employees, but in no event shall such vacation leave be earned at a rate exceeding 26 work days per annum. Reimbursement for vacation leave is limited to the amount earned by employees while serving under this contract.

For regular employees during their tour of duty in the Cooperating Country, vacation leave is provided under this contract primarily for purposes of affording necessary rest and recreation. The Contractor's Chief of Party, the employee and the Cooperating Country institution associated with this project shall develop vacation leave schedules early in the employee's tour of duty taking into consideration project requirements, employee preference and other factors.

(2) Leave taken during the concluding weeks of an employee's tour shall be included in the established leave schedule and be limited to that amount of leave which can be earned during a twelve-month period unless approved in accordance with paragraph (a)(3) of this clause.

(3) Vacation leave earned but not taken by the end of the employee's tour pursuant to paragraphs (a)(1) and (2) of this clause will be forfeited unless the requirements of the project precluded the employee from taking such leave, and the Contracting Officer (with the endorsement of the Mission) approves one of the following as an alternative:

(i) Taking, during the concluding weeks of the employee's tour, leave not permitted under (a)(2) of this section, or

(ii) Lump-sum payment for leave not taken provided such leave does not exceed the number of days which can be earned by the employee during a twelve-month period.

(b) Sick Leave. Sick leave is earned by employees in accordance with the Contractor's usual practice but not to exceed 13 work days per annum or 4 hours every 2 weeks. Additional sick leave after use of accrued vacation leave may be advanced in accordance with Contractor's usual practice, if in the judgment of the Contractor's Chief of Party it is determined that such additional leave is in the best interest of the project. In no event shall such additional leave exceed 30 days. The Contractor agrees to reimburse USAID for leave used in excess of the amount earned during the employee's assignment under this contract. Sick leave earned and unused at the end of a regular tour of duty may be carried over to an immediately succeeding tour of duty under this contract. The use of home leave authorized under this clause shall not constitute a break in service for the purpose of sick leave carry-over. Contractor employees will not be compensated for unused sick leave at the completion of their duties under this contract.

(c) Home leave.

(1) Home leave is leave earned for service abroad for use only in the United States, in the Commonwealth of Puerto Rico, or in the possessions of the United States.

(2) A regular employee who is a U.S. citizen or resident and has served at least 2 years overseas, as defined in paragraph (c)(4) of this clause, under this contract and has not taken more than 30 workdays leave (vacation, sick, or leave without pay) in the United States, may be granted home leave of not more than 15 workdays for each such year of service overseas, provided that such regular employee agrees to return overseas upon completion of home leave under an additional 2 year appointment, or for a shorter period of not less than 1 year of overseas service under the contract if the Mission Director has approved in advance. Home leave must be taken in the United States, the Commonwealth of Puerto Rico, or the possessions of the United States; any days spent elsewhere will be charged to vacation leave or leave without pay.

(3) Notwithstanding the requirement in paragraph (c)(2), of this clause, that the Contractor's regular employee must have served 2 years overseas under this contract to be eligible for home leave, Contractor may grant advance home leave to such regular employee subject to all of the following conditions:

(i) Granting of advance home leave would in each case serve to advance the attainment of the objectives of this contract;

(ii) The regular employee shall have served a minimum of 18 months in the Cooperating Country on his/her current tour of duty under this contract; and

(iii) The regular employee shall have agreed to return to the Cooperating Country to serve out the remainder of his/her current tour of duty and an additional 2 year appointment under this contract, or such other additional appointment of not less than 1 year of overseas service as the Mission Director may approve.

(4) The period of service overseas required under paragraph (c)(2) or paragraph (c)(3) of this

clause shall include the actual days spent in orientation in the United States (less language training) and the actual days overseas beginning on the date of departure from the United States port of embarkation on international travel and continuing, inclusive of authorized delays en route, to the date of arrival at the United States port of debarkation from international travel. Allowable vacation and sick leave taken while overseas, but not leave without pay, shall be included in the required period of service overseas. An amount equal to the number of days of vacation sick leave taken in the United States, the Commonwealth of Puerto Rico, or the possessions of the United States will be added to the required period of service overseas.

(5) Salary during travel to and from the United States for home leave will be limited to the time required for travel by the most expeditious air route. The Contractor will be responsible for reimbursing USAID for salary payments made during home leave if in spite of the undertaking of the new appointment the regular employee, except for reasons beyond his/her control as determined by the Contracting Officer, does not return overseas and complete the additional required service. Unused home leave is not reimbursable under this contract.

(6) To the extent deemed necessary by the Contractor, regular employees in the United States on home leave may be authorized to spend no more than 5 days in work status for consultation at home office/campus or at USAID/Washington before returning to their post of duty. Consultation at locations other than USAID/Washington or home office/campus, as well as any time in excess of 5 days spent for consultation, must be approved by the Mission Director or the Contracting Office.

(7) Except as provided in the schedule or approved by the Mission Director or the Contracting Officer, home leave is not authorized for TCN or CCN employees.

(d) Holidays. Holidays for Contractor employees serving in the United States shall be in accordance with the Contractor's established policy and practice. Holidays for Contractor employees serving overseas should take into consideration local practices and shall be established in collaboration with the Mission Director.

(e) Military leave. Military leave of not more than 15 calendar days in any calendar year may be granted in accordance with the Contractor's usual practice to each regular employee whose appointment is not limited to 1 year or less and who is a reservist of the United States Armed Forces, provided that such military leave has been approved in advance by the cognizant Mission Director or Assistant Administrator. A copy of any such approval shall be provided to the Contracting Officer.

(f) Leave Records. The Contractor's leave records shall be preserved and made available as part of the contractor's records which are required to be preserved and made available by the Examination of Records by the Comptroller General and Audit clauses of this contract.

#### **H.10 AIDAR 752.228-70 MEDICAL EVACUATION (MEDEVAC) SERVICES (JULY 2007)**

(a) Contractors must provide MEDEVAC service coverage to all U.S. citizens, U.S. resident alien, And Third Country National employees and their authorized dependents (hereinafter "individual") while overseas under a USAID-financed direct contract.

USAID will reimburse reasonable, allowable, and allocable costs for MEDEVAC service coverage incurred under the contract. The Contracting Officer will determine the reasonableness, allowability, and allocability of the costs based on the applicable cost principles and in accordance with cost accounting standards.

(b) Exceptions.

(i) The Contractor is not required to provide MEDEVAC insurance to eligible employees and their dependents with a health program that includes sufficient MEDEVAC coverage as approved by the Contracting Officer.

(ii) The Mission Director may make a written determination to waive the requirement for such coverage. The determination must be based on findings that the quality of local medical services or other circumstances obviate the need for such coverage for eligible employees and their dependents located at post.

(c) Contractor must insert a clause similar to this clause in all subcontracts that require performance by contractor employees overseas.

#### **H.11 USAID DISABILITY POLICY (DEC 2004)**

(a). The objectives of the USAID Disability Policy are (1) to enhance the attainment of United States foreign assistance program goals by promoting the participation and equalization of opportunities of individuals with disabilities in USAID policy, country and sector strategies, activity designs and implementation; (2) to increase awareness of issues of people with disabilities both within USAID programs and in host countries; (3) to engage other U.S. government agencies, host country counterparts, governments, implementing organizations and other donors in fostering a climate of nondiscrimination against people with disabilities; and (4) to support international advocacy for people with disabilities. The full text of the policy paper can be found at the following website:  
*[http://pdf.usaid.gov/pdf\\_docs/PDABQ631.pdf](http://pdf.usaid.gov/pdf_docs/PDABQ631.pdf)*

(b). USAID therefore requires that the Contractor not discriminate against people with disabilities in the implementation of USAID programs and that it make 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 contract, the Contractor's actions must demonstrate a comprehensive and consistent approach for including women and children with disabilities.

#### **H.12 AUTHORIZED GEOGRAPHIC CODE**

The authorized geographic code for Afghanistan for the procurement of goods and services is 937.

### **H.13 EXECUTIVE ORDERS ON TERRORISM FINANCING**

The Contractor is reminded that U.S. Executive Orders (including E.O. 13224) and U.S. law prohibit transactions with, and the provision of resources and support to, individuals and organizations associated with terrorism. FAR 25.701 prohibits agencies and their contractors and subcontractors from acquiring any supplies or services from individuals or organizations, if any proclamation, Executive Order, Office of Foreign Assets Control (OFAC) regulations, or statute administered by OFAC would prohibit such a transaction. Accordingly, the Contracting Officer must check the U.S. Department of the Treasury's OFAC List to ensure that the names of the Contractor and proposed subcontractors (and individuals from those organizations who have been made known to them), are not on the list. Mandatory FAR clause 52.225-13 Restrictions on Certain Foreign Purchases is included by reference in Section I.1 of this contract. By accepting this contract, the Contractor acknowledges and agrees that it is aware of the list as part of its compliance with the requirements of that clause. This clause must be included in all subcontracts/sub-awards issued under this contract.

### **H.14 NONEXPENDABLE PROPERTY PURCHASES AND INFORMATION TECHNOLOGY RESOURCES**

The Contractor shall comply with the requirements contained in ADS 548 which require review and approval by the Office of Information Resource Management (M/IRM) in USAID/W of information technology components in which the life-cycle cost of commodities or services (e.g., installation, maintenance, and technical assistance) exceeds \$100,000.

1. Pursuant to ADS 547, Information Technology (IT) is defined as follows:

#### Information Technology

(A)The term 'information technology', with respect to an executive agency means any equipment or interconnected system or subsystem of equipment, that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information by the executive agency. For purposes of the preceding sentence, equipment is used by an executive agency if the equipment is used by the executive agency directly or is used by a contractor under a contract with the executive agency which (i) requires the use of such equipment, or (ii) requires the use, to a significant extent, of such equipment in the performance of a service or the furnishing of a product.

(B)The term 'information technology' includes computers, ancillary equipment, software, firmware and similar procedures, services (including support services), and related resources.

(C)Notwithstanding subparagraphs (A) and (B), the term 'information technology' does not include any equipment that is acquired by a Federal contractor incidental to a Federal contract. (Source: Clinger-Cohen Act) (Chapters 541-548, 552)

2. The Contractor shall maintain accountable property records of IT. These records must identify each accountable item of U.S. Government-funded property acquired or furnished

under the contract in a format acceptable to the Contracting Officer and must be furnished to the Contracting Officer six months after the effective date of the contract and thereafter annually based on the effective date of the contract.

In the event any IT resources are lost, stolen, destroyed or damaged beyond economical repair, the Contractor must promptly notify both the COR and the Contracting Officer.

3. As part of the Property Disposition Plan, the Contractor will provide a separate and final inventory of sensitive property. Sensitive property is property potentially dangerous to the public safety or security if stolen, lost, or misplaced, or that shall be subject to exceptional physical security, protection, control, and accountability. The Contractor shall provide a final report to the COR and Contracting Officer on the final disposition of all sensitive property in the contractor's custody.

#### **H.15 LOGISTIC SUPPORT GOVERNMENT FURNISHED FACILITIES OR PROPERTY**

(a) The Contractor and any employee or consultant of the Contractor is prohibited from using U.S. Government facilities (such as office space or equipment) or U.S. Government clerical or technical personnel in the performance of the services specified in the Contract unless the use of Government facilities or personnel is specifically authorized in the Contract or is authorized in advance, in writing, by the CO.

(b) If at any time it is determined that the Contractor, or any of its employees or consultants, have used U.S. Government facilities or personnel either in performance of the Contract itself, or in advance, without authorization in writing, by the Contracting Officer, then the amount payable under the Contract shall be reduced by an amount equal to the value of the U.S. Government facilities or personnel used by the Contractor, as determined by the Contracting officer.

(c) If the parties fail to agree on an adjustment made pursuant to this clause it shall be considered a "dispute" and shall be dealt with under the terms of the "Disputes" clauses of the Contract.

#### **H.16 COMPLIANCE WITH SECTION 508 OF THE REHABILITATION ACT OF 1973, AS AMENDED**

(a). The Contractor must provide a comprehensive list of all offered specific electronic and information technology (EIT) products (supplies and services) that fully comply with Section 508 of the Rehabilitation Act of 1973, per the 1998 Amendments, and the Architectural and Transportation Barriers Compliance Board's Electronic and Information Technology Accessibility Standards at 36 CFR Part 1194. The Contractor must clearly indicate where this list with full details of compliance can be found (e.g., vendors or other exact web page location). The contractor must ensure that the list is easily accessible by typical users beginning five calendar days after award. The contractor must maintain this detailed listing of compliant products for the full contract term, including all forms of extensions, and must ensure that it is current within three calendar days of changes to its product line.

(b). For every EIT product accepted under this contract by the Government that does not comply with 36 CFR Part 1194, the Contractor shall, at the discretion of the Government, make every effort to replace or upgrade it with a compliant equivalent product or service, if commercially available and cost neutral, on either the planned refresh cycle of the product or service, or on the contract renewal date, whichever shall occur first.

**H.17 CONSENT TO SUBCONTRACTS**

In accordance with FAR clause 52.244-2, Subcontracts, the Contracting Officer consents to award of subcontracts as proposed in the Contractor’s proposal which resulted in the award of this Contract to the following firms for the amount and products or services specified here:

<u>Subcontractor Name</u>	<u>Not to exceed Amount</u>
[REDACTED]	[REDACTED]

These consents are provided subject to special contract requirements in Section H and contract clauses in section I. These consents do not constitute a determination (1) of the acceptability of the subcontract’s terms or conditions, (2) of the allowability of costs, or (3) to relieve the Contractor of any responsibility for performance under the terms of this contract.

The Contractor must request Contracting Officer consent and submit the information required by the aforementioned clause for any subcontracts requiring consent but not listed here. In order for the Contractor to receive consent to subcontract; it shall address each of the elements in FAR 44.202-2 for each subcontractor.

**H.18 SUBCONTRACTING REQUIREMENTS**

(a) Definitions: As used in this clause, “Principals” means the owner/president and all other individuals with a financial interest in the subcontractor, the program manager, project manager, and site foreman.

(b) It is USAID’s objective under this contract to promote competitive, transparent and appropriate local subcontracting with legitimate, competent and fully vetted subcontractors. Contractor shall assure that all subcontractors and lower-tier subcontractors are actively engaged in the performance of subcontracted work. Contractor shall assure that subcontract “brokering” does not occur under this contract and that all subcontractor and lower-tier subcontractors self-perform appropriate portions of the subcontracted work. To promote the foregoing objectives, USAID may limit the number of “tiers” that Contractor may subcontract.

(c) Therefore, in addition to the requirements of FAR 52.244-2 and prior to awarding any

subcontract, the Contractor shall notify the Contracting Officer in writing of Contractor's intent to subcontract and obtain Contracting Officer's approval to award said subcontract(s).

(d) Contractor's notification and request for approval to subcontract shall include the following information:

- (i) Subcontract number and title (or a general description of the subcontract work);
- (ii) Names, addresses, telephone numbers and e-mail addresses of the subcontractor and all lower-tier subcontractors (regardless of dollar amount or percentage of work to be performed);
- (iii) The total value of the work and total value of the work to be self-performed by the subcontractor;
- (iv) A copy of Afghan business license (Afghan firms only);
- (v) Subcontractor and lower-tier subcontractor banking information to include, bank name, routing identifier, account number and name(s) on account(s);
- (vi) Identification information for the subcontractor and lower-tier subcontractor Principals to include, full name, address, nationality, identity card/passport number, date of birth; and
- (vii) A table depicting the work to be performed and the total value of the work to be performed by the subcontractor and each lower-tier subcontractor.
- (viii) Written documentation confirming Contractor has vetted all proposed subcontractors and lower-tier subcontractors at the following websites:

<https://www.sam.gov/index.html/#1>

<http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>

<http://www.un.org/sc/committees/1267/consolist.shtml>

(e) The Contractor shall perform with its own organization, at least 15 percent of the work required under the contract. The Government intends to limit the number of tiers of subcontracts. Performance by the Contractor, subcontractors or lower-tier subcontractors of work which is only administrative in nature shall not meet the requirements of this clause.

(f) The contractor and all its subcontractors and lower-tier subcontractors shall maintain payrolls and basic personnel records for all personnel working under the contract. Said records shall be made available to the government during contract performance and for 3 years after contract completion. The records shall contain the name of each employee, labor classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid.

(g) Subcontracts: The contractor shall include this clause in all subcontracts, and shall require subcontractors to include this clause in all lower-tier subcontracts. The contractor shall be responsible for compliance with this clause by all subcontractors and lower-tier subcontractors.

(h) The contracting officer's approval to subcontract, to include approval of lower tier subcontracts, does not constitute a determination –

- (i) Of the acceptability of any subcontract terms or conditions;
- (ii) To relieve the Contractor of their responsibility as the prime contractor for all performance under this contract.

(iii) The Contractor shall select subcontractors (including suppliers) on a competitive basis to the maximum extent practical.

(i) Submission of false information required by this clause or non-compliance with the requirements of the clause shall be considered a material breach of the contract.

#### **H.19 SUB-AWARD REQUIREMENTS (MARCH 2012)**

(a) Applicability: This section limits the number of tiers of sub-awards to two tiers below the awardee for all Contracts and Cooperative Agreements. The awardee must not allow lower-tier sub-awards without the express written approval of the Contracting/Agreement Officer.

(b) Definitions: The term "award" in this clause refers to either the direct contract between USAID and the prime contractor or a direct Cooperative Agreement between USAID and the recipient. A "first-tier sub-award" is a direct award between the awardee and a sub-awardee (the "first-tier sub-awardee"). A "second tier sub-award" is a direct award between the first-tier sub-awardee and its sub-awardee (the "second-tier sub-awardee").

(c) USAID's objective is to promote, to the extent practicable, competitive, transparent and appropriate local sub-awards with legitimate and competent sub-awardees. Awardee will ensure that all sub-awardees at any tier are actively engaged in the performance of sub-awarded work. Awardee will ensure that sub-awardees do not engage in "brokering" or "flipping" their sub-awards under this award and that all sub-awardees at any tier self-perform appropriate portions of the work. "Brokering" or "flipping" is the practice of a sub-awardee receiving a sub-award and either selling such sub-award or not performing a significant percentage of the work with the sub-awardee's own organization.

(d) Should exceptional circumstances warrant sub-awards below two tiers, the Awardee will promptly request approval in writing from the Contracting/Agreement Officer, which for contracts may be done in conjunction with a request under FAR 44, provided that the additional information set forth in paragraph (e) below is also provided.

(e) Awardee's written request for approval to allow sub-awardees below the second tier will include the following information:

(i) Sub-award number and title (or a general description of the sub-award work) of the existing sub-award;

(ii) Detailed explanation regarding why the work to be performed by the lower-tier sub-awardee cannot be performed by the prime or the two levels of sub-awardees.

(iii) The total value of the work and total value of the work to be self-performed by the existing sub-awardee;

(f) Provisions for specific contract types:

(g) For purposes of calculating tiers, the following will not be considered a tier:

(i) subsidiaries of the awardee;

(ii) members of a joint-venture, provided the joint venture is either the awardee or otherwise a "tier" hereunder;

(iii) employment awards for a single individual, provided that such individual issues no further sub-awards;

(iv) suppliers/service providers for component parts for a sub-award issued for finished commodities purchased on the market. Only the sub-awardee supplying the finished commodity shall be considered a "tier" for purposes of this clause/provision;

(v) suppliers of administrative or professional services incidental to the completion of the award nor their sub-awardees, such as legal or financial services, provided such suppliers or their sub-awardees do not perform substantive work related to the scope of work hereunder.

(h) With exception provided in paragraph D above for sub-awards. The awardee will include this clause in all sub-awards, and will require sub-awardees to include this clause in all lower-tier sub-awards. The awardee will be responsible for compliance with this clause/provision by all sub-awardees and lower-tier sub-awardees.

## **H.20 REPORTING OF FOREIGN TAXES (JULY 2007)**

(a) The contractor must annually submit a report by April 16 of the next year.

(b) Contents of Report. The report must contain:

(1) Contractor name.

(2) Contact name with phone, fax and email.

(3) Contract 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 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 is to be reported. Foreign taxes by a third party foreign government are not to be reported. For example, if a contractor performing in Lesotho using foreign assistance funds should purchase commodities in South Africa, any taxes imposed by South Africa would not be reported in the report for Lesotho (or South Africa).

(6) Any reimbursements received by the contractor during the period in (4) regardless of when the foreign tax was assessed and any reimbursements on the taxes reported in (4) received through March 31.

(7) Report is required even if the contractor did not pay any taxes during the report period.

(8) Cumulative reports may be provided if the contractor 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 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:

Mission Controller

USAID Afghanistan  
Great Masood Road  
Kabul, Afghanistan

(e) Sub-agreements. The contractor must include this reporting requirement in all applicable subcontracts and other sub-agreements.

(f) For further information see <http://www.state.gov/m/rm/c10443.htm>.

## **H.21 FOREIGN GOVERNMENT DELEGATIONS TO INTERNATIONAL CONFERENCES**

Funds in this contract 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, except as provided in ADS Mandatory Reference "Guidance on Funding Foreign Government Delegations to International Conferences" (<http://inside.usaid.gov/ADS/300/350maa.pdf>) or as approved by the CO.

## **H.22 LOGISTIC SUPPORT**

The Contractor shall be responsible for furnishing all logistic support in the United States and overseas.

## **H.23 LANGUAGE REQUIREMENTS**

The Contractor personnel and/or consultants shall have English and foreign language proficiency as needed to perform technical services. USAID reserves the right to test proposed individuals to ensure that they have the language capability required under the contract.

## **H.24 GENDER REPORTING**

As required by Section C of this contract, Contractor shall report data on female beneficiaries and measurable impacts of activities intended to address the needs of women and girls.

## **H.25 PERSONAL IDENTITY VERIFICATION OF CONTRACTOR PERSONNEL (JAN 2011)**

(a) The Contractor shall comply with agency personal identity verification procedures identified in the contract that implement Homeland Security Presidential Directive-12 (HSPD-12), Office of Management and Budget (OMB) guidance M-05-24 and Federal Information Processing Standards Publication (FIPS PUB) Number 201.

(b) The Contractor shall account for all forms of Government-provided identification issued to the Contractor employees in connection with performance under this contract. The Contractor shall return such identification to the issuing agency at the earliest of any of the following, unless otherwise determined by the Government:

- (1) When no longer needed for contract performance.
- (2) Upon completion of the Contractor employee's employment.
- (3) Upon contract completion or termination.

(c) The Contracting Officer may delay final payment under a contract if the Contractor fails to comply with these requirements.

(d) The Contractor shall insert the substance of this clause, including this paragraph (d), in all subcontracts when the subcontractor's employees are required to have routine physical access to a Federally-controlled facility and/or routine access to a Federally-controlled information system. It shall be the responsibility of the prime Contractor to return such identification to the issuing agency in accordance with the terms set forth in paragraph (b) of this section, unless otherwise approved in writing by the Contracting Officer.

## **H.26 HOMELAND SECURITY PRESIDENTIAL DIRECTIVE-12 (HSPD-12) (SEP 2006)**

In response to the general threat of unauthorized access to federal facilities and information systems, the President issued Homeland Security Presidential Directive-12. HSPD-12 requires all Federal agencies to use a common Personal Identity Verification (PIV) standard when identifying and issuing access rights to users of Federally-controlled facilities and/or Federal Information Systems. USAID will begin issuing HSPD-12 "smart card" IDs to applicable contracts, using a phased approach. Effective October 27, 2006, USAID will begin issuing new "smart card" IDs to new Contractors (and new Contractor employees) requiring routine access to USAID controlled facilities and/or access to USAID's information systems. USAID will begin issuance of the new smart card IDs to existing Contractors (and existing Contractor employees) on October 27, 2007. (Exceptions would include those situations where an existing Contractor (or Contractor employee) loses or damages his/her existing ID and would need a replacement ID prior to Oct 27, 2007. In those situations, the existing Contractor (or Contractor employee) would need to follow the PIV processes described below, and be issued one of the new smart cards.)

Accordingly, before a Contractor (including a PSC\* or a Contractor employee) may obtain a USAID ID (new or replacement) authorizing him/her routine access to USAID facilities, or logical access to USAID's information systems, the individual must provide two forms of identity source documents in original form and a passport size photo. One identity source document must be a valid Federal or state government-issued picture ID. (Overseas foreign nationals must comply with the requirements of the Regional Security Office.) USAID/W the Contractors must contact the USAID Security Office to obtain the list of acceptable forms of documentation, and the Contractors working in overseas Missions must obtain the acceptable documentation list from the Regional Security Officer. Submission of these documents, and related background checks, are mandatory in order for the Contractor to receive a building access ID, and before access will be granted to any of USAID's information systems. All Contractors must physically present these two source documents for identity proofing at their USAID/W or Mission Security Briefing. The Contractor or his/her Facilities Security Officer must return any issued building access ID and remote authentication token to USAID custody

upon termination of the individual's employment with the Contractor or completion of the contract, whichever occurs first.

The Contractor must comply with all applicable HSPD-12 and PIV procedures, as described above, and any subsequent USAID or government-wide HSPD-12 and PIV procedures/policies, including any subsequent related USAID General Notices, Office of Security Directives and/or Automated Directives System (ADS) policy directives and required procedures. This includes HSPD-12 procedures established in USAID/Washington and those procedures established by the overseas Regional Security Office.

In the event of inconsistencies between this clause and later issued Agency or government-wide HSPD-12 guidance, the most recent issued guidance should take precedence, unless otherwise instructed by the Contracting Officer.

The Contractor is required to include this clause in any subcontracts that require the subcontractor or subcontractor employee to have routine physical access to USAID space or logical access to USAID's information systems.

## **H.27 STANDARDS OF CONDUCT -- IMPROPER BUSINESS PRACTICES**

Corruption or any other improper business practices related to this contract will not be tolerated. Transactions relating to the expenditure of public funds require the highest degree of public trust and an impeccable standard of conduct by contractors, subcontractors and any other agent acting in connection with this contract. Examples of such unacceptable behavior include, but are not limited to providing or offering of bribes to any person associated with the contract or any subcontracts; soliciting or accepting kickbacks or bribes; and knowingly making any false or misleading accounting reports or financial statements. Contractors, subcontractors and any other agents acting under contracts awarded herein are expected to employ due diligence and have internal controls in place towards practicing good governance in execution of the contract. Any one of these entities found to have engaged in illegal activity, improper behavior, or corrupt practices will be subject to corrective actions in accordance with the respective FAR clause incorporated into this contract.

## **H.28 ACCESS TO USAID FACILITIES AND USAID'S INFORMATION SYSTEMS (AUGUST 2013)**

(a) A U.S. citizen or resident alien engaged in the performance of this award as an employee, consultant, or volunteer of a U.S. firm may obtain access to USAID facilities or logical access to USAID's information systems only when and to the extent necessary to carry out this award and in accordance with this provision. The contractor's employees, consultants, or volunteers who are not U.S. citizen as well as employees, consultants, or volunteers of non-U.S. firms, irrespective of their citizenship, will not be granted logical access to U.S. Government information technology systems (such as Phoenix, GLAAS, etc.) and must be escorted to use U.S. Government facilities (such as office space).

(b) Before a contractor (or a contractor employee, consultant, or volunteer) or subcontractor at any tier may obtain a USAID ID (new or replacement) authorizing him/her routine access to USAID facilities in the United States, or logical access to USAID's information systems, the

individual must provide two forms of identity source documents in original form to the Enrollment Office personnel when undergoing processing. One identity source document must be a valid Federal or State government-issued picture ID. Contractors may contact the USAID Security Office to obtain the list of acceptable forms of documentation. Submission of these documents, to include documentation of security background investigations are mandatory in order for the contractor to receive a PIV/FAC card and be granted access to any of USAID's information systems. All such individuals must physically present these two source documents for identity proofing at their enrollment.

(c) The contractor or its Facilities Security Officer must return any issued building access ID and remote authentication token to the Contracting Officer's Representative (COR) upon termination of the individual's employment with the contractor or completion of the contract, whichever occurs first.

(d) Individuals engaged in the performance of this award as employees, consultants, or volunteers of the contractor must comply with all applicable Homeland Security Presidential Directive-12 (HSPD-12) and Personal Identity Verification (PIV) procedures, as described above, and any subsequent USAID or government-wide HSPD-12 and PIV procedures/policies.

(e) The contractor is required to include this provision in any subcontracts that require the subcontractor, subcontractor employee, or consultant to have routine physical access to USAID space or logical access to USAID's information systems.

## **H.29 PROHIBITION OF ASSISTANCE TO DRUG TRAFFICKERS**

USAID reserves the right to terminate this contract, to demand a refund or take other appropriate measures if the Contractor has been convicted of a narcotics offense or to have been engaged in drug trafficking as defined in 22 CFR Part 140.

## **H.30 DISCLOSURE OF INFORMATION (AIDAR)**

(a) Contractor is reminded that information furnished under this solicitation may be subject to disclosure under the Freedom of Information Act (FOIA). Therefore, all items that are confidential to business, or contain trade secrets, proprietary or personnel information must be clearly marked. Marking of items will not necessarily preclude disclosure when the U.S. Office of Personnel Management (OPM or the Government) determines disclosure is warranted by FOIA. However, if such items are not marked, all information contained within the submitted documents will be deemed to be releasable.

(b) Any information made available to the Contractor by the Government must be used only for the purpose of carrying out the provisions of this contract and must not be divulged or made known in any manner to any person except as may be necessary in the performance of the contract.

(c) In performance of this contract, the Contractor assumes responsibility for the protection of the confidentiality of Government records and must ensure that all work performed by its

subcontractors shall be under the supervision of the Contractor or the Contractor's responsible employees.

(d) Each officer or employee of the Contractor or any of its subcontractors to whom any Government record may be made available or disclosed must be notified in writing by the Contractor that information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such information, by any means, for a purpose or to an extent unauthorized herein, may subject the offender to criminal sanctions imposed by 19 U.S.C. 641. That section provides, in pertinent part, that whoever knowingly converts to their use or the use of another, or without authority, sells, conveys, or disposes of any record of the United States or whoever receives the same with intent to convert it to their use or gain, knowing it to have been converted, shall be guilty of a crime punishable by a fine of up to \$10,000, or imprisoned up to ten years, or both.

### **H.31 DATABASE REPORTING REQUIREMENTS**

USAID/Afghanistan uses a management information system to track program and project information for all mission-funded activities. The purpose of this database is to track the location of project implementation, document the use of funds, and monitor development projects, while maintaining coordination between USAID/Afghanistan, USAID/Washington, Congress, implementing partners, the Government of Afghanistan, and other donors. This reporting process supports the Government of Afghanistan's requirement that USAID provide information to the Ministry of Finance in order to track ongoing and completed donor-sponsored development activities.

The Contractor shall provide at least a quarterly update of information on the activities under the Contract by entering this information into the USAID/Afghanistan management information system. The Contractor shall enter information via an Internet website or a Microsoft (MS) Access Database; USAID will provide the URL address or Access Database, and a user ID/password. A comprehensive user manual will be provided after that details information on the required information and processes needed for managing the information in USAID\Afghanistan information system.

### **H.32 USE OF SYNCHRONIZED PRE-DEPLOYMENT AND OPERATIONAL TRACKER (SPOT) FOR CONTRACTORS SUPPORTING A DIPLOMATIC OR CONSULAR MISSION OUTSIDE THE UNITED STATES (SUPPLEMENT TO FAR 52.225-19)**

In accordance with paragraph (g) Personnel Data, of FAR clause 52.225-19 "Contractor Personnel in a Designated Operational Area of Supporting a Diplomatic or Consular Mission Outside the United States (MAR 2008)," the Contracting Officer hereby identifies DoD's Synchronized Pre-deployment and Operational Tracker (SPOT) as the required system to use for this contract in Afghanistan.

In accordance with Section 861 of the FY08 National Defense Authorization Act (FY08 NDAA), P.L. 110-181, USAID and the Departments of Defense (DOD) and State (DOS) have entered into a Memorandum of Understanding (MOU) under which USAID has agreed to establish a common database including information on contractors and contractor personnel performing

work in Afghanistan. The MOU identifies SPOT as the common database to serve as the repository for this information. Information with regard to Afghan nationals will be entered under procedures provided separately by the Contracting Officer.

All contractor personnel must be accounted for in SPOT. Those requiring SPOT-generated Letters of Authorization (LOAs) must be entered into SPOT before being deployed to Afghanistan. If individuals requiring LOAs are already in Afghanistan at the time the contractor engages them or at the time of contract award, the contractor must immediately enter into SPOT each individual upon his or her becoming an employee or consultant under the contract. Contract performance may require the use of armed private security contractor personnel (PSCs). PSCs will be individually registered in SPOT. Personnel that do not require LOAs will still be required to be entered into SPOT for reporting purposes, either individually or using an aggregate tally methodology. Procedures for using SPOT are available at <http://www.dod.mil/bta/products/spot.html>. Further guidance may be obtained from the Contracting Officer's Technical Representative or the Contracting Officer. It is emphasized that SPOT applies to sub-awards and that this provision must be included in all sub-awards at any tier.

### H.33 FACILITIES USED FOR RELIGIOUS ACTIVITIES

Unless otherwise authorized in writing by the Contracting Officer, Contractor shall not use Contract funds for any work related to facilities of any type where the intended use of such a facility is for inherently religious activities. In cases where work addressed by this provision is authorized by the Contracting Officer, such authorization will be limited and explicit.

### H.34 SECURITY CLEARANCE

(a) Contract may involve classified performance in accordance with ADS Chapter 567 "Classified Contract Security and Contractor Personnel Security Program" and FAR Subpart 4.4 "Safeguarding Classified Information within Industry". Consequently, this Contract incorporates the minimum provisions needed to comply with the National Industrial Security Program (NISP) and ADS 567, as summarized in paragraphs (b) through (g) below for any classified Contract, the requiring office for the Contract must complete a DD 254, have it cleared *by* the Office of Security (SEC), and include it with the Statement of Work for the classified Contract. A hyperlink to a blank copy of the DD 254 is below:

<http://www.dtic.mil/whs/directives/infomgt/forms/eforms/dd0254.pdf>

Questions pertaining to the DD 254 are to be directed to the Office of Security. Contracts or Contracts that do **not** require access to classified information and have not been designated as classified, in accordance with ADS 567, are not impacted by these procedures.

(b) In order to be considered for a classified Contract, the Contractor must obtain and maintain a "Facility Clearance" at the "Secret" level. In accepting the award of this Contract, the Contractor acknowledges that it waives any right to be considered or to participate in the "fair opportunity to be considered" procedures in Section F of this Contract for any classified Contract if the Contractor fails to obtain and maintain a Secret level facility clearance. Even though the basic Contract is not classified, the Contractor may request a Secret level facility

clearance at any time after the Contract is awarded in order to be eligible for consideration for a classified Contract. The COR from the office sponsoring the Contract is responsible for coordinating with SEC in taking any actions ADS 567 requires to request the facility clearance from the Defense Security Service (DSS). The COR is responsible for managing the clearance requirements for any classified Contract s.

[REDACTED]

The CO is responsible for incorporating the completed and cleared DD254 into a classified Contract.

(c) If DSS grants an interim clearance but then subsequently revokes the interim clearance after Contract award and denies a final clearance, the Contract may be terminated, depending on the reasons DSS denied the clearance. If the Contract is not terminated, the Contractor is prohibited from being considered for or being issued any future classified Contract s, in accordance with the acknowledgement in (b) above.

(d) Employees of the Contractor working under this Contract or under a Contract issued against this Contract and requiring access to classified national security information and/or to areas under the control of USAID deemed "Restricted" by USAID's Office of Security must have been subject to an appropriate level background investigation by the Defense Security Service (DSS). DSS must issue either an "Interim" or "Final" security clearance for each such employee before USAID will grant him or her unescorted access to USAID's restricted spaces(s) or permit him or her access to classified national security information. If DSS issues an interim clearance but subsequently denies a final clearance for an employee of a cleared Contractor, the Contractor must immediately remove the employee from USAID-restricted space and prevent him or her from having access to or handling classified or administratively controlled materials. The Contractor is responsible for providing properly cleared personnel to work on the Contract and for ensuring that performance is not jeopardized.

(e) The Contractor's Facility Security Officer (FSO) must forward a valid "Visit Request" identifying their representatives/employees and the required security clearance information to the USAID Office of Security, 1300 Pennsylvania Ave., N.W., Washington, D.C. 20523-8800.

(f) In the event the Contractor subcontracts any work to be performed under a classified Contract, the Contractor is responsible for issuing the security guidance provided by USAID to any subcontractor and ensuring that subcontractors comply with security requirements of the prime Contract/Contract .

(g) The Office of Security will issue RRB facility passes to individual Contractor representatives/employees upon receipt of the "Visit Request". The Contractor must ensure that any passes issued are returned upon termination of employment or completion of the Contract, whichever occurs first.

### H.35 GRANTS UNDER CONTRACT

Grants under Contract to non-governmental organizations are authorized under this contract. They may be utilized at the contract level, as appropriate and when required by the Contracting Officer. Contractor, when required in any task, may execute grants up to [REDACTED] (unless a deviation is obtained to have this threshold increased), providing conditions in ADS 302.3.4.13 are met. Within a Contract, the CO will include all grant related clauses applicable to the contract statement of work. The contractor must also seek approval for grants under contract authority for the contract in accordance with the procedures outlined below.

The following requirements apply to any grant awarded by a Contractor under this contract:

- a. USAID shall have substantial involvement in the establishment of selection criteria and shall approve the selection of grant recipients. Unless otherwise directed by the Contracting Officer, the COR shall have the authority to approve the grant recipient selection.
- b. The Contractor must obtain mayors' concurrence for all grants under contract to ensure activities align with municipal priorities.
- c. USAID retains the right to terminate the grant activity (activities) unilaterally in extraordinary circumstances.
- d. The Contractor is not authorized to execute or administer Cooperative Agreements on USAID's behalf.
- e. Requirements which apply to USAID-executed grants shall also apply to grants signed by the Contractor.
- f. The Contractor shall award such grants only to non-U.S., or U.S., non-governmental organizations. It is anticipated that the approved amount of such grants shall not exceed [REDACTED] unless an exception is provided in writing by the Contracting Officer.
- g. The Contractor shall prepare and submit for Contracting Officer Representative (COR) approval, a Grants Manual that outlines, at a minimum, the competition process, selection criteria, types of grants to be utilized, as well as all grants templates. Once the Grants Manual is approved, the COR shall have the authority to approve the grant recipient selection.
- h. If the Grants Manual is not provided before award to the COR, the Contractor shall obtain approval from the COR within 60 days after award of the contract.

The Contractor shall comply with all USAID policies, procedures, regulations, and provisions set forth in the Contract and ensure:

- (1) sufficient time to complete grantee audits,
- (2) sufficient time for the grantee to submit a final report to the Contractor, and
- (3) sufficient time for the Contractor to complete its review of the grantee and provide a final report to the government before Contract or Contract close-out.

All grants must be closed out no later than the end date of the Contract. Reporting requirements shall be in accordance with Section F.

### **H.36 RIGHT TO PROCURE FROM OTHER SOURCES**

The Government, under the terms of this contract, retains the right to procure similar services from other sources during the period of this contract. USAID reserves the right to contract with other entities outside of this contract to develop and/or implement Infrastructure activities and projects, including ones that have been identified, studied, developed and/or designed to a prescribed level by the Contractor under an approved Contract.

### **H.37 NONDISCRIMINATION (JUNE 2012)**

FAR Part 27 and the clauses prescribed in that part prohibit contractors performing in or recruiting from the U.S. from engaging in certain discriminatory practices.

USAID is committed to achieving and maintaining a diverse and representative workforce and a workplace free of discrimination. Based on law, Executive Order, and Agency policy, USAID prohibits discrimination in its own workplace on the basis of race, color, religion, sex (including pregnancy and gender identity), national origin, disability, age, veteran's status, sexual orientation, genetic information, marital status, parental status, political affiliation, and any other conduct that does not adversely affect the performance of the employee. USAID does not tolerate any type of harassment, either sexual or nonsexual, of any employee or applicant for employment. Contractors are required to comply with the nondiscrimination requirements of the FAR.

In addition, the Agency strongly encourages all its contractors (at all tiers) to develop and enforce comprehensive nondiscrimination policies for their workplaces that include protection on these expanded bases, subject to applicable law.

### **H.38 SERIOUS INCIDENT REPORTING IN AFGHANISTAN (DECEMBER 2010)**

The implementing partner is responsible for reporting all serious incidents during performance of the award. This reporting shall apply to the prime implementing partner and all sub-awardees regardless of the tier (subs of subs and lower, etc.). In addition to reporting, the prime is responsible for ensuring timely investigation of all serious incidents and maintaining on file all records of reported serious incidents.

A serious incident is defined as any of the following against an employee paid for with US Government funding or on a USAID funded worksite regardless of the tier of the employee:

1. Death of an individual,
2. Discharge of a firearm with the intent to cause bodily injury or the use of an instrument with the intent of causing serious bodily harm to an employee,
3. The detention of an employee against their will.

Implementing partners shall provide initial notification to the USAID Safety and Security Office (SSO), either orally or by email, of any serious incident - as soon as practical if it cannot be done immediately. The emails shall be sent to:

[KabulAIDSSO@usaid.gov](mailto:KabulAIDSSO@usaid.gov). This notification must provide as many details as are known at the

time about the incident.

Within 24 hours of the incident, the implementing partner shall submit a more formal written incident report. The prime partner shall provide the report to the SSO and will concurrently send a copy to the USAID Cognizant Contracting Officer's Representative (COR) and the Contracting Officer (CO).

The initial written report shall include the award number, the name of the company, location where the incident occurred (Lat/Lon or MGRS), time when the incident occurred, a brief description of the events of the incident, details about any known casualties and a point of contact for the company. The implementing partner shall provide a follow-up comprehensive written report of events surrounding the incident within 96 hours when greater details are known. Additionally, if a serious incident which involves an employee wounded in action (WIA) who later succumbs of the wound(s), the partner shall notify the SSO within 24 hours of the death of the individual.

### **H.39 STANDARDS FOR ACCESSIBILITY FOR THE DISABLED IN USAID CONSTRUCTION CONTRACTS (JULY 2007)**

(a) One of the objectives of the USAID 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. As part of this policy USAID has established standards for any new or renovation construction project funded by USAID to allow access by people with disabilities (PWDs). The full text of the policy paper can be found at the following website:

<http://www.usaid.gov/>

(b) USAID requires the contractor to comply with standards of accessibility for people with disabilities in all structures, buildings or facilities resulting from new or renovation construction or alterations of an existing structure.

(c) The contractor will comply with the host country or regional standards for accessibility in construction when such standards result in at least substantially equivalent accessibility and usability as the standard provided in the Americans with Disabilities Act (ADA) of 1990 and the Architectural Barriers Act (ABA) Accessibility Guidelines of July 2004. Where there are no host country or regional standards for universal access, or where the host country or regional standards fail to meet the ADA/ABA threshold, the standard prescribed in the ADA and the ABA must be used.

(d) New Construction. All new construction will comply with the above standards for accessibility.

(e) Alterations. Changes to an existing structure that affect, or could affect, the usability of the structure will comply with the above standards for accessibility unless the contractor obtains the Contracting Officer's advance approval that compliance is technically infeasible or constitutes an undue burden or both. Compliance is technically infeasible where structural

conditions would require removing or altering a load-bearing member that is an essential part of the structural frame or because other existing physical or site constraints prohibit modification or addition of elements, spaces, or features that are in full and strict compliance with the minimum requirements of the standard. Compliance is an undue burden where it entails either a significant difficulty or expense or both.

(f) Exceptions. The following construction related activities are excepted from the requirements of paragraphs (a) through (d) above: (1) Normal maintenance, re-roofing, painting or wallpapering, or changes to mechanical or electrical systems are not alterations and the above standards do not apply unless they affect the accessibility of the building or facility; and (2) emergency construction (which may entail the 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. A portion of emergency construction assistance may be provided to people with disabilities as part of the process of identifying disaster- and crisis-affected people as "most vulnerable."

#### **H.40 USAID-FINANCED THIRD-PARTY WEBSITES (AUGUST 2013)**

(a) Definitions:

"Third-party web sites:" Sites hosted on environments external to USAID boundaries and not directly controlled by USAID policies and staff, except through the terms and conditions of a contract. Third-party Web sites include project sites.

(b) The contractor must adhere to the following requirements when developing, launching, and maintaining a third-party Web site funded by USAID for the purpose of meeting the project implementation goals:

(1) Working through the COR, the contractor must notify the USAID Bureau for Legislative and Public Affairs/Public Information, Production and Online Services (LPA/PIPOS) of the Web site URL as far in advance of the site's launch as possible.

(2) The contractor must comply with Agency branding and marking requirements comprised of the USAID logo and brand mark with the tagline "from the American people," located on the USAID Web site at [www.usaid.gov/branding](http://www.usaid.gov/branding), and USAID Graphics Standards manual at <http://transition.usaid.gov/branding/gsm.html>.

(3) The Web site must be marked on the index page of the site and every major entry point to the Web site with a disclaimer that states:

"The information provided on this Web site is not official U.S. Government information and does not represent the views or positions of the U.S. Agency for International Development or the U.S. Government."

(4) The Web site must provide persons with disabilities access to information that is comparable to the access available to others. As such, all site content must be compliant with the requirements of the Section 508 amendments to the Rehabilitation Act.

(5) The contractor must identify and provide to the COR, in writing, the contact information for the information security point of contact. The contractor is responsible for updating the contact information whenever there is a change in personnel assigned to this role.

(6) The contractor must provide adequate protection from unauthorized access, alteration, disclosure, or misuse of information processed, stored, or transmitted on the Web sites. To minimize security risks and ensure the integrity and availability of information, the contractor must use sound: system/software management; engineering and development; and secure-coding practices consistent with USAID standards and information security best practices. Rigorous security safeguards, including but not limited to, virus protection; network intrusion detection and prevention programs; and vulnerability management systems must be implemented and critical security issues must be resolved as quickly as possible or within 30 days. Contact the USAID Chief Information Security Officer (CISO) at [ISSO@usaid.gov](mailto:ISSO@usaid.gov) for specific standards and guidance.

(7) The contractor must conduct periodic vulnerability scans, mitigate all security risks identified during such scans, and report subsequent remediation actions to CISO at [ISSO@usaid.gov](mailto:ISSO@usaid.gov) and COR within 30 workdays from the date vulnerabilities are identified. The report must include disclosure of the tools used to conduct the scans. Alternatively, the contractor may authorize USAID CISO at [ISSO@usaid.gov](mailto:ISSO@usaid.gov) to conduct periodic vulnerability scans via its Web-scanning program. The sole purpose of USAID scanning will be to minimize security risks. The contractor will be responsible for taking the necessary remediation action and reporting to USAID as specified above.

(c) For general information, agency graphics, metadata, privacy policy, and 508 compliance requirements, refer to [http://transition.usaid.gov/info\\_technology/xweb/contracts.html](http://transition.usaid.gov/info_technology/xweb/contracts.html)

#### **H.41 CONFERENCE PLANNING AND REQUIRED APPROVALS (AUGUST 2013)**

The contractor must obtain USAID approval prior to committing costs related to conferences funded in whole or in part with USAID funds where:

1. Twenty (20) or more USAID employees are expected to attend.
2. The net conference expense funded by USAID will exceed \$100,000 (excluding salary of employees), regardless of the number of USAID participants.

A conference is defined as a seminar, meeting, retreat, symposium, workshop, training activity or other such event that requires temporary duty travel of USAID employees. For the purpose of this policy, an employee is defined as a U.S. direct hire; personal services contractor, including U.S. PSCs, Foreign Service National (FSN)/Cooperating Country National (CCN) and Third Country National (TCN); or a Federal employee detailed to USAID from another government agency.

Conferences approved at the time of award will be incorporated into the award. Any subsequent requests for approval of conferences must be submitted by the contractor to the USAID COR. The COR will obtain the required agency approvals and communicate such approvals to the contractor in writing. The request for conference approval must include:

1. A brief summary of the proposed event; A justification for the conference and alternatives considered, e.g., teleconferencing and videoconferencing;
2. The estimated budget by line item (e.g., travel and per diem, venue, facilitators, meals, equipment, printing, access fees, ground transportation);
3. A list of USAID employees attending and a justification for each; and the number of other USAID-funded participants (e.g., institutional contractors);
4. The venues considered (including government-owned facility), cost comparison, and justification for venue selected if it is not the lowest cost option;
5. If meals will be provided to local employees (a local employee would not be in travel status), a determination that the meals are a necessary expense for achieving Agency objectives; and
6. A certification that strict fiscal responsibility has been exercised in making decisions regarding conference expenditures, the proposed costs are comprehensive and represent the greatest cost advantage to the U.S. Government, and that the proposed conference representation has been limited to the minimum number of attendees necessary to support the Agency's mission.

#### **H.42 FRAUD REPORTING**

The Contractor is required to report on indications of fraud in host-country institutions or other matters that could reasonably be expected to be of foreign policy interest to the U.S. Government's development and stabilization efforts. Corruption, real or perceived, may critically impact USAID programming objectives as might other knowledge the Contractor acquires in its normal course of business. This clause must not be construed to require the Contractor to conduct investigation for such information outside of its normal business practices or to report on matters not directly or indirectly related to USAID programming or the proper use of U.S. Government funds. In the event contractor has special non-disclosure requirements or confidentiality requirements (such as prevalent in the legal and banking industries), or Contractor determines such reporting would conflict with applicable laws, Contractor must include a proposal to obtain any necessary waivers from the applicable host-country institution allowing such reporting to the maximum extent possible. Reports under this requirement must be submitted as a deliverable under the award.

#### **H.43 VETTING**

##### **I. Mission Order 4-14.001**

Information for Non-US contractors, subcontractors, and key individuals.

- (a) The contractor must complete and submit the "USAID Information Form" in Attachment J.1 of this contract for:
  - i) Itself, if it is a non-U. S. entity;
  - ii) Each subcontractor or subcontractor of a subcontractor, regardless of the tier, valued at \$25,000 or more, that is a non-U.S. entity; or
  - iii) Each key individual that is a non-U.S. entity.

(b) For purposes of this clause, the following definitions apply:

"Non-U.S. entity" means (1) any non-US citizen or non-permanent legal resident of the United States; or (2) any entity that is not formed in the United States or for which 50% or more of the equity is owned or controlled by persons who are not U.S. citizens or permanent legal residents of the United States.

"Key individuals" means (i) an individual or entity owning 10% or more equity stake in the organization, whether publically- or privately-held; (ii) 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); (iii) the principal officer and deputy principal officer of the organization (e.g., executive director, deputy director; president, vice president); (iv) the program manager or chief of party for the USAID-financed program; and (v) any other person with significant responsibilities for administration of USAID financed activities or resources.

(c) The requirements of paragraph (a) of this clause must be completed prior to the Government's acceptance of the contract and following that, at the earlier of:

- i) Once a year; or
- ii) When there is a change or addition to any entity or person identified in paragraph (a).

(d) USAID reserves the right to rescind approval for a sub-award in the event that USAID subsequently becomes aware of information indicating that the sub-award is contrary to U.S. law or policy prohibiting support for terrorism, or facilitating criminal activity. In such cases, USAID's Contracting Officer will provide written instructions to the recipient to terminate the sub-award.

## **II. Mission Order 4-14.002**

### **Certification Regarding Provision of Support to Persons Engaged in Terrorism**

(a) By entering into this contract, the contractor certifies, to the best of its knowledge and belief that:

1. The Contractor, 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 Contractor to comply with its obligations under paragraph 1:

(a) Before providing any material support or resources to an individual or entity, the Contractor 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.instantofac.com/search.php>,

or (ii) is not included in any supplementary information concerning prohibited individuals or entities that may be provided by USAID to the Contractor.

(b) Before providing any material support or resources to an individual or entity, the Contractor also will verify that the individual or entity has not been designated by the United Nations Security (UNSC) sanctions committee established under UNSC Resolution 1267 (1999) (the "1267 Committee") [individuals and entities linked to the Taliban, Osama Bin Laden, or the Al Qaida Organization]. To determine whether there has been a published designation of an individual or entity by the 1267 Committee, the Contractor should refer to the consolidated list available online at the Committee's website:

<http://www.un.org/sc/committees/1267/pdf/AQList.pdf>

(c) Before providing any material support or resources to an individual or entity, the Contractor 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 Contractor 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, safe houses, 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.iaii.org/English/Terrorism.asp>); or
- ii) An act of premeditated, politically motivated violence perpetrated against noncombatant targets by sub-national groups or clandestine agents; or
- iii) Any other act intended to cause death or serious bodily injury) to a civilian, or to any other person not taking an active part in hostilities in a situation of armed conflict, when the purpose of such act, by its nature or context, is to intimidate a population, or to compel a government or an international organization to do or to abstain from doing any act.

(c) "Entity" means a partnership, association, corporation, or other organization, group or

subgroup.

(d) References in this Certification to the provision of material support and resources shall not be deemed to include the furnishing of USAID funds or USAID-financed commodities to the ultimate beneficiaries of USAID assistance, such as recipients of food, medical care, micro-enterprise loans, shelter, etc., unless the Contractor 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 Contractor's obligations under paragraph 1 are not applicable to the procurement of goods and/or services by the Contractor that are acquired in the ordinary course of business through contract or purchase, e.g., utilities, rents, office supplies, gasoline, etc., unless the Contractor 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.

(f) By entering into this contract, the Offeror acknowledges that it has a continuing obligation and shall notify the Contracting Officer within 72 hours in writing if it has intentionally or unintentionally taken any actions that have the result and effect of being inconsistent with the certification in subsection (a) of this clause.

(g) The certification in paragraph (a) of this provision and the requirement to update the contracting officer as to a change in status as set forth in paragraph (b) are material representations upon which reliance was placed when making award. If it is later determined that the Offeror knowingly rendered an erroneous certification, or did not notify the contracting officer in writing of a change in such certification, in addition to other remedies available to the Government, the Contracting Officer may terminate the contract resulting from this solicitation for default.

### III. RESTRICTIONS ON CERTAIN FOREIGN PURCHASES (JUNE 2008)

(a) Except as authorized by the Office of Foreign Assets Control (OFAC) in the Department of the Treasury, the Contractor shall not acquire, for use in the performance of this contract, any supplies or services if any proclamation, Executive order, or statute administered by OFAC, or if OFACs implementing regulations at 31 CFR Chapter V, would prohibit such a transaction by a person subject to the jurisdiction of the United States.

(b) Except as authorized by OFAC, most transactions involving Cuba, Iran, and Sudan are prohibited, as are most imports from Burma or North Korea, into the United States or its outlying areas. Lists of entities and individuals subject to economic sanctions are included in OFAC's List of Specially Designated Nationals and Blocked Persons at [http:// www.treas.gov/offices/enforcement/ofac/sdn](http://www.treas.gov/offices/enforcement/ofac/sdn). More information about these restrictions, as well as updates, is available in the OFAC's regulations at 31 CFR Chapter V and/or on OFAC's website at [http:// www.treas.gov/offices/enforcement/ofac](http://www.treas.gov/offices/enforcement/ofac).

(c) The Contractor shall insert this clause, including this paragraph (c), in all sub-contracts.

(e) Before awarding any grant or similar instrument, the Contractor/Recipient shall obtain from the proposed sub-awardee 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).

#### H.44 ENVIRONMENTAL COMPLIANCE

The contractor must comply with 22 CFR 216<sup>9</sup> requirements, the Initial Environmental Examination Recommendations and Afghan environmental laws and regulations.

##### Environmental Mitigation and Monitoring Plan (EMMP)

- 1a) The Foreign Assistance Act of 1961, as amended, Section 117 requires that the impact of USAID's activities on the environment be considered and that USAID include environmental sustainability as a central consideration in designing and carrying out its development programs. This mandate is codified in Federal Regulations (22 CFR 216) and in USAID's Automated Directives System (ADS) Parts 201.5.10g and 204 (<http://www.usaid.gov/policy/ads/200/>), which, in part, require that the potential environmental impacts of USAID-financed activities are identified prior to a final decision to proceed and that appropriate environmental safeguards are adopted for all activities. The contractor's environmental compliance obligations under these regulations and procedures are specified in the following paragraphs of this contract.
- 1b) In addition, the contractor must comply with host country environmental regulations unless otherwise directed in writing by USAID. In case of conflict between host country and USAID regulations, the latter shall govern.
- 1c) No activity funded under this contract will be implemented unless an environmental threshold determination, as defined by 22 CFR 216, has been reached for that activity, as documented in a Request for Categorical Exclusion (RCE), Initial Environmental Examination (IEE), or Environmental Assessment (EA) duly signed by the Bureau Environmental Officer (BEO). (Hereinafter, such documents are described as "approved Regulation 216 environmental documentation.")
- 2) An Initial Environmental Examination (IEE) [see Attachment J.7] has been approved for this program's funding this contract. The IEE covers activities expected to be implemented under this contract. USAID has determined that a **Negative Determination with conditions** applies to one or more of the proposed activities. This indicates that if these activities are implemented subject to the specified conditions, they are expected to have no significant adverse effect on the environment. The contractor shall be responsible for implementing all IEE conditions pertaining to activities to be funded under this contract.
- 3a) As part of its initial Work Plan, and all Annual Work Plans thereafter, the contractor, in collaboration with the USAID COR and Mission Environmental Officer or Bureau Environmental Officer, as appropriate, must review all ongoing and planned activities under this contract to determine if they are within the scope of the approved Regulation 216 environmental documentation.

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<sup>9</sup> [http://www.usaid.gov/our\\_work/environment/compliance/index.html](http://www.usaid.gov/our_work/environment/compliance/index.html)

- 3b) If the contractor plans any new activities outside the scope of the approved Regulation 216 environmental documentation, it must prepare an amendment to the documentation for USAID review and approval. No such new activities must be undertaken prior to receiving written USAID approval of environmental documentation amendments.
- 3c) Any ongoing activities found to be outside the scope of the approved Regulation 216 environmental documentation must be halted until an amendment to the documentation is submitted and written approval is received from USAID.
- 4) When the approved Regulation 216 documentation is (1) an IEE that contains one or more Negative Determinations with conditions and/or (2) an EA, the contractor must:
- 4a) Unless the approved Regulation 216 documentation contains a complete environmental mitigation and monitoring plan (EMMP) or a project mitigation and monitoring (M&M) plan, the contractor must prepare an EMMP or M&M Plan describing how the contractor must, in specific terms, implement all IEE and/or EA conditions that apply to proposed project activities within the scope of the award. The EMMP or M&M Plan must include monitoring the implementation of the conditions and their effectiveness.
- 4b) Integrate a completed EMMP or M&M Plan into the initial work plan.
- 4c) Integrate an EMMP or M&M Plan into subsequent Annual Work Plans, making any necessary adjustments to activity implementation in order to minimize adverse impacts to the environment.
- 5a) Cost and technical proposals must reflect IEE or EA preparation costs and approaches.
- 5b) Contractor will be expected to comply with all conditions specified in the approved IEE and/or EA.
- 5c) If an IEE, as developed by the contractor and approved by USAID, includes a Positive Determination for one or more activities, the contractor will be required to develop and submit an EA addressing these activities.

#### **H.45 USAID AFGHANISTAN PUBLIC POSTING**

This contract will be posted in its entirety within 60 days of award, without alteration except that the Contractor may provide a redacted version of the award to USAID for review and consideration. Contractor must provide the redacted version within 30 days of the effective date the contract and direct the request and redacted copy via e-mail to [KabulAIDCompliance@state.gov](mailto:KabulAIDCompliance@state.gov). Requests to redact the contract award must be based on a claim that the award document contains proprietary or confidential business information or personally identifiable information (PII) so that redaction is warranted.

#### **H.46 BASIS FOR APPROVAL**

Documents submitted to USAID for approval pursuant to this award shall specify a) the specific

basis in the award document for requesting approval, if any; and b) the specific basis in agency operating policy, if any.

#### **H.47 USAID IMPLEMENTING PARTNER NOTICES (IPN) PORTAL FOR ACQUISITION (JULY 2014)**

##### Definitions

“USAID Implementing Partner Notices (IPN) Portal for Acquisition (“IPN Portal”)” means the single point where USAID posts universal bilateral modifications, which can be accessed electronically by registered USAID contractors. The IPN Portal is located at <https://sites.google.com/site/ipnforacquisitions/>.

“IPN Portal Administrator” means the USAID official designated by the M/OAA Director, who has overall responsibility for managing the USAID Implementing Partner Notices Portal for Acquisition.

“Universal bilateral modification” means modifications such as those that update or incorporate new FAR or AIDAR clauses, other terms and conditions, or special requirements that affect all awards or a class of awards as specified in the Agency notification of such terms and conditions or special requirements.

b) By submission of an offer and execution of a contract, the Offeror/Contractor acknowledges the requirement to:

- (1) Register with the IPN Portal if awarded a contract resulting from this solicitation, and
- (2) Receive universal bilateral modifications to this contract and general notices via the IPN Portal.

c) Procedure to register for notifications.

Go to: <https://sites.google.com/site/usaaidipnforacquisitions/> and click the “Register” button at the top of the page. Contractor representatives must use their official organization email address when subscribing, not personal email addresses.

d) Processing of IPN Portal Modifications

The contractor may access the IPN Portal at any time to review all IPN Portal modifications; however, the system will also notify the contractor by email when the USAID IPN Portal Administrator posts a universal bilateral modification for contractor review and signature. Proposed IPN Portal modifications distributed via the IPN Portal are applicable to all awards, unless otherwise noted in the proposed modification.

Within 15 calendar days from receipt of the notification email from the IPN Portal, the contractor must do one of the following:

(1) (a) verify applicability of the proposed modification for their award(s) per the instructions provided with each modification; (b) download the modification and incorporate the following information on the SF30 form: contract number, organization name, and organization mailing address as it appears in the basic award; (c) sign the hardcopy version; and (d) send the signed modification (by email or hardcopy) to the CO for signature. The contractor must not incorporate any other changes to the IPN Portal modification. Bilateral modifications provided through the IPN Portal are not effective until the both the contractor and the CO sign the modification;

(2) Notify the Contracting Officer in writing if the modification requires negotiation of additional changes to terms and conditions of the contract; or

(3) Notify the Contracting Officer that the contractor declines to sign the modification.

Within 30 calendar days of receipt of a signed modification from the contractor, the CO must provide the fully executed modification to the contractor or initiate discussions with the contractor.

#### **H.48 ELECTRONIC PAYMENTS SYSTEM**

##### 1. Definitions:

- a. "Cash Payment System" means a payment system that generates any transfer of funds through a transaction originated by cash, check, or similar paper instrument. This includes electronic payments to a financial institution or clearing house that subsequently issues cash, check, or similar paper instrument to the designated payee.
- b. "Electronic Payment System" means a payment system that generates any transfer of funds, other than a transaction originated by cash, check, or similar paper instrument, which is initiated through an electronic terminal, telephone, mobile phone, computer, or magnetic tape, for the purpose of ordering, instructing or authorizing a financial institution to debit or credit an account. The term includes debit cards, wire transfers, transfers made at automatic teller machines, and point-of-sale terminals.

2. The contractor agrees to use an electronic payment system for any payments under this award to beneficiaries, subcontractors, or grants under contracts, where applicable.

3. Exceptions. The contractor is allowed the following exceptions, provided the contractor documents its contract file with the appropriate justification:

- a. Cash Payments made while establishing electronic payment systems, provided that this exception is not used for more than six months from the effective date of this award.

- b. Cash payments made to payees where the contractor does not expect to make payments to the same payee on a regular, recurring basis, and payment through an electronic payment system is not reasonably available.
- c. Cash payments to vendors below the micro purchase level as defined by FAR 2.101, or for Grants Under Contracts for less than \$3000, when payment through an electronic payment system is not reasonably available.
- d. The contractor has received a specific written exception from the Contracting Officer that a specific payment or all cash payments are authorized, based on the contractor's written justification, which provides a basis and cost analysis for the requested exception.

More information about how to establish, implement, and manage electronic payment methods is available to contractors at <http://solutioncenter.nethope.org/programs/c2e-toolkit>.

#### **H.49 SUBMISSION OF DATASETS TO THE DEVELOPMENT DATA LIBRARY (DDL) (OCTOBER 2014)**

(a) Definitions. For the purpose of submissions to the DDL:

(1) "Dataset" is an organized collection of structured data, including data contained in spreadsheets, whether presented in tabular or non-tabular form. For example, a Dataset may represent a single spreadsheet, an extensible mark-up language (XML) file, a geospatial data file, or an organized collection of these. This requirement does not apply to aggregated performance reporting data that the contractor submits directly to a USAID portfolio management system or to unstructured data, such as email messages, PDF files, PowerPoint presentations, word processing documents, photos and graphic images, audio files, collaboration software, and instant messages. Neither does the requirement apply to the contractor's information that is incidental to award administration, such as financial, administrative, cost or pricing, or management information. Datasets submitted to the DDL will generally be those generated with USAID resources and created in support of Intellectual Work that is uploaded to the Development Experience Clearinghouse (DEC) (see AIDAR 752.7005 "Submission Requirements for Development Experience Documents").

(2) "Intellectual Work" includes all works that document the implementation, monitoring, evaluation, and results of international development assistance activities developed or acquired under this award, which may include program and communications materials, evaluations and assessments, information products, research and technical reports, progress and performance reports required under this award (excluding administrative financial information), and other reports, articles and papers prepared by the contractor under the award, whether published or not. The term does not include the contractor's information that is incidental to award administration, such as financial, administrative, cost or pricing, or management information.

(b) Submissions to the Development Data Library (DDL)

(1) The Contractor must submit to the Development Data Library (DDL), at [www.usaid.gov/data](http://www.usaid.gov/data), in a machine-readable, non-proprietary format, a copy of any Dataset created or obtained in performance of this award, including Datasets produced by a subcontractor at any tier. The submission must include supporting documentation describing the Dataset, such as code books, data dictionaries, data gathering tools, notes on data quality, and explanations of redactions.

(2) Unless otherwise directed by the Contracting Officer (CO) or the Contracting Officer Representative (COR), the contractor must submit the Dataset and supporting documentation within thirty (30) calendar days after the Dataset is first used to produce an Intellectual Work or is of sufficient quality to produce an Intellectual Work. Within thirty (30) calendar days after award completion, the contractor must submit to the DDL any Datasets and supporting documentation that have not previously been submitted to the DDL, along with an index of all Datasets and Intellectual Work created or obtained under the award. The contractor must also provide to the COR an itemized list of any and all DDL submissions.

The contractor is not required to submit the data to the DDL, when, in accordance with the terms and conditions of this award, Datasets containing results of federally funded scientific research are submitted to a publicly accessible research database. However, the contractor must submit a notice to the DDL by following the instructions at [www.usaid.gov/data](http://www.usaid.gov/data), with a copy to the COR, providing details on where and how to access the data. The direct results of federally funded scientific research must be reported no later than when the data are ready to be submitted to a peer-reviewed journal for publication, or no later than five calendar days prior to the conclusion of the award, whichever occurs earlier.

(3) The contractor must submit the Datasets following the submission instructions and acceptable formats found at [www.usaid.gov/data](http://www.usaid.gov/data).

(4) The contractor must ensure that any Dataset submitted to the DDL does not contain any proprietary or personally identifiable information, such as social security numbers, home addresses, and dates of birth. Such information must be removed prior to submission. Text highlighted in yellow indicates that the material is new or substantively revised.

(5) The contractor must not submit classified data to the DDL.  
[End of Provision]

[END OF SECTION H]

## PART II- CONTRACT CLAUSES

### SECTION I: CONTRACT CLAUSES

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#### I.1 52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

This contract incorporates one of more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

<http://arnet.gov/far/>  
<http://www.acquisition.gov/far/index.html>

#### I.2 NOTICE LISTING CONTRACT CLAUSES INCORPORATED BY REFERENCE

The following contract clauses pertinent to this section are hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the clause at FAR "52.252-2 CLAUSES INCORPORATED BY REFERENCE" in Section I of this contract. See <http://acquisition.gov/far/index.html> for electronic to the full text of a FAR clause. See [http://www.usaid.gov/sites/default/files/documents/1868/aidar\\_0.pdf](http://www.usaid.gov/sites/default/files/documents/1868/aidar_0.pdf) for electronic access to the full text of an AIDAR clause.

<b>NUMBER</b>	<b>TITLE</b>	<b>DATE</b>
52.202-1	DEFINITIONS	(NOV 2013)
52.203-3	GRATUITIES	(APR 1984)
52.203-5	COVENANT AGAINST CONTIGENT FEES	(MAY 2014)
52.203-6	RESTRICTIONS ON SUBCONTRACT SALES TO THE GOVERNMENT	(SEP 2006)
52.203-7	ANTI-KICKBACK PROCEDURES	(MAY 2014)
52.203-8	CANCELLATION, RESCISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY	(MAY 2014)
52.203-10	PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY	(MAY 2014)
52.203-12	LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS	(OCT 2010)
52.203-13	CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT	(APR 2010)
52.203-14	DISPLAY OF HOTLINE POSTER(S)	(DEC 2007)
52.204-1	APPROVAL OF CONTRACT	(DEC 1989)
52.204-4	PRINTED OR COPIED DOUBLE-SIDED ON POSTCONSUMER FIBER CONTENT PAPER	(MAY 2011)
52.204-9	PERSONAL IDENTITY VERIFICATION OF CONTRACTOR PERSONNEL	(JAN 2011)
52.204-10	REPORTING EXECUTIVE COMPENSATION AND FIRST-TIER SUBCONTRACT AWARDS	(JUL 2013)
52.204-12	DATA UNIVERSAL NUMBERING SYSTEM NUMBER MAINTENANCE	(DEC 2012)
52.204-13	SYSTEM FOR AWARD MANAGEMENT MAINTENANCE	(JUL 2013)
52.204-14	SERVICE CONTRACT REPORTING REQUIREMENTS	(JAN 2014)
52.209-1	QUALIFICATION REQUIREMENTS	(FEB 1995)

52.209-6	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT	(AUG 2013)
52.209-9	UPDATES OF PUBLICLY AVAILABLE INFORMATION REGARDING RESPONSIBILITY MATTERS	(JUL 2013)
52.215-2	AUDIT AND RECORDS - NEGOTIATION	(OCT 2010)
52.215-8	ORDER OF PRECEDENCE - UNIFORM CONTRACT FORMAT	(OCT 1997)
52.215-17	WAIVER OF FACILITIES CAPITAL COST OF MONEY	(OCT 1997)
52.215-19	NOTIFICATION OF OWNERSHIP CHANGES.	(OCT 1997)
52.215-23	LIMITATIONS ON PASS-THROUGH CHARGES	(OCT 2009)
52.215-23	LIMITATIONS ON PASS-THROUGH CHARGES (OCT 2009) - ALTERNATE I	(OCT 2009)
52.216-7	ALLOWABLE COST AND PAYMENT	(JUN 2013)
52.216-23	EXECUTION AND COMMENCEMENT OF WORK	(APR 1984)
52.216-24	LIMITATION OF GOVERNMENT LIABILITY	(APR 1984)
52.217-9	OPTION TO EXTEND THE TERM OF THE CONTRACT	(MAR 2000)
52.219-14	LIMITATIONS ON SUBCONTRACTING	(NOV 2011)
52.219-16	LIQUIDATED DAMAGES - SUBCONTRACTING PLAN	(JAN 1999)
52.222-2	PAYMENT FOR OVERTIME PREMIUMS	(JUL 1990)
52.222-26	EQUAL OPPORTUNITY	(MAR 2007)
52.222-29	NOTIFICATION OF VISA DENIAL	(JUN 2003)
52.222-35	EQUAL OPPORTUNITY FOR VETERANS	(JUL 2014)
52.222-37	EMPLOYMENT REPORTS ON VETERANS	(JUL 2014)
52.222-43	FAIR LABOR STANDARDS ACT- PRICE ADJUSTMENT (MULTIPLE YEAR AND OPTION CONTRACTS)	(MAY 2014)
52.222-50	COMBATING TRAFFICKING IN PERSONS	(FEB 2009)
52.222-54	EMPLOYMENT ELIGIBILITY VERIFICATION	(AUG 2013)
52.223-3	HAZARDOUS MATERIAL IDENTIFICATION AND MATERIAL SAFETY DATA	(JAN 1997)
52.223-3	HAZARDOUS MATERIAL IDENTIFICATION AND MATERIAL SAFETY DATA (JAN 1997) ALTERNATE I	(JUL 1995)
52.223-6	DRUG-FREE WORKPLACE	(MAY 2001)
52.223-10	WASTE REDUCTION PROGRAM	(MAY 2011)
52.223-12	REFRIGERATION EQUIPMENT AND AIR CONDITIONERS	(MAY 1995)
52.223-18	ENCOURAGING CONTRACTOR POLICIES TO BAN TEXT MESSAGING WHILE DRIVING	(AUG 2011)
52.223-19	COMPLIANCE WITH ENVIRONMENTAL MANAGEMENT SYSTEMS	(MAY 2011)
52.224-1	PRIVACY ACT NOTIFICATION	(APR 1984)
52.224-2	PRIVACY ACT	(APR 1984)
52.225-1	BUY AMERICAN SUPPLIES	(MAY 2014)
52.225-13	RESTRICTIONS ON CERTAIN FOREIGN PURCHASES.	(JUN 2008)
52.227-14	RIGHTS IN DATA-GENERAL.	(MAY 2014)
52.228-3	WORKERS' COMPENSATION INSURANCE (DEFENSE BASE ACT).	(JUL 2014)
52.228-7	INSURANCE - LIABILITY TO THIRD PERSONS.	(MAR 1996)
52.229-8	TAXES - FOREIGN COST-REIMBURSEMENT CONTRACTS.	(MAR 1990)
52.230-2	COST ACCOUNTING STANDARDS	(MAY 2014)
52.230-3	DISCLOSURE AND CONSISTENCY OF COST ACCOUNTING PRACTICES	(MAY 2014)
52.230-4	DISCLOSURE AND CONSISTENCY OF COST ACCOUNTING PRACTICES-FOREIGN CONCERNS	(MAY 2014)
52.230-6	ADMINISTRATION OF COST ACCOUNTING STANDARDS.	(JUN 2010)
52.232-12	ADVANCE PAYMENTS.	(MAY 2001)

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52.242-3	PENALTIES FOR UNALLOWABLE COSTS	(MAY 2014)
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52.247-63	PREFERENCE FOR U.S.-FLAG AIR CARRIERS	(JUN 2003)
52.247-67	SUBMISSION OF TRANSPORTATION DOCUMENTS FOR AUDIT	(FEB 2006)
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52.249-6	TERMINATION (COST-REIMBURSEMENT)	(MAY 2004)
52.249-14	EXCUSABLE DELAYS	(APR 1984)
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52.252-6	AUTHORIZED DEVIATIONS IN CLAUSES	(APR 1984)

<b>NUMBER</b>	<b>TITLE</b>	<b>DATE</b>
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**AIDAR (48 CFR Chapter 7)**

752.227-14	RIGHTS IN DATA-GENERAL	(APR 2014)
752.7034	ACKNOWLEDGEMENT AND DISCLAIMER	(DEC 1991)
752.219-70	USAID MENTOR-PROTÉGÉ PROGRAM	(JUL 2007)
752.219-71	MENTOR REQUIREMENTS AND EVALUATION	JUL 2007)

**I.3 52.203-17 CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (APR 2014)**

- (a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L.112-239) and FAR 3.908.
- (b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.
- (c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

**I.4 52.216-8 FIXED FEE (JUN 2011)**

- (a) The Government shall pay the Contractor for performing this contract the fixed fee specified in the Schedule.
- (b) Payment of the fixed fee shall be made as specified in the Schedule; provided that the Contracting Officer withholds a reserve not to exceed 15 percent of the total fixed fee or \$100,000, whichever is less, to protect the Government's interest. The Contracting Officer shall release 75 percent of all fee withholds under this contract after receipt of an adequate certified final indirect cost rate proposal covering the year of physical completion of this contract, provided the Contractor has satisfied all other contract terms and conditions, including the submission of the final patent and royalty reports, and is not delinquent in submitting final vouchers on prior years' settlements. The Contracting Officer may release up to 90 percent of the fee withholds under this contract based on the Contractor's past performance related to the submission and settlement of final indirect cost rate proposals.

**I.5 FAR 52.209-9 INFORMATION REGARDING RESPONSIBILITY MATTERS (JUL 2013)**

- (a) The Contractor shall update the information in the Federal Awardee Performance and Integrity Information System (FAPIIS) on a semi-annual basis, throughout the life of the contract, by posting the required information in the System for Award Management database via <https://www.acquisition.gov>.
- (b) As required by section 3010 of the Supplemental Appropriations Act, 2010 (Pub. L. 111-212), all information posted in FAPIIS on or after April 15, 2011, except past performance reviews, will be publicly available. FAPIIS consists of two segments –
- (1) The non-public segment, into which Government officials and the Contractor post information, which can only be viewed by –
- (i) Government personnel and authorized users performing business on behalf of the Government; or
- (ii) The Contractor, when viewing data on itself; and
- (2) The publicly-available segment, to which all data in the non-public segment of FAPIIS is automatically transferred after a waiting period of 14 calendar days, except for –
- (i) Past performance reviews required by subpart 42.15;

(ii) Information that was entered prior to April 15, 2011; or  
 (iii) Information that is withdrawn during the 14-calendar-day waiting period by the Government official who posted it in accordance with paragraph (c)(1) of this clause.

(c) The Contractor will receive notification when the Government posts new information to the Contractor's record.

(1) If the Contractor asserts in writing within 7 calendar days, to the Government official who posted the information, that some of the information posted to the non-public segment of FAPIIS is covered by a disclosure exemption under the Freedom of Information Act, the Government official who posted the information must within 7 calendar days remove the posting from FAPIIS and resolve the issue in accordance with agency Freedom of Information procedures, prior to reposting the releasable information. The contractor must cite 52.209-9 and request removal within 7 calendar days of the posting to FAPIIS.

(2) The Contractor will also have an opportunity to post comments regarding information that has been posted by the Government. The comments will be retained as long as the associated information is retained, *i.e.*, for a total period of 6 years. Contractor comments will remain a part of the record unless the Contractor revises them.

(3) As required by section 3010 of Pub. L. 111-212, all information posted in FAPIIS on or after April 15, 2011, except past performance reviews, will be publicly available.

(d) Public requests for system information posted prior to April 15, 2011, will be handled under Freedom of Information Act procedures, including, where appropriate, procedures promulgated under E.O. 12600.

#### **I.6 52.217-2 CANCELLATION UNDER MULTI-YEAR CONTRACTS (OCT-1997)**

a) "Cancellation," as used in this clause, means that the Government is canceling its requirements for all supplies or services in program years subsequent to that in which notice of cancellation is provided. Cancellation shall occur by the date or within the time period specified in the Schedule, unless a later date is agreed to, if the Contracting Officer –

(1) Notifies the Contractor that funds are not available for contract performance for any subsequent program year; or

(2) Fails to notify the Contractor that funds are available for performance of the succeeding program year requirement.

(b) Except for cancellation under this clause or termination under the Default clause, any reduction by the Contracting Officer in the requirements of this contract shall be considered a termination under the Termination for Convenience of the Government clause.

(c) If cancellation under this clause occurs, the Contractor will be paid a cancellation charge not over the cancellation ceiling specified in the Schedule as applicable at the time of cancellation.

(d) The cancellation charge will cover only –

(1) Costs –

(i) Incurred by the Contractor and/or subcontractor;

(ii) Reasonably necessary for performance of the contract; and

(iii) That would have been equitably amortized over the entire multi-year contract period but, because of the cancellation, are not so amortized; and

(2) A reasonable profit or fee on the costs.

(e) The cancellation charge shall be computed and the claim made for it as if the claim were being made under the Termination for Convenience of the Government clause of this contract. The Contractor shall submit the claim promptly but no later than 1 year from the date –

- (1) Of notification of the nonavailability of funds; or
- (2) Specified in the Schedule by which notification of the availability of additional funds for the next succeeding program year is required to be issued, whichever is earlier, unless extensions in writing are granted by the Contracting Officer.

(f) The Contractor's claim may include –

- (1) Reasonable nonrecurring costs (see Subpart 15.4 of the Federal Acquisition Regulation) which are applicable to and normally would have been amortized in all supplies or services which are multi-year requirements;
- (2) Allocable portions of the costs of facilities acquired or established for the conduct of the work, to the extent that it is impracticable for the Contractor to use the facilities in its commercial work, and if the costs are not charged to the contract through overhead or otherwise depreciated;
- (3) Costs incurred for the assembly, training, and transportation to and from the job site of a specialized work force; and
- (4) Costs not amortized solely because the cancellation had precluded anticipated benefits of Contractor or subcontractor learning.

(g) The claim shall not include –

- (1) Labor, material, or other expenses incurred by the Contractor or subcontractors for performance of the canceled work;
- (2) Any cost already paid to the Contractor;
- (3) Anticipated profit or unearned fee on the canceled work; or
- (4) For service contracts, the remaining useful commercial life of facilities. "Useful commercial life" means the commercial utility of the facilities rather than their physical life with due consideration given to such factors as location of facilities, their specialized nature, and obsolescence.

(h) This contract may include an Option clause with the period for exercising the option limited to the date in the contract for notification that funds are available for the next succeeding program year. If so, the Contractor agrees not to include in option quantities any costs of a startup or nonrecurring nature that have been fully set forth in the contract. The Contractor further agrees that the option quantities will reflect only those recurring costs and a reasonable profit or fee necessary to furnish the additional option quantities.

(i) Quantities added to the original contract through the Option clause of this contract shall be included in the quantity canceled for the purpose of computing allowable cancellation charges.

#### **I.7 52.217-8 OPTION TO EXTEND SERVICES (NOV 1999)**

The Government may require continued performance of any services within the limits and at the rates specified in the contract. These rates may be adjusted only as a result of revisions to prevailing labor rates provided by the Secretary of Labor. The option provision may be exercised more than once, but the total extension of performance hereunder shall not exceed

6 months. The Contracting Officer may exercise the option by written notice to the Contractor within 60 calendar days.

**I.8 AIDAR 752.209-71 ORGANIZATIONAL CONFLICTS OF INTEREST DISCOVERED AFTER AWARD (JUN 1993)**

(a) The Contractor agrees that, if after award it discovers either an actual or potential organizational conflict of interest with respect to this contract, it shall make an immediate and full disclosure in writing to the Contracting Officer which shall include a description of the action(s) which the Contractor has taken or proposes to take to avoid, eliminate or neutralize the conflict.

(b) The Contracting Officer shall provide the contractor with written instructions concerning the conflict. USAID reserves the right to terminate the contract if such action is determined to be in the best interests of the Government.

**I.9 COMMUNICATIONS PRODUCTS (OCT 1994)**

a) Definition - Communications products are any printed materials (other than non-color photocopy material), photographic services or video production services.

b) Standards - USAID has established standards for communications products. These standards must be followed unless otherwise specifically provided in the contract or approved in writing by the contracting officer. A copy of the standards for USAID financed publications and video productions are attached.

c) Communications products which meet any of the following criteria are not eligible for USAID financing under this agreement unless specifically authorized in the contract or in writing by the contracting officer:

- 1) All communications materials funded by operating expense account funds;
- 2) Any communication products costing over \$25,000, including the costs of both preparation and execution. For example, in the case of a publication, the costs will include research, writing and other editorial services (including any associated overhead), design, layout, and production costs.
- 3) Any communication products that will be sent directly to, or likely to be seen by, a Member of Congress or Congressional staffer; and
- 4) Any publication that will have more than 50 percent of its copies distributed in the United States (excluding copies provided to CDIE and other USAID/W offices for internal use.

d) The initial proposal must provide a separate estimate of the cost of every communications product as defined in paragraph (a) above [not just those which meet the criteria in paragraph (c)] which is anticipated under the contract. Each estimate must include all of the

costs associated with preparation and execution of the product. Any subsequent request for approval of a covered communication product must provide the same type of cost information.

#### **I.10 AIDAR 752.7032 INTERNATIONAL TRAVEL APPROVAL AND NOTIFICATION REQUIREMENTS (APR 2014)**

Prior written approval by the Contracting Officer (CO), or the Contracting Officer's Representative (COR) if delegated in the Contracting Officer's Representative Designation Letter, is required for all international travel directly and identifiably funded by USAID under this contract. The Contractor shall therefore present to the CO or the COR, an itinerary for each planned international trip, showing the name of the traveler, purpose of the trip, origin/destination (and intervening stops), and dates of travel, as far in advance of the proposed travel as possible, but in no event less than three weeks before travel is planned to commence. The CO's or COR's (if delegated by the CO) prior written approval may be in the form of a letter or may be specifically incorporated into the schedule of the contract. At least one week prior to commencement of approved international travel, the Contractor shall notify the cognizant Mission, with a copy to the CO or COR, of planned travel, identifying the travelers and the dates and times of arrival.

#### **I.11 INTERNATIONAL TRAVEL APPROVAL**

In accordance with the clearance/approval requirements in paragraph (a) of AIDAR 752.7027 Personnel (DEC 1990) (incorporated in Section I) and AIDAR 752.7032 International Travel Approval and Notification Requirements (APR 2014), the Contracting Officer hereby provides prior written approval for travel identified in the contractor's cost proposal provided that the Contractor obtains the COR's written concurrence with the assignment of individuals outside the United States before the assignment abroad, which must be within the terms of this contract, is subject to availability of funds, and should not be construed as authorization either to increase the estimated cost or to exceed the obligated amount (see Section B). This approval is for travel by the lowest cost economy-class fare. The Contractor shall retain for audit purposes a copy of each travel concurrence.

#### **I.12 AIDAR 752.242-70 PERIODIC PROGRESS REPORTS (OCT 2007)**

- a) The contractor shall prepare and submit progress reports as specified in the Schedule of this contract. These reports are separate from the interim and final performance evaluation reports prepared by USAID in accordance with (48 CFR) FAR 42.15 and internal Agency procedures, but they may be used by USAID personnel or their authorized representative when evaluating the contractor's performance.
- b) During any delay in furnishing a progress report required under this contract, the Contracting Officer may withhold from payment an amount not to exceed US\$25,000 (or local currency equivalent) or 5 percent of the amount of this contract, whichever is less, until such time as the Contracting Officer determines that the delay no longer has a detrimental effect on the Government's ability to monitor the contractor's progress.

**I.13 AIDAR 752.7006 NOTICES (APR 1984)**

Any notice given by any of the parties hereunder shall be sufficient only if in writing and delivered in person or sent by telegraph, cable, or registered or regular mail as follows: To USAID: Administrator, U.S. Agency for International Development, Washington, D.C. 20523-0061. Attention: Contracting Officer (the name of the cognizant Contracting Officer with a copy to the appropriate Mission Director). To Contractor: At Contractor's address shown on the cover page of this contract, or to such other address as either of such parties shall designate by notice given as herein required. Notices hereunder shall be effective when delivered in accordance with this clause or on the effective date of the notice, whichever is later.

**I.14 AIDAR 752.7008 USE OF GOVERNMENT FACILITIES OR PERSONNEL (APR 1984)**

(a) The Contractor and any employee or consultant of the Contractor is prohibited from using U.S. Government facilities (such as office space or equipment) or U.S. Government clerical or technical personnel in the performance of the services specified in the contract, unless the use of Government facilities or personnel is specifically authorized in the contract, or is authorized in advance, in writing, by the Contracting Officer.

(b) If at any time it is determined that the Contractor, or any of its employees or consultants have used U.S. Government facilities or personnel without authorization either in the contract itself, or in advance, in writing, by the Contracting Officer, then the amount payable under the contract shall be reduced by an amount equal to the value of the U.S. Government facilities or personnel used by the Contractor, as determined by the Contracting Officer.

(c) If the parties fail to agree on an adjustment made pursuant to this clause, it shall be considered a dispute, and shall be dealt with under the terms of the clause of this contract entitled "Disputes".

**I.15 AIDAR 752.7025 APPROVALS (APR 1984)**

All approvals required to be given under the contract by the Contracting Officer or the Mission Director shall be in writing and, except when extraordinary circumstances make it impracticable, shall be requested by the Contractor sufficiently in advance of the contemplated action to permit approval, disapproval or other disposition prior to that action. If, because of existing conditions, it is impossible to obtain prior written approval, the approving official may, at his discretion, ratify the action after the fact.

**I.16 752.202-1 DEFINITIONS (JAN 1990)**

(a) "USAID" shall mean the U.S. Agency for International Development.

(b) "Administrator" shall mean the Administrator or the Deputy Administrator of USAID.

(c) When this contract is with an educational institution "Campus Coordinator" shall mean the representative of the Contractor at the Contractor's home institution, who shall be responsible for coordinating the activities carried out under the contract.

- (d) When this contract is with an educational institution "Campus Personnel" shall mean representatives of the Contractor performing services under the contract at the Contractor's home institution and shall include the Campus Coordinator.
- (e) "Consultant" shall mean any especially well qualified person who is engaged, on a temporary or intermittent basis to advise the Contractor and who is not an officer or employee of the Contractor who performs other duties for the Contractor.
- (f) "Contractor employee" shall mean an employee of the Contractor assigned to work under this contract.
- (g) "Cooperating Country or Countries" shall mean the foreign country or countries in or for which services are to be rendered hereunder.
- (h) "Cooperating Government" shall mean the government of the Cooperating Country.
- (i) "Federal Acquisition Regulations (FAR)", when referred to herein shall include Agency for International Development Acquisition Regulations (AIDAR).
- (j) "Government" shall mean the United States Government.
- (k) "Mission" shall mean the United States USAID Mission to, or principal USAID office in, the Cooperating Country.
- (l) "Mission Director" shall mean the principal officer in the Mission in the Cooperating Country, or his/her designated representative.

c. Alternate 71. For use in USAID contracts with an educational institution for participant training. Use in addition to the clauses in FAR 52.202-1 and in 752.202-1(b) of this chapter. (See FAR 52.202)

**I.17 USAID DEFINITIONS CLAUSE - SUPPLEMENT FOR USAID CONTRACTS INVOLVING PERFORMANCE OVERSEAS (DEC 1986)**

- (a) "Contractor's Chief of Party" shall mean the representative of the Contractor in the Cooperating Country who shall be responsible for supervision of the performance of all duties undertaken by the Contractor in the Cooperating Country.
- (b) "Cooperating Country National (CCN) employee" means an individual who meets the citizenship requirements of 48 CFR 702.170-5 and is hired while residing outside the United States for work in a cooperating country.
- (c) "Dependents" shall mean:
- (1) Spouse;
  - (2) Children (including step and adopted children) who are unmarried and under 21 years of

age or, regardless of age, are incapable of self support.

(3) Parents (including step and legally adoptive parents), of the employee or of the spouse, when such parents are at least 51 percent dependent on the employee for support; and

(4) Sisters and brothers (including step or adoptive sisters or brothers) of the employee, or of the spouse, when such sisters and brothers are at least 51 percent dependent on the employee for support, unmarried and under 21 years of age, or regardless of age, are incapable of self - support.

(d) "Local currency" shall mean the currency of the Cooperating Country.

(e) "Regular employee" shall mean a Contractor employee appointed to serve one year or more in the Cooperating Country.

(f) "Short-term employee" shall mean a Contractor employee appointed to serve less than one year in the Cooperating Country.

(g) "Third Country National (TCN) employee" means an individual who meets the citizenship requirements of 48 CFR 702.170-15 and is hired while residing outside the United States for work in a Cooperating Country.

#### **I.18 752.211-70 LANGUAGE AND MEASUREMENT (JUN 1992)**

(a) The English language shall be used in all written communications between the parties under this contract with respect to services to be rendered and with respect to all documents prepared by the contractor except as otherwise provided in the contract or as authorized by the contracting officer.

(b) Wherever measurements are required or authorized, they shall be made, computed, and recorded in metric system units of measurement, unless otherwise authorized by USAID in writing when it has found that such usage is impractical or is likely to cause U.S. firms to experience significant inefficiencies or the loss of markets. Where the metric system is not the predominant standard for a particular application, measurements may be expressed in both the metric and the traditional equivalent units, provided the metric units are listed first.

#### **I.19 752.245-70 GOVERNMENT PROPERTY - USAID REPORTING REQUIREMENTS**

In response to a GAO audit recommendation, USAID contracts, except for those for commercial items, must contain the following preface and reporting requirement as additions to the appropriate Government Property clause prescribed by FAR 45.106.

(See FAR 45.106)

Preface: to be inserted preceding the text of the FAR clause. The term "Government furnished property" wherever it may appear in the following clause, shall mean (1) non-expendable personal property owned by or leased to the U.S. Government and furnished to the contractor

and (2) personal property furnished either prior to or during the performance of this contract by any U.S. Government accountable officer to the contractor for use in connection with performance of this contract and identified by such officer as accountable. The term "government property", wherever it may appear in the following clause, shall mean government-furnished property and non-expendable personal property title to which vests in the U.S. Government under this contract. Non-expendable property, for purposes of this contract, is defined as property which is complete in itself, does not lose its identity or become a component part of another article when put into use; is durable, with an expected service life of two years or more; and which has a unit cost of more than \$500. Reporting Requirement: to be inserted following the text of the FAR clause. Reporting Requirements: The contractor will submit an annual report on all non-expendable property in a form and manner acceptable to USAID substantially as follows:

**I.20 ANNUAL REPORT OF GOVERNMENT PROPERTY IN CONTRACTOR'S CUSTODY**

(Name of Contractor) As of (End of Contract Year), 19xx Motor Vehicles Furniture and furnishings Other non-expendable property Office Living quarters

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

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

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

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

### **PROPERTY INVENTORY VERIFICATIONS**

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

#### **I.21 752.7001 BIOGRAPHICAL DATA (JUL 1997)**

The Contractor agrees to furnish to the Contracting Officer on AID Form 1420-17, "Contractor Employee Biographical Data Sheet", biographical information on the following individuals to be employed in the performance of the contract:

(1) All individuals to be sent outside of the United States, or (2) any employees designated as "key personnel". Biographical data in the form usually maintained by the Contractor on the other individuals employed under the contract shall be available for review by USAID at the Contractor's headquarters. A supply of AID Form 1420-17 will be provided with this contract. The Contractor may reproduce additional copies as necessary.

#### **I.22 752.228-7 INSURANCE - LIABILITY TO THIRD PERSONS**

As prescribed in 728.307-2 (c), the following paragraph is to be added to the clause specified in FAR 52.228-7 as either paragraph (h) (if FAR 52.228-7 Alternate I is not used) or (i) (if FAR 52.228-7 Alternate I is used): (See FAR 52.228)

( ) Insurance on private automobiles. If the Contractor or any of its employees or their dependents transport or cause to be transported (whether or not at contract expense) privately owned automobiles to the Cooperating Country, or they or any of them purchase an automobile within the Cooperating Country, the Contractor agrees to make certain that all such automobiles during such ownership within the Cooperating Country will be covered by a paid-up insurance policy issued by a reliable company providing the following minimum coverage's or such other minimum coverage's as may be set by the Mission Director, payable in United States dollars or its equivalent in the currency of the Cooperating Country: injury to persons, \$10,000/\$20,000; property damage, \$5,000. The premium costs for such insurance shall not be a reimbursable cost under this contract. Copies of such insurance policies shall be preserved and made available as part of the Contractor's records which are required to be preserved and made available by the "Audit and Records - Negotiation" clause of this contract.

**I.23 752.229-70 FEDERAL, STATE AND LOCAL TAXES**

For contracts involving performance overseas the clauses prescribed in FAR 29.401-3 or 29.401-4 may be modified to specify that the taxes referred to are United States taxes. (See FAR 29.401)

**I.24 752.7002 TRAVEL AND TRANSPORTATION (JAN 1990)**

(a) General. The Contractor will be reimbursed for reasonable, allocable and allowable travel and transportation expenses incurred under and for the performance of this contract. Determination of reasonableness, allocability and allowability will be made by the Contracting Officer based on the applicable cost principles, the Contractor's established policies and procedures, USAID's established policies and procedures for USAID direct-hire employees, and the particular needs of the project being implemented by this contract. The following paragraphs provide specific guidance and limitations on particular items of cost.

(b) International travel. For travel to and from post of assignment the Contractor shall be reimbursed for travel costs and travel allowances of travelers from place of residence in the United States (or other location provided that the cost of such travel does not exceed the cost of the travel from the employee's residence in the United States) to the post of duty in the Cooperating Country and return to place of residence in the United States (or other location provided that the cost of such travel does not exceed the cost of travel from the post of duty in the Cooperating Country to the employee's residence) upon completion of services by the individual. Reimbursement for travel will be in accordance with the applicable cost principles and the provisions of this contract, and will be limited to the cost of travel by the most direct and expeditious route. If a regular employee does not complete one full year at post of duty (except for reasons beyond his/her control), the costs of going to and from the post of duty for that employee and his/her dependents are not reimbursable hereunder. If the employee serves more than one year but less than the required service in the Cooperating Country (except for reasons beyond his/her control) the costs of going to the post of duty are reimbursable hereunder but the costs of going from post of duty to the employee's permanent, legal place of residence at the time he or she was employed for work under this contract or other location as approved by the Contracting Officer are not reimbursable under this contract for the employee and his/her dependents. When travel is by economy class accommodations, the Contractor will be reimbursed for the cost of transporting up to 22 pounds of accompanied personal baggage per traveler in addition to that regularly allowed with the economy ticket provided that the total number of pounds of baggage does not exceed that regularly allowed for first class travelers. Travel allowances for travelers shall not be in excess of the rates authorized in the Standardized Regulations (Government Civilians, Foreign Areas) - hereinafter referred to as the Standardized Regulations - as from time to time amended, for not more than the travel time required by scheduled commercial air carrier using the most expeditious route. One stopover en route for a period of not to exceed 24 hours is allowable when the traveler uses economy class accommodations for a trip of 14 hours or more of scheduled duration. Such stopover shall not be authorized when travel is by indirect route or is delayed for the convenience of the traveler. Per diem during such stopover shall be paid in accordance with the established practice of the Contractor but not to exceed the amounts stated in the Standardized Regulations.

(c) Local travel. Reimbursement for local travel in connection with duties directly referable to

the contract shall not be in excess of the rates established by the Mission Director for the travel costs of travelers in the Cooperating Country. In the absence of such established rates the Contractor shall be reimbursed for actual travel costs of travelers in the Cooperating Country, if not provided by the Cooperating Government or the Mission, including travel allowances at rates not in excess of those prescribed by the Standardized Regulations.

(d) Travel for consultation. The Contractor shall be reimbursed for the round trip of the Contractor's Chief of Party in the Cooperating Country or other designated Contractor employee or consultant in the Cooperating Country performing services required under this Contract, for travel from the Cooperating Country to the Contractor's office in the United States or to USAID/Washington for consultation and return on occasions deemed necessary by the Contractor and approved in advance, in writing, by the Contracting Officer or the Mission Director.

(e) Special international travel and third country travel. For special travel which advances the purpose of the contract, which is not otherwise provided by the Cooperating Government, and with the prior written approval of the Contracting Officer or the Mission Director, the Contractor shall be reimbursed for (i) the travel cost of travelers other than between the United States and the Cooperating Country and for local travel within other countries and (ii) travel allowance for travelers while in travel status and while performing services hereunder in such other countries at rates not in excess of those prescribed by the Standardized Regulations.

(f) Indirect travel for personal convenience. When travel is performed by an indirect route for the personal convenience of the traveler, the allowable costs of such travel will be computed on the basis of the cost of allowable air fare via the direct usually traveled route. If such costs include fares for air or ocean travel by foreign flag carriers, approval for indirect travel by such foreign flag carriers must be obtained from the Contracting Officer or the Mission Director before such travel is undertaken, otherwise only that portion of travel accomplished by United States-flag carriers will be reimbursable within the above limitation of allowable costs.

(g) Limitation on travel by dependents. Travel costs and allowances will be allowed only for dependents of regular employees and such costs shall be reimbursed for travel from place of abode to assigned station in the Cooperating Country and return, only if dependent remains in the country for at least 9 months or one-half of the required tour of duty of the regular employee responsible for such dependent, whichever is greater. If the dependent is eligible for educational travel pursuant to the "Differential and Allowances" clause of this contract, time spent away from post resulting from educational travel will be counted as time at post.

(h) Delays en route. The Contractor may grant to travelers under this contract reasonable delays en route while in travel status when such delays are caused by events beyond the control of such traveler or Contractor. It is understood that if delay is caused by physical incapacitation, personnel shall be eligible for such sick leave as provided under the "Leave and Holidays" clause of this contract.

(i) Travel by privately owned automobile. The Contractor shall be reimbursed for the cost of travel performed by a regular employee in his/her privately owned automobile at a rate not to exceed that authorized in the Federal Travel Regulations plus authorized per diem for the

employee and for each of the authorized dependents traveling in the automobile, if the automobile is being driven to or from the Cooperating Country as authorized under the contract, provided that the total cost of the mileage and the per diem paid to all authorized travelers shall not exceed the total constructive cost of fare and normal per diem by all authorized travelers by surface common carrier or authorized air fare, whichever is less.

(j) Emergency and irregular travel and transportation. Emergency transportation costs and travel allowances while en route, as provided in this section will also be reimbursed not to exceed amounts authorized by the Foreign Service Travel Regulations for USAID-direct hire employees in like circumstances under the following conditions:

(1) The costs of going from post of duty in the Cooperating Country to the employee's permanent, legal place of residence at the time he or she was employed for work under this contract or other location for Contractor employees and dependents and returning to the post of duty, when the Contractor's Chief of Party, with the concurrence of the Contracting Officer or Mission Director makes a written determination that such travel is necessary for one of the reasons specified in subparagraphs (j)(1)(i) and (ii) of this section. A copy of the written determination shall be furnished to the Contracting Officer.

(i) Need for medical care beyond that available within the area to which the employee is assigned, or serious effect on physical or mental health if residence is continued at assigned post of duty, subject in either case, to the limitations stated in the clause of this contract entitled "Personnel - Physical Fitness of Employee and Dependents." The Mission Director may authorize a medical attendant to accompany the employee at contract expense if, based on medical opinion, such an attendant is necessary.

(ii) Death, or serious illness or injury of a member of the immediate family of the employee or the immediate family of the employee's spouse.

(2) When, for any reason, the Mission Director determines it is necessary to evacuate the Contractor's entire team (employees and dependents) or Contractor dependents only, the Contractor will be reimbursed for travel and transportation expenses and travel allowance while en route, for the cost of the individuals going from post of duty in the Cooperating Country to the employee's permanent, legal place of residence at the time he or she was employed for work under this contract or other approved location. The return of such employees and dependents may also be authorized by the Mission Director when, in his/her discretion, he/she determines it is prudent to do so.

(3) The Mission Director may also authorize emergency or irregular travel and transportation in other situations, when in his/her opinion, the circumstances warrant such action. The authorization shall include the kind of leave to be used and appropriate restrictions as to time away from post, transportation of personal and/or household effects, etc. Requests for such emergency travel shall be submitted through the Contractor's Chief of Party.

(k) Home leave travel. To the extent that home leave has been authorized as provided in the "Leave and Holidays" clause of this contract, the cost of travel for home leave is reimbursable for travel costs and travel allowances of travelers from the post of duty in the Cooperating Country to place of residence in the United States (or other location provided that the cost of

such travel does not exceed the cost of travel to the employee's residence in the United States) and return to the post of duty in the Cooperating Country. Reimbursement for travel will be in accordance with the applicable cost principles and the provisions of this contract, and will be limited to the cost of travel by the most direct and expeditious route. When travel is by economy class accommodations, the Contractor will be reimbursed for the cost of transporting up to 22 pounds of accompanied personal baggage per traveler in addition to that regularly allowed with the economy ticket provided that the total number of pounds of baggage does not exceed that regularly allowed for first class travelers. Travel allowances for travelers shall not be in excess of the rates authorized in the Standardized Regulations as from time to time amended, for not more than the travel time required by scheduled commercial air carrier using the most expeditious route. One stopover en route for a period of not to exceed 24 hours is allowable when the traveler uses economy class accommodations for a trip of 14 hours or more of scheduled duration. Such stopover shall not be authorized when travel is by indirect route or is delayed for the convenience of the traveler. Per diem during such stopover shall be paid in accordance with the established practice of the Contractor but not to exceed the amounts stated in the Standardized Regulations.

(l) Rest and recuperation travel. The Contractor shall be reimbursed for the cost of travel performed by regular employees and dependents for purposes of rest and recuperation provided that such reimbursement does not exceed that authorized for USAID direct hire employees, and provided further that no reimbursement will be made unless approval is given by the Contractor's Chief of party.

(m) Transportation of motor vehicles, personal effects and household goods.

(1) Transportation, including packing and crating costs, will be paid for shipping from the point of origin in the United States (or other location as approved by the Contracting Officer) to post of duty in the Cooperating Country and return to point of origin in the United States (or other location as approved by the Contracting Officer) of one privately-owned vehicle for each regular employee, personal effects of travelers and household goods of each regular employee not to exceed the limitations in effect for such shipments for USAID direct hire employees in accordance with the Foreign Service Travel Regulations as in effect when shipment is made.

(2) If a regular employee does not complete one full year at post of duty (except for reasons beyond his/her control), the costs for transportation of vehicles, effects and goods to and from the post of duty are not reimbursable hereunder. If the employee serves more than one year but less than the required service in the Cooperating Country (except for reasons beyond his/her control) the costs for transportation of vehicles, effects and goods to the post of duty are reimbursable hereunder but the costs for transportation of vehicles, effects and goods from post of duty to the employee's permanent, legal place of residence at the time he or she was employed for work under this contract or other location as approved by the Contracting Officer are not reimbursable under this contract.

(3) The cost of transporting motor vehicles and household goods shall not exceed the cost of packing, crating and transportation by surface. In the event that the carrier does not require boxing or crating of motor vehicles for shipment to the Cooperating Country, the cost of boxing or crating is not reimbursable. The transportation of a privately-owned motor vehicle for a

regular employee may be authorized by the Contractor as replacement of the last such motor vehicle shipped under this contract for the employee when the Mission Director or his/her designee determines in advance and so notifies the Contractor in writing that the replacement is necessary for reasons not due to the negligence or malfeasance of the regular employee. The determination shall be made under the same rules and regulations that apply to Mission employees.

(n) Unaccompanied baggage. Unaccompanied baggage is considered to be those personal belongings needed by the traveler immediately upon arrival at destination. To permit the arrival of effects to coincide with the arrival of regular employees and dependents, consideration should be given to advance shipments of unaccompanied baggage. The Contractor will be reimbursed for costs of shipment of unaccompanied baggage (in addition to the weight allowance for household effects) not to exceed the limitations in effect for USAID direct hire employees in accordance with the Foreign Service Travel Regulations as in effect when shipment is made. This unaccompanied baggage may be shipped as air freight by the most direct route between authorized points of origin and destination regardless of the modes of travel used. This provision is applicable to home leave travel and to short-term employees when these are authorized by the terms of this contract.

(o) Storage of household effects. The cost of storage charges (including packing, crating, and drayage costs) in the U.S. of household goods of regular employees will be permitted in lieu of transportation of all or any part of such goods to the Cooperating Country under paragraph (m) above provided that the total amount of effects shipped to the Cooperating Country or stored in the U.S. shall not exceed the amount authorized for USAID direct hire employees under the Uniform Foreign Service Travel Regulations.

(p) International ocean transportation.

(1) Flag eligibility requirements for ocean carriage are covered by the "Source and Nationality Requirements" clause of this contract.

(i) Transportation of things. Where U.S. flag vessels are not available, or their use would result in a significant delay, the Contractor may obtain a release from this requirement from the Transportation Division, Office of Procurement, U.S. Agency for International Development, Washington, D.C. 20523-1419, or the Mission Director, as appropriate, giving the basis for the request.

(ii) Transportation of persons. Where U.S. flag vessels are not available, or their use would result in a significant delay, the Contractor may obtain a release from this requirement from the Contracting Officer or the Mission Director, as appropriate.

(2) Transportation of foreign-made vehicles. Reimbursement of the costs of transporting a foreign-made motor vehicle will be made in accordance with the provisions of the Foreign Service Travel Regulations.

(3) Reduced rates on U.S. flag carriers. Reduced rates on United States flag carriers are in effect for shipments of household goods and personal effects of USAID contract personnel. These reduced rates are available provided the shipper states on the bill of lading that the cargo is

"Personal property-not for resale-payment of freight charges is at U.S. Government (USAID) expense and any special or diplomatic discounts accorded this type cargo are applicable." The Contractor will not be reimbursed for shipments of household goods or personal effects in an amount in excess of the reduced rates available in accordance with the foregoing.

**I.25 752.7010 CONVERSION OF U.S. DOLLARS TO LOCAL CURRENCY (APR 1984)**

Upon arrival in the Cooperating Country, and from time to time as appropriate, the Contractor's Chief of Party shall consult with the Mission Director who shall provide, in writing, the procedure the Contractor and its employees shall follow in the conversion of United States dollars to local currency. This may include, but is not limited to, the conversion of said currency through the cognizant U.S. Disbursing Officer or Mission Controller, as appropriate.

**I.26 752.7011 ORIENTATION AND LANGUAGE TRAINING (APR 1984)**

(a) Regular employees shall receive a maximum of 2 weeks USAID sponsored orientation before travel overseas. The dates of orientation shall be selected by the Contractor from the orientation schedule provided by USAID.

(b) Participation in USAID sponsored orientation in no way relieves the Contractor of its responsibility for assuring that all employees, regular and short-term, are properly oriented. As an addition to or substitution for USAID's sponsored orientation for regular employees, the following types of orientation may be authorized taking into consideration specific job requirements, the employee's prior overseas experience, or unusual circumstances:

(1) Modified orientation.

(2) Language training, particularly when significant for operating capabilities.

(3) Orientation and language training for regular employee's dependents.

(4) Contractor-sponsored orientation.

(5) Orientation in all matters related to the administrative, logistical, and technical aspects of the employee's movement to, and tour of duty in, the Cooperating Country.

(c) Authorization for an additional or alternate orientation program, if any, shall be either set forth in the schedule or provided in writing by the Contracting Officer.

(d) Travel expenses not to exceed one round trip from regular employee's residence to place of orientation and return will be reimbursed, pursuant to the cost principles applicable to this contract. Allowable salary costs during the period of orientation are also reimbursable.

**I.27 752.7013 CONTRACTOR-MISSION RELATIONSHIPS (OCT 1989)**

(a) The Contractor acknowledges that this contract is an important part of the United States Foreign Assistance Program and agrees that its operations and those of its employees in the

Cooperating Country will be carried out in such a manner as to be fully commensurate with the responsibility, which this entails.

(b) The Mission Director is the chief representative of USAID in the Cooperating Country. In this capacity, he/she is responsible for the total USAID program in the cooperating country including certain administrative responsibilities set forth in this contract and for advising USAID regarding the performance of the work under the contract and its effect on the United States Foreign Assistance Program. Although the Contractor will be responsible for all professional, technical, and administrative details of the work called for by the contract, it shall be under the guidance of the Mission Director in matters relating to foreign policy. The Chief of Party shall keep the Mission Director currently informed of the progress of the work under the contract.

(c) In the event the conduct of any Contractor employee is not in accordance with the preceding paragraphs, the contractor's Chief of Party shall consult with the Mission Director and the employee involved and shall recommend to the Contractor a course of action with regard to such employee.

(d) The parties recognize the right of the U.S. Ambassador to direct the removal from a country of any U.S. citizen or the discharge from this contract of any third country national or cooperating country national when, at the discretion of the Ambassador, the interests of the United States so require. Under these circumstances termination of an employee and replacement by an acceptable substitute shall be at no cost to USAID.

(e) If it is determined that the services of such employee shall be terminated, the Contractor shall use its best efforts to cause the return of such employee to the United States or point of origin as appropriate.

(The following paragraph (f) is applicable if the contract is with an educational institution:)

(f) It is understood by the parties that the Contractor's responsibilities shall not be restrictive of academic freedom. Notwithstanding these academic freedoms, the Contractor's employees, while in the Cooperating Country, are expected to show respect for its conventions, customs, and institutions, to abide by applicable laws and regulations, and not to interfere in its internal political affairs.

#### **I.28 752.7014 NOTICE OF CHANGES IN TRAVEL REGULATIONS (JAN 1990)**

(a) Changes in travel, differential, and allowance regulations shall be effective on the beginning of the contractor's next pay period following the effective date of the change as published in the applicable travel regulations (the Standardized Regulations (Government Civilians, Foreign Areas), the Uniform State/USAID/USIA Foreign Service Travel Regulations, and the Federal Travel Regulations).

(b) The Standardized Regulations (Government Civilians Foreign Areas), and the Federal Travel Regulations are available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

(c) Information regarding the Uniform State/USAID/USIA Foreign Service Travel Regulations as referenced in the "Travel and Transportation" clause of this contract may be obtained from the Contracting Officer.

#### **I.29 752.7027 PERSONNEL (DEC 1990)**

(a) Clearance.

(1) Individuals Engaged or Assigned Within the United States. The contractor will obtain written notification from the Contracting Officer of Cooperating Country clearance of any employee sent outside the United States to perform duties under this contract.

(2) Individuals Engaged or Assigned When Outside the United States. No individual shall be engaged or assigned when outside the United States to perform work outside the United States under this contract unless authorized in the schedule or otherwise approved by the Contracting Officer or Mission Director. However, when services are performed in the Cooperating Country on a casual or irregular basis or in an emergency, exception to this provision can be made in accordance with instructions or regulations established by the Mission Director.

(b) Physical fitness of employees and dependents. See the clause of this contract entitled Physical Fitness.

(c) Conformity to laws and regulations of Cooperating Country. Contractor agrees to use its best efforts to assure that its employees and their dependents, while in the Cooperating Country, abide by all applicable laws and regulations of the Cooperating Country and political subdivisions thereof.

(d) Importation or sale of personal property or automobiles. To the extent permitted by Cooperating Country laws, the importation and sale of personal property or automobiles by contractor employees and their dependents in the Cooperating Country shall be subject to the same limitations and prohibitions which apply to U.S. nationals employed by the Mission. This provision does not apply to employees or consultants who are citizens or legal residents of the Cooperating Country.

(e) Economic and Financial Activities. Other than work to be performed under this contract for which an employee or consultant is assigned by the contractor, no such employee or consultant of the contractor shall engage, directly or indirectly, either in his/her own name or in the name or through the agency of another person, in any business, profession or occupation in the Cooperating Country or other foreign countries to which he/she is assigned, nor shall he make loans or investments to or in any business, profession or occupation in the Cooperating Country or other foreign countries in which he/she is assigned. This provision does not apply to employees or consultants who are citizens or legal residents of the Cooperating Country. [The following paragraphs (f) and (g) are applicable only to cost reimbursement contracts.]

(f) Duration of Appointments.

(1) Regular employees will normally be appointed for a minimum of 2 years which period includes orientation (less language training) in the United States and authorized international travel under the contract except:

(i) An appointment may be made for less than 2 years if the contract has less than 2 years but more than 1 year to run provided that if the contract is extended the appointment shall also be extended to the full 2 years. This provision shall be reflected in the employment agreement prior to employment under this contract.

(ii) When a 2-year appointment is not required, appointment may be made for less than 2 years but in no event less than 1 year.

(iii) When the normal tour of duty established for USAID personnel at a particular post is less than 2 years, then a normal appointment under this contract may be of the same duration.

(iv) When the contractor is unable to make appointments of regular employees for a full 2 years, the contractor may make appointments of less than 2 but not less than 1 year, provided that such appointment is approved by the Contracting Officer.

(2) Services required for less than 1 year will be considered short-term appointments and the employee will be considered a short-term employee.

(g) Employment of Dependents. If any person who is employed for services in the Cooperating Country under this contract is either (1) a dependent of an employee of the U.S. Government working in the Cooperating Country, or (2) a dependent of a contractor employee working under a contract with the U.S. Government in the Cooperating Country, such person shall continue to hold the status of a dependent. He or she shall be entitled to salary for the time services are actually performed in the Cooperating Country, and differential and allowances as established by the Standardized Regulations (Government Civilians, Foreign Areas).

### **I.30 752.7028 DIFFERENTIAL AND ALLOWANCES (JUL 1996)**

(This clause does not apply to TCN and CCN employees. TCN and CCN employees are not eligible for differentials and allowances, unless specifically authorized by the cognizant Assistant Administrator or Mission Director. A copy of such authorization shall be retained and made available as part of the contractor's records which are required to be preserved and made available by the "Examination of Records by the Comptroller General" and "Audit" clauses of this contract.)

(a) Post differential. Post differential is an additional compensation for service at places in foreign areas where conditions of environment differ substantially from conditions of environment in the continental United States and warrant additional compensation as a recruitment and retention incentive. In areas where post differential is paid to USAID direct-hire employees, post differential not to exceed the percentage of salary as is provided such USAID employees in accordance with the Standardized Regulations (Government Civilians, Foreign Areas), Chapter 500 (except the limitation contained in Section 552, "Ceiling on Payment") Tables-Chapter 900, as from time to time amended, will be reimbursable hereunder

for employees in respect to amounts earned during the time such employees actually spend overseas on work under this contract. (See Standardized Regulation 510) When such post differential is provided to regular employees of the Contractor, it shall be payable beginning on the date of arrival at the post of assignment and continue, including periods away from post on official business, until the close of business on the day of departure from post of assignment en route to the United States. Sick or vacation leave taken at or away from the post of assignment will not interrupt the continuity of the assignment or require a discontinuance of such post differential payments, provided such leave is not taken within the United States or the territories of the United States. Post differential will not be payable while the employee is away from his/her post of assignment for purposes of home leave. Short-term employees shall be entitled to post differential beginning with the forty-third (43rd) day at post.

(b) Living quarters allowance. Living quarters allowance is an allowance granted to reimburse an employee for substantially all of his/her cost for either temporary or residence quarters whenever Government-owned or Government-rented quarters are not provided to him/her at his/her post without charge. Such costs are those incurred for temporary lodging (temporary quarters subsistence allowance) or one unit of residence quarters (living quarters allowance) and include rent, plus any costs not included therein for heat, light, fuel, gas, electricity and water. The temporary quarters subsistence allowance and the living quarters allowance are never both payable to an employee for the same period of time. The Contractor will be reimbursed for payments made to employees for a living quarters allowance for rent and utilities if such facilities are not supplied. Such allowance shall not exceed the amount paid USAID employees of equivalent rank in the Cooperating Country, in accordance with either the Standardized Regulations (Government Civilians, Foreign Areas), Chapter 130, as from time to time amended, or other rates approved by the Mission Director. (See Standardized Regulation 130) Subject to the written approval of the Mission Director, short-term employees may be paid per diem (in lieu of living quarters allowance) at rates prescribed by the Federal Travel Regulations, as from time to time amended, during the time such short-term employees spend at posts of duty in the Cooperating Country under this contract. In authorizing such per diem rates, the Mission Director shall consider the particular circumstances involved with respect to each such short-term employee including the extent to which meals and/or lodging may be made available without charge or at nominal cost by an agency of the United States Government or of the Cooperating Government, and similar factors.

(c) Temporary quarters subsistence allowance. Temporary quarters subsistence allowance is a quarters allowance granted to an employee for the reasonable cost of temporary quarters incurred by the employee and his family for a period not in excess of

(i) 90 days after first arrival at a new post in a foreign area or a period ending with the occupation of residence (permanent) quarters, if earlier, and

(ii) 30 days immediately preceding final departure from the post subsequent to the necessary vacating of residence quarters, unless an extension is authorized in writing by the Mission Director. The Contractor will be reimbursed for payments made to employees and authorized dependents for temporary quarters subsistence allowance, in lieu of living quarters allowance, not to exceed the amount set forth in the Standardized Regulations Government Civilians, Foreign Areas), Chapter 120, as from time to time amended.

(d) Post allowance. Post allowance is a cost-of-living allowance granted to an employee officially stationed at a post where the cost of living, exclusive of quarters cost, is substantially higher than in Washington, D.C. The Contractor will be reimbursed for payments made to employees for post allowance not to exceed those paid USAID employees in the Cooperating Country, in accordance with the Standardized Regulations (Government Civilians, Foreign Areas), Chapter 220, as from time to time amended. (See Standardized Regulation 220)

(e) Supplemental post allowance. Supplemental post allowance is a form of post allowance granted to an employee at his/her post when it is determined that assistance is necessary to defray extraordinary subsistence costs. The Contractor will be reimbursed for payments made to employees for supplemental post allowance not to exceed the amount set forth in the Standardized Regulations (Government Civilians, Foreign Areas), Chapter 230, as from time to time amended. (See Standardized Regulation 230)

(f) Educational allowance. Educational allowance is an allowance to assist an employee in meeting the extraordinary and necessary expenses, not otherwise compensated for, incurred by reason of his/her service in a foreign area in providing adequate elementary and secondary education for his/her children. The Contractor will be reimbursed for payments made to regular employees for educational allowances for their dependent children in amounts not to exceed those set forth in the Standardized Regulations (Government Civilians, Foreign Areas), Chapter 270, as from time to time amended. (See Standardized Regulation 270)

(g) Educational travel. Educational travel is travel to and from a school in the United States for secondary education (in lieu of an educational allowance) and for college education. The Contractor will be reimbursed for payments made to regular employees for educational travel for their dependent children provided such payment does not exceed that which would be payable in accordance with the Standardized Regulations (Government Civilians, Foreign Areas), Chapter 280, as from time to time amended. (See Standardized Regulation 280) Educational travel shall not be authorized for regular employees whose assignment is less than two years.

(h) Separate maintenance allowance. Separate maintenance allowance is an allowance to assist an employee who is compelled, by reason of dangerous, notably unhealthful, or excessively adverse living conditions at his/her post of assignment in a foreign area, or for the convenience of the Government, to meet the additional expense of maintaining his/her dependents elsewhere than at such post. The Contractor will be reimbursed for payments made to regular employees for a separate maintenance allowance not to exceed that made to USAID employees in accordance with the Standardized Regulations (Government Civilians, Foreign Areas), Chapter 260, as from time to time amended. (See Standardized Regulation 260)

(i) Payments during evacuation. The Standardized Regulations (Government Civilians, Foreign Areas) provide the authority for efficient, orderly, and equitable procedure for the payment of compensation, post differential and allowances in the event of an emergency evacuation of employees or their dependents, or both, from duty stations for military or other reasons or because of imminent danger to their lives. If evacuation has been authorized by the Mission Director the Contractor will be reimbursed for payments made to employees and authorized

dependents evacuated from their post of assignment in accordance with the Standardized Regulations (Government Civilians, Foreign Areas), Chapter 600, and the Federal Travel Regulations, as from time to time amended. (See Standardized Regulation 600)

(j) Danger pay allowance.

(1) The contractor will be reimbursed for payments made to its employees for danger pay not to exceed that paid USAID employees in the cooperating country, in accordance with the Standardized Regulations (Government Civilians, Foreign Areas), Chapter 650, as from time to time amended. (See Standardized Regulation 650)

(2) Danger pay is an allowance that provides additional compensation above basic compensation to an employee in a foreign area where civil insurrection, civil war, terrorism or wartime conditions threaten physical harm or imminent danger to the health or well-being of the employee. The danger pay allowance is in lieu of that part of the post differential which is attributable to political violence. Consequently, the post differential may be reduced while danger pay is in effect to avoid dual crediting for political violence.

### **I.31 752.7029 POST PRIVILEGES (JUL 1993)**

(a) Routine health room services may be available, subject to post policy, to U.S. citizen contractors and their authorized dependents (regardless of citizenship) at the post of duty. These services do not include hospitalization, or pre-departure or end of tour medical examinations. The services normally include such medications as may be available, immunizations and preventive health measures, diagnostic examinations and advice, and home visits as medically indicated. Emergency medical treatment is provided to U.S. citizen employees and dependents, whether or not they may have been granted access to routine health room services, on the same basis as it would be to any U.S. citizen in an emergency medical situation in the country.

(b) Privileges such as the use of APO, PX's, commissaries, and officer's clubs are established at posts abroad pursuant to agreements between the U.S. and Cooperating Governments. These facilities are intended for and usually limited to members of the official U.S. establishment including the Embassy, USAID Mission, U.S. Information Service, and the Military. Normally, the agreements do not permit these facilities to be made available to nonofficial Americans.

### **I.32 752.7033 PHYSICAL FITNESS (JUL 1997)**

(The requirements of this provision do not apply to employees hired in the Cooperating Country or to authorized dependents who were already in the Cooperating Country when their sponsoring employee was hired.)

(a) Assignments of less than 60 days in the Cooperating Country. The contractor shall require employees being assigned to the Cooperating Country for less than 60 days to be examined by a licensed doctor of medicine. The contractor shall require the doctor to provide to the contractor a written statement that in his/her medical opinion, the employee is physically qualified to engage in the type of activity for which he/she is employed and the employee is physically able

to reside in the country to which he/she is assigned. Under a cost reimbursement contract, if the contractor has no such written statement of medical opinion on file prior to the departure for the Cooperating Country of any employee and such employee is unable to perform the type of activity for which he is employed or cannot complete his/her tour of duty because of any physical disability (other than physical disability arising from an accident while employed under this contract), the contractor shall be responsible for returning the disabled employee to his/her point of hire and providing a replacement at no additional cost to the Government. In addition, in the case of a cost reimbursement contract, the contractor shall not be entitled to reimbursement for any additional costs attributable to delays or other circumstances caused by the employee's inability to complete his/her tour of duty.

(b) Assignments of 60 days or more in the Cooperating Country.

(1) The Contracting Officer shall provide the contractor with a reproducible copy of the "USAID Contractor Employee Physical Examination Form".\*\* This form is for collection of information; it has been reviewed and approved by OMB. Information required by the Paperwork Reduction Act for reporting the burden estimate, the points of contact regarding burden estimate, and the OMB approval expiration date (see 701.105(a)), are printed on the form. The contractor shall reproduce the form as required, and provide a copy to each employee and authorized dependent proposed for assignments of 60 days or more in the Cooperating Country. The contractor shall have the employee and all authorized dependents obtain a physical examination from a licensed physician, who will complete the form for each individual. The employee will deliver the physical examination form(s) to the embassy health unit in the Cooperating Country.

\*\* The USAID Contractor Employee Physical Examination Form appears at the end of the AIDAR as an attachment. It is not part of the AIDAR. It appears as an attachment only for the reader's convenience.

(2) (The following information is provided for two purposes: to assist fixed price offerors to develop their price proposal, and to provide cost reimbursement contractors with guidance in determining reasonable and allowable costs.) As a contribution to the cost of medical examinations, USAID shall reimburse the contractor for the physical examination authorized in paragraph (a) of this section in an amount not to exceed \$100 for the physical examination, plus reimbursement of charges for immunizations to the extent not covered by the contractor's health insurance policy. For physical examinations authorized in paragraph (b)(1) above, the USAID contribution to the cost of the examination shall be as follows:

(i) For the employee and authorized dependents 12 years of age and over, one half of the cost of each examination up to a maximum USAID share of \$300 per individual, plus reimbursement of charges for immunizations to the extent not covered by the contractor's health insurance policy.

(ii) For authorized dependents under 12 years of age, one half of the cost of each examination up to a maximum USAID share of \$120 per individual, plus reimbursement of charges for immunizations to the extent not covered by the contractor's health insurance policy.

(iii) The contractor must obtain the prior written approval of the Contracting Officer to receive any USAID contributions higher than these limits.

**I.33 752.7035 PUBLIC NOTICES (DEC 1991)**

It is USAID's policy to inform the public as fully as possible of its programs and activities. The contractor is encouraged to give public notice of the receipt of this contract and, from time to time, to announce progress and accomplishments. Press releases or other public notices should include a statement substantially as follows: "The U.S. Agency for International Development administers the U.S. foreign assistance program providing economic and humanitarian assistance in more than 80 countries worldwide." The contractor may call on USAID's Office of Legislative and Public Affairs (LPA) for advice regarding public Notices. The contractor is requested to provide copies of notices or announcements to the cognizant technical officer and to USAID's Office of Legislative and Public Affairs (LPA) as far in advance of release as possible.

(See also Interim Update Dataset, Major Functional Series 300, Interim Update #2)

**I.34 752.7018 HEALTH AND ACCIDENT COVERAGE FOR USAID PARTICIPANT TRAINEES (JAN 1999)**

(a) In accordance with the requirements of USAID Automated Directive System (ADS) 253.5.6b, the Contractor shall enroll all non-U.S. trainees (hereinafter referred to as "participants"), whose training in the U.S. is financed by USAID under this contract, in USAID's Health and Accident Coverage (HAC) program. Sponsored trainees enrolled in third-country or in-country training events are not eligible for USAID's HAC program, but the Contractor may obtain alternative local medical and accident insurance at contract expense, provided the cost is consistent with the cost principles in FAR 31.2

(b) When enrollment in the HAC program is required per paragraph (a) of this clause, the Contractor must enroll each participant in the HAC program through one of two designated contractors prior to the initiation of travel by the participant. USAID has developed an Agency-wide database training management system, the Training Results and Information Network ("TraiNet"), which is the preferred system for managing USAID's participant training program, including enrollment in the HAC program. However, until such time as the USAID sponsoring unit (as defined in ADS 253) has given the Contractor access to USAID's "TraiNet" software for trainee tracking and HAC enrollment, the Contractor must fill out and mail the Participant Data Form (PDF) (Form USAID 1381-4) to USAID. The Contractor can obtain information regarding each HAC program contractor, including contact information, and a supply of the PDF forms and instructions for completing and submitting them, by contacting the data base contractor serving the Global Center for Human Capacity Development (G/HCD).

(c) The Contractor must ensure that HAC enrollment begins immediately upon the participant's departure for the United States for the purpose of participating in a training program financed by USAID, and that enrollment continues in full force and effect until the participant returns to his/her country of origin, or is released from USAID's responsibility, whichever is the sooner.

(1) The HAC insurance provider, not the Contractor, shall be responsible for paying all reasonable and necessary medical reimbursement charges not otherwise covered by student health service or other insurance programs, subject to the availability of funds for such

purposes, in accordance with the standards of coverage established by USAID under its HAC program and by the HAC providers' contracts.

- (2) After HAC enrollment, upon receipt of HAC services invoice from the selected HAC provider, the Contractor shall submit payment directly to the HAC provider.
- (3) The Contractor is responsible for ensuring that participants and any stakeholders (as defined in ADS 253) are advised that USAID is not responsible for any medical claims in excess of the coverages provided by the HAC program, or for medical claims not eligible for coverage under the HAC program, or not otherwise covered in this section.
- (d) The Contractor, to the extent that it is an educational institution with a mandatory student health service program, shall also enroll participants in that institution's student health service program. Medical costs which are covered under the institution's student health service shall not be eligible for payment under USAID's HAC program.
- (e) If the Contractor has a mandatory, non-waivable health and accident insurance program for students, the costs of such insurance will be allowable under this contract. Any claims eligible under such insurance will not be payable under USAID's HAC plan or under this contract. Even though the participant is covered by the Contractor's mandatory, non-waivable health and accident insurance program, the participant MUST be enrolled in USAID's more comprehensive HAC program.
- (f) Medical conditions pre-existing to the participant's sponsorship for training by USAID, discovered during the required pre-departure medical examination, are grounds for ineligibility for sponsorship unless specifically waived by the sponsoring unit, and covered through a separate insurance policy maintained by the participant or his employer, or a letter of guarantee from the participant or the employer (which thereby assumes liability for any related charges that might materialize. (See ADS 253).

### **I.35 752.7019 PARTICIPANT TRAINING (JAN 1999)**

(a) Definitions.

(1) Participant training is the training of any foreign national outside of his or her home country, using USAID funds.

(2) A Participant is any foreign national being trained under this contract outside of his or her country.

(b) Applicable regulations. Participant training conducted under this contract shall comply with the policies and essential procedures pertaining to training-related services contained in USAID Automated Directive System (ADS) Ch. 253 "Training for Development Impact". Any exceptions to ADS 253 requirements are specified as such within this contract. The current version of Chapter 253 may be obtained directly from the USAID website at <http://www.info.usaid.gov/pubs/ads/200>

(c) The contractor shall be reimbursed for the reasonable and allocable costs incurred in providing training to participants in the United States or other approved location provided such costs do not exceed the limitations in, or have been waived in accordance with, ADS 253.5.5. Note: Academic rates are available through a special website monitored by the United States Information Agency. The website for academic programs is: <http://www.iie.org/fulbright/posts/restrict>. U.S.-based participants receive the standardized U.S. travel per diem rates maintained by GSA for short-term training (website: <http://policyworks.gov>).

**I.36 752.7023 REQUIRED VISA FORM FOR USAID PARTICIPANTS (APR 1984)**

The Contractor shall insure that any foreign student brought to the United States for training under this contract uses visa form IAP 66A "Certificate for Exchange Visitor (J-1) Status".

**[END OF SECTION I]**

**PART III- LIST OF DOCUMENTS, EXHIBITS, & OTHER ATTACHMENTS**

**SECTION J: LIST OF ATTACHMENTS**

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- J.1: USAID INFORMATION FORM
- J.2: REGISTRATION AND TAX EXEMPTIONS IN AFGHANISTAN
- J.3: CLINS AND INTERMEDIATE RESULTS MATRIX
- J.4: INTEGRATED FINANCIAL MANAGEMENT SYSTEM (IFMS)
- J.5: REGIONAL ECONOMIC ZONE (REZ) STRATEGY SUMMARY
- J.6: MUNICIPAL ADVISORY BOARD TERMS OF REFERENCE (UNOFFICIAL ENGLISH TRANSLATION)
- J.7: INITIAL ENVIRONMENTAL EXAMINATION (IEE)

USEFUL LINKS:

1. US AGENCY FOR INTERNATIONAL DEVELOPMENT: [HTTP://WWW.USAID.GOV](http://www.usaid.gov)
2. USAID AUTOMATED DIRECTIVES SYSTEM (ADS): [WWW.USAID.GOV/PUBS/ADS](http://www.usaid.gov/pubs/ads).
3. SF-1034 FORM (VOUCHER FOR PUBLIC SERVICES OTHER THAN PERSONAL):  
[HTTP://WWW.USAID.GOV/SA/USAIDSA/SF1034.PDF](http://www.usaid.gov/sa/usaidsa/sf1034.pdf)

**[END OF SECTION J]**

**END OF CONTRACT**