

**USAID/Ukraine - Virtual IP Meeting: March 24, 2022**  
**Questions from Implementing Partners:**

1. Q: Guidance to IPs on VAT reporting and possible exemptions in the current environment?

R: Currently USAID does not have a blanket waiver to authorize VAT payment under Ukraine programs. Therefore, we will consider requests for e VAT exemptions on a case-by-case basis. We understand that this is currently a challenge and we ask that partners exhaust all resources when trying to claim that reimbursement prior to sending a request for exemption. When requesting an exemption, please provide a narrative detailing actions taken regarding obtaining reimbursement (document your efforts to invoke any available VAT exemption).

2. Q: DUNS and FSRs exemptions for all new local partners in the environment of higher risk to personal and organizational safety?

R: We have the ability to exempt some sub partners and primes from registration. If you have any specific questions or requests regarding exemptions, please contact the cognizant CO/AO.

3. Q: What are the coordination plans for BHA funded work with the non-humanitarian actors who have the established networks to support effective logistical aspects of bringing urgent supplies to communities and IDPs?

R: We suggest coordinating through the Health Cluster led by WHO – <https://www.humanitarianresponse.info/en/operations/ukraine/health>. The lead contact is Emanuele Bruni of WHO, contact information on the web page. Additionally, you can access the logistics cluster at the following link: <https://logcluster.org/ops/ukr22a>

4. For the Pharmaceutical purchases, do we need to get an approval even if we procure internationally from approved HPCs?

R: USAID encourages IPs to notify your COR/AOR and CO/AO on your intention to purchase pharmaceuticals from the approved HPCs to make sure no other considerations are required.

5. Q: What are the recommendations for holding this year's project audits in the wartime situation (especially cooperative agreements)?

R: As required, annual audits must take place. The Ukraine OFM team has confirmed that the pre-selected audit firms are working, albeit with reduced capacity. We recommend our IP's work with your COR/AOR to develop a schedule for conducting the

annual audit. Should there be a delay in completing the audit you should notify your CO/AO.

6. Q: Per our reading of the January 25<sup>th</sup> “*RCO Letter Guidance to USAID\_Ukraine IPs FINAL*” document, which states under ‘Maintaining Readiness and Salaries under Acquisition & Assistance Awards’ that “it is imperative that readiness is maintained”, we are continuing to maintain our office in Kyiv in an at ready state, as well as paying for related costs for support, maintenance, logistics, etc. in Ukraine. Such costs are within the term and conditions of our award and contract ceiling. Please confirm we should continue maintaining an at ready state during the evacuation period.

R: Yes, we do authorize you to maintain a readiness state. You are authorized to continue payments and any other necessary costs to maintain offices in Kyiv and anywhere else around the country.

7. Q: What's your opinion on the allowability of us helping subawardees set up an entity for themselves in Poland or other neighboring countries so they can have an organization bank account abroad and have the ability to receive funds there? The rationale is that it's better to plan ahead in case Ukraine's banking system starts to experience problems. Hopefully not. But in any case a good idea for UA orgs to have a legal entity in the EU for grants, and other fundraising opportunities in the future.

R: At this time it is not required that subrecipients establish an entity or office in a second country. If, for programmatic purposes, it is necessary to establish an entity or office in a second country that should be discussed with the COR/AOR then submitted with justification to the CO/AO for approval.

8. As more implementing partners think about establishing operations of some type in Poland, is there is something like a bilateral agreement that has been discussed with the Government of Poland that would exempt organizations from taxes as we had in Ukraine.

9. R: The US Government is discussing an arrangement with the Government of Poland. We will share with you any updates.

10. Q: If the current conflict is prolonged, has the US Department of State (or US govt) considered authorizing a Unique Conditions Allowance for local employees in Ukraine? Are there any specific requirements for authorizing a Unique Conditions Allowance, and have any of those requirements been met?

R: Yes, the U.S. Government has authorized a Unique Conditions Working Allowance for its local employees in Ukraine. This allowance is reviewed every 90-calendar days.

Implementing partners should rely on their internal policies regarding similar allowances for staff.

11. Q: If status quo remains, would USG consider extending the 30 day guidance beyond the 180 days? What happens in 180 days if we hit that mark?

R: Our regulations as of now limit the evacuation authorities to 180 days and each extension is authorized in 30 day increments. We will provide additional guidance as the situation evolves and prior to the 180 day mark.

12. Q: Does the 30-day extension (through April 25, 2022) apply to the \$67 per day allowance (currently authorized through March 26)?

R: Yes, the \$67 per day subsistence allowance is also extended through April 25, 2022 and partners are authorized to make lump sum payments of this amount to assist with continued relocation efforts.

13. Q: Can you please confirm that the extension of authorizations (of relocation allowance) can be flowed down to subs as well?

R: Authorizations can be flowed down to subpartners as well. Implementing Partners, as an organization, need to make the determination that its agreement with the subpartner will allow this.

14. Q: Our market research shows that the actual lodging rates in Rzeszow, Poland are far higher than the DSSR rates for Poland/"Other". As of March 22, the DSSR did not provide a specific rate for Rzeszow. The DSSR lodging rate for Poland/"Other" is USD 98 per night. Our research and experience shows that hotels, which are currently operating at full capacity, are charging approximately USD 278 per night. Would USAID consider a blanket waiver for lodging rates in Rzeszow, and/or should IPs consider submitting individual requests for CO consideration on a case by case basis?

R: USAID is discussing the necessity to provide a blanket authorization. We have also raised the current lodging situation in Rzeszow with the Department of State Office of Allowances.

In the meantime, IP's should continue to submit requests for approval of excess rates to the CO/AO and COR/AOR. We will review those requests on a case-by-case basis and provide an appropriate response.

15. Q: It is hard for our local staff, especially with families, to plan their life in 30-day increments. The \$67/day allowance does not cover hotel stays and we see more and more 6 to 12 month apartment lease requirements. We would appreciate a conversation

about a reasonable mid- to longer-term timeframe for staff and project presence outside Ukraine

R: USAID takes very seriously the well being of our IP team members and strives to find long term solutions to staffing and relocation concerns. We are engaged in discussions across the US Government and with host Governments on a long term solution to identify a location for the Ukraine Mission, which will have a stabilizing effect on our IP location plans. We ask our partners to continue to work with your COR/AOR's to formulate implementation and staffing plans that are responsive to activity requirements and are considerate to their staff safety and well being.

16. Q: We're starting to see increasing difficulty in our team finding lodging, temporary spaces are coming to an end and the demand has driven up the costs in some cases. Can you provide additional guidance on when TQSA vs per diem can be provided, both for team members relocating within Ukraine and outside of Ukraine?

R: USAID is continuing to discuss the extension and potential revision or addition of allowances and differentials for our IP staff. We will keep you informed of progress.

17. Q: As those who are relocating are women and children, has USAID considered family support for CCNs?

R: Yes, USAID has considered family members of CCN staff in our discussions on authorizing allowances and differentials.

18. Q: We have those folks called up under military service. What is the USAID determination about continued payment of salary while called up on military allowances? UK law calls for continued payment.

R: USAID/Ukraine considers this to be 'military leave' and, consistent with your organization's policies and local labor law, the employee can be placed on paid leave and can retain their regular salary.

19. Q: Question tied to the allowability of allowance for those who remain in Kyiv. Clearances and those living as far as our team is involved.

R: IP staff must be in travel status, away from their permanent residence to be eligible for allowances and differentials related to travel. USAID has provided authority for IPs to provide a 13th month bonus and salary advances, consistent with their own policies, as a means for financial assistance.

20. Q: After receiving USAID guidance on February 26th regarding the reimbursement of evacuation costs for CCN staff members, many CCN staff members have departed Ukraine. As a result, these staff members are no longer covered under their existing local medical insurance plan. Are any additional CO approvals required for the purchase of international medical insurance coverage for CCN staff if our contract's place of performance is Ukraine? Ensuring our employees and their dependents are covered by insurance is consistent with our company's policy and practice

R: Thank you for bringing this issue to our attention. We will discuss internally to determine if we can authorize reimbursement of this particular expense. We will keep everyone updated.

21. Q: Can you please confirm or clarify, if the language on danger pay or similar is present in our internal policies, such payments would be considered allowable. Would we have to submit requests?

R: If this is an allowance you would like to be considered, please submit a formal request to your CO/AO and your COR/AOR. It is worth noting that this allowance has not been approved for USG personnel.

22. We have seen Ukrainian asylum refugees now starting to be admitted to the US. Does USAID have a role in ensuring former partner employees will get to the US?

R: At this time USAID is not sponsoring individuals for resettlement in the US.