



**USAID**  
FROM THE AMERICAN PEOPLE

# Cost Reimbursement Implementation Letter Template

An Additional Help for ADS Chapter 220

New Edition Date: 01/13/2021  
Responsible Office: PPL and M/CFO  
File Name: 220san\_011321

[Letterhead]

DRAFT [Date]

[Date]

[Name]

[Title]

[Grantee Entity]

[Address]

**Subject:** Implementation Letter Number \_\_\_\_\_ under [DOAG/BPA] [\_\_\_\_\_] for [name of project<sup>1</sup>]

**Project:** [Project name]

Dear [Name]:

The purpose of this Implementation Letter (the “IL”) is to provide information and procedures concerning the implementation of the [name project] (the “Project”) under [DOAG/BPA] [\_\_\_\_\_] (the “Agreement”), by and between the U.S. Agency for International Development (“USAID”) and the [Name of Grantee Entity<sup>2</sup>] (the “Grantee”, and together with USAID, each a “Party,” and together, the “Parties”), dated [Date].

This IL contains the agreement of the Parties on the detailed scope of the Project and the detailed actions to be taken by each Party to implement the Project. This IL provides USAID approval for the Project.

This IL also approves USAID financing and sub-obligates funds for the Cost Reimbursement Element of the Project.

[Include, as applicable and necessary, discussion of delegation from DOAG/BPA Grantee Government Entity to implementing Grantee Government Entity as well as any conditions

---

<sup>1</sup> Depending on the Mission’s Project Appraisal Document, the Mission should determine whether or not this agreement covers an “activity” or “project” and then make changes to this model as appropriate. For purposes of this model, the term project is used.

<sup>2</sup> Can be either DOAG/BPA signatory/signatories or implementing entity within government DOAG/BPA signatory delegates to for this Project.

precedent, if applicable and necessary, for evidentiary purposes regarding concurrence signature at end of letter below<sup>3</sup>]

In accordance with the Agreement, USAID agrees to finance the Project, to be implemented by the Grantee as further described in Section A below, subject to the terms and conditions of this IL and the Agreement.

## **A. The Project**

### **1. Project Purpose**

The purpose of the Project is [state purpose]. The activities which constitute the Project, the actions to be undertaken by each Party in implementing the Project, and the means of financing each activity, are: [or: are further described in Attachment 1 (“Project Description”).]

### **2. Project Management**

The Grantee shall ensure proper administration of the Project, prudent management of the Project, compliance with the terms and conditions of this IL, and maintenance of proper documentation.

## **B. Project Period**

### **1. Project Start Date**

The date on which actions and undertakings necessary to implement the Project begin is [Project start date] (“Project Start Date”).

### **2. Project Completion Date<sup>4</sup>**

The date by which the Parties estimate that all actions and undertakings necessary to implement the Project will be completed is [Date of Project Completion (the “Project Completion Date”)].<sup>5</sup>

[For incremental funding or where pre-Project costs are authorized, use the following *in addition to* the above:]

---

<sup>3</sup> See Footnote supra.

<sup>4</sup> This should coincide with or precede the completion date of the DOAG.

<sup>5</sup> Project Completion Date, as with anything else in an IL, can be extended or modified by subsequent IL.

3. Funds obligated in this IL are available for project expenditures for the estimated period \_\_\_\_\_ to \_\_\_\_\_ as shown in Attachment 3, the Budget.

### C. Parties' Contributions

1. The total estimated cost of the Project is \$ \_\_\_\_\_, which is anticipated to be provided as follows:  
USAID Cost Reimbursement: \$ \_\_\_\_\_  
USAID Direct Procurement:<sup>6</sup> \_\_\_\_\_  
Grantee Country Contributions: \_\_\_\_\_  
[Other Donor(s)]: \_\_\_\_\_
2. To help implement the [Cost Reimbursement Element of the] Project, of the amounts USAID has already granted to the Grantee in the Agreement, USAID hereby confirms financing and sub-obligates \$[amount], subject to the terms and conditions of the Agreement and this IL<sup>7</sup>. Except as USAID may otherwise agree in writing, USAID will not reimburse any costs incurred prior to the Project Start Date or subsequent to the Project Completion Date. USAID is not obligated to reimburse the Grantee for the expenditure of amounts in excess of the total sub-obligated amount.

[For incremental funding of the Cost Reimbursement Element of Projects add the following:]

USAID's total estimated contribution to the Cost Reimbursement Element of the Project is [amount], which will be sub-obligated to this IL in increments. Sub-obligation of subsequent increments will be subject to the availability of funds in the Agreement for this purpose and the mutual agreement of the Parties, at the time of each subsequent increment, to proceed.

3. Grantee Contribution: [Both financial and in-kind contributions to the Project from the Grantee should be summarized here.]

### D. Funding Mechanisms

The cost reimbursement method set forth in Attachment 2, Cost Reimbursement, shall be used to implement and finance the [Cost Reimbursement Elements of the] Project. Under this method, the Grantee shall make payments from its funds for [Cost Reimbursement Element]

---

<sup>6</sup> If USAID will be separately sub-obligating from DOAG/BPA as part of this Project, note clearly in this IL what those separate sub-obligations are and ensure, either in this IL or by separate IL that DOAG/BPA signatory has acknowledged/approved such separate direct sub-obligation by USAID.

<sup>7</sup> This section addresses only funds that are currently sub-obligated in the IL.

Project costs in accordance with the budget table in Attachment 3, Project Budget (the “Project Budget”) [and any elements or requirements in Attachment 1.]<sup>8</sup> The Grantee shall then request reimbursement from USAID in accordance with the procedures of Attachment 2. Each request must include a voucher that indicates the total costs for which reimbursement is being requested. USAID shall reimburse the Grantee in the currency in which costs are incurred (local currency for local costs and dollars for foreign exchange costs), but in no case in an amount more than the sub-obligated amount in dollars.

[Upon request by the Grantee, USAID may approve advances for up to 30 days of expected costs under the Project. The procedures relating to advances are specified in Attachment 2. Interest amounts over \$250/year earned on advances must be refunded to USAID .]

[Describe how other elements of the Project will be funded, e.g., whether it is anticipated that USAID will directly procure (specify services) with funds obligated under the Agreement.]

## **E. Procurement**

The Grantee is responsible for all aspects of the procurements necessary to implement [the Cost Reimbursement Elements of] the Project, in accordance with its own procurement procedures.

[Identify procurement procedures for other elements?]

## **F. USAID Approvals**

1. [For the Cost Reimbursement Element of the Project], USAID hereby waives the requirements for USAID approvals of the Plans, Specifications and Contracts pursuant to Section C.3 of Annex 2 (Standard Provisions) of the Agreement.<sup>9</sup>
2. [Indicate any other waivers of requirements under the Agreement.]

## **G. Environment**

The Project shall be implemented in conformity with Attachment 4, which addresses environmental requirements.<sup>10</sup>

---

<sup>8</sup> The Mission needs to consider the specificity for specifications, requirements or USAID approvals it requires to be included in Attachment 1 in terms of what level of specificity against which USAID will be reimbursing.

<sup>9</sup> If USAID wishes to retain the right to approve the substantive specifications of any contracts, state that here. Under cost reimbursement, USAID should normally not be approving the procurement aspects of implementing instruments.

<sup>10</sup> USAID should not incorporate into the IL/agreement a requirement to comply with local environmental laws and requirements. The Project/activity should be implemented in conformance with results of IEE completed pursuant to

## **H. Other Provisions**

### **1. Project Managers**

For technical and administrative management of this Project, USAID shall be represented by the individual and/or his/her alternate designated in a separate letter to the Grantee (the “USAID Project Manager”), and the Grantee shall be represented by the individual and/or his/her alternate designated in a separate letter to USAID (the “Grantee Project Manager”). The USAID Project Manager shall be the primary liaison with the Grantee and its implementing agents in the day-to-day implementation of the Project, and the Grantee Project Manager shall be the primary liaison with USAID in the day-to-day implementation of the Project.

### **2. Amendments and Modifications**

This IL may be supplemented or modified by a written document signed by the Parties. Any supplement or modification must be consistent with the terms of the Agreement, and no subsequent written document or IL may increase the USAID contribution in the Agreement.

### **3. Audit**

The Grantee shall comply with all provisions set forth in Section B.5 of Annex 2, of the Agreement. In accordance with the Agreement, the Grantee must maintain in its payment records, evidence of payment to any contractor or grantee for services performed or goods delivered. This evidence must be available for verification by USAID for a period of three years after the last disbursement by USAID under this IL. To facilitate this process, the Grantee shall facilitate access to USAID or its designee to conduct monitoring, evaluation and inspection of the Project as further described in this IL and the Agreement.

### **4. Incorporation and Flow-Down of Standard Provisions**

All attachments referenced on the signature page below, including the Standard Provisions, are expressly incorporated into and part of this IL. The Grantee is responsible for ensuring the Standard Provisions in this IL and the Agreement are included in all Grantee agreements with contractors or sub-grantees to the extent necessary to fulfill the Grantee’s responsibilities under this Implementation Letter and the Agreement.

*[signature page follows]*

Please indicate your concurrence with the contents of this IL by countersigning the two original versions, and return one of them to USAID/[Country].

Sincerely,

[Name]  
Mission Director  
USAID/[Country]

Concurrence:

\_\_\_\_\_

Date: \_\_\_\_\_

[Name]  
[Title]  
[Grantee Entity] (the Grantee)

cc: [DOAG/BPA signatory/signatories, if distinct]

Attachments

- 1 Project Description
- 2 Cost Reimbursement
- 3 Project Budget
- 4 Environmental Assessment
- 5 Reporting, Monitoring and Evaluation Requirements
- 6 Standard Provisions

**Attachment 1**  
**Project Description**

[Project Description, including identification of various elements, such as roles and responsibilities of each Party; specific plans or documents for which USAID approval is required; and Grantee actions or non-financial contributions, if any, required.]



**Attachment 2**  
**Cost Reimbursement**

USAID shall reimburse the Grantee in accordance with the following procedure:

- a) The Grantee shall submit an original and two copies of Standard Form 1034 (“SF 1034”) and SF 1034A (continuation of SF 1034) to the USAID Mission [monthly/quarterly]. SF 1034s may be obtained from the USAID Project Manager or at <http://www.usaid.gov/forms/>. Each SF 1034 and each voucher shall be clearly reference this IL No. [ ] under the Agreement. Each voucher shall state the total costs for which reimbursement is being requested and include a summary budget and explanation of the expenses for which reimbursement is being request. The grantee shall maintain in its payment records, evidence of payment to any contractor for payment for services performed or goods delivered.

Request for payments on an approved SF 1034 shall be submitted [monthly/quarterly] to the USAID/[Country] Controller with a copy to the Project Manager. Requests submitted via electronic means are acceptable. Payment of reimbursements will be made (preferably through electronic transfer) by the USAID/[Country] Controller. Contact information is as follows:

To: USAID  
[Country] [email]  
Controller, Office of Financial Management  
[Address]  
[City], [Country]

Copy: USAID Project Manager for [PROJECT NAME]  
U.S. Agency for International Development  
[Address]  
[City], [Country]

OR [other addressees, as applicable.]

- b) The Grantee is required to provide quarterly accruals reports by the 15th day of March, June, September and December of each year in the format to be provided by USAID.
- c) Requests for reimbursement shall be received by USAID no later than three months after the Project Completion Date or such other period as USAID agrees to in writing. In case of anticipated justifiable delays the Grantee should inform USAID. After such period, USAID may reduce the USAID financing for the Project by all or any part thereof for which requests for reimbursement, accompanied by necessary supporting documentation, were not received before the expiration of such period.

[The following paragraphs should be included if advances are contemplated:]

- d) Upon request by the Grantee, USAID may approve advances for up to [30] days of expected costs under the Project. Requests for an advance for an upcoming month should be submitted by the 10<sup>th</sup> of the prior month and will be submitted on a SF 1034 and be clearly marked as a “Request for Advance.” The Grantee may submit a set of these forms on a quarterly basis, i.e. submission of 3 SF-1034s, one for each month in the upcoming quarter.

At the end of each quarter, the Grantee will submit an SF-1034 (marked “Liquidation of Advances”) to liquidate the advances provided during the previous three months. The Grantee may submit a new SF-1034 marked “Request for Advance” once the liquidation has been submitted. The Liquidation of Advances SF-1034 is due by the 15<sup>th</sup> of the month after each quarter.

The requirements of this Attachment supersede and, in the event of conflict, take precedence over the financial reporting requirements in Attachment 5.

- e) Any interest earned on advances prior to their liquidation above \$250 per year for administrative costs must be refunded to USAID pursuant to instructions provided by the USAID Mission.

**Attachment 3**

**Project Budget**

[Budget Table]

## **Attachment 4**

### **Environmental Requirements**

[Include unless a categorical exclusion has been approved that requires no clarification regarding implementation limits in order to abide by such exclusion]

USAID and the Grantee agree to implement the Project in conformance with the regulatory and legal requirements of the Grantee's environmental legislation and USAID's environmental policies. In particular, the Project will be implemented in conformity with this Attachment, the detailed study of reasonably foreseeable significant environmental effects.

Environmental reporting requirements are provided below and incorporated pages. The Grantee is required to create and follow an environmental mitigation plan and report (EMPR) for each thematic area covered by this agreement. The EMPR shall include the following:

- Coversheet;
- Narrative with project specific information, including level of effort;
- Annexes:
  - Environmental Screening Form (Table 1);
  - Identification of Mitigation Plan (Table 2);
  - Environmental Monitoring and Tracking Table (Table 3);
  - Photos and Maps, as appropriate.

The EMPR must capture potential environmental impacts and also inform whether a supplemental Initial Environmental Examination (IEE) is required and should be completed and submitted to USAID.

*[See Attached Pages]*

**Attachment 5**  
**Reporting, Monitoring and Evaluation Requirements**

A. Financial Reporting

- i. The Grantee must submit the *Federal Financial Report* (FFR) SF-425 on a quarterly and annual basis. Additional financial information may be requested as required and directed by USAID. The following reporting period end dates must be used for quarterly reports: March 31st, June 30th, September 30th, or December 31st. Quarterly FFR reports must be submitted no later than 30 days after the end of each reporting period. Annual reports must be submitted no later than 90 days after the end of each reporting period. A final *FFR* must be submitted no later than 90 days after the project or grant period end date at the completion of the Project agreement.
- ii. Electronic versions of SF-425 can be downloaded into Adobe Acrobat and completed on-line by reviewing,  
[http://www.whitehouse.gov/sites/default/files/omb/grants/approved\\_forms/SF-425.pdf](http://www.whitehouse.gov/sites/default/files/omb/grants/approved_forms/SF-425.pdf) (reporting form) and  
[http://www.whitehouse.gov/sites/default/files/omb/grants/approved\\_forms/sf-425a.pdf](http://www.whitehouse.gov/sites/default/files/omb/grants/approved_forms/sf-425a.pdf) (attachment).

B. Programmatic Reporting

- i. Grantee is responsible for managing and monitoring each project, program, subaward, function or activity supported through this Agreement. Grantee must monitor subawards to ensure that subgrantees have met the programmatic impact requirements as set forth in the subgrantee's agreement.
- ii. Grantee must submit the original and two copies of annual and semi-annual Performance reports. Annual reports are due 90 calendar days after the Project year and semi-annual reports are due 30 days after the reporting period. The final performance reports are due 90 calendar days after the expiration or termination of this Agreement.
- iii. Performance reports must generally contain brief information on each of the following:
  - (A) A comparison of actual accomplishments with the goals and objectives previously established for the period, including metrics outlined in the monitoring and evaluation plan, any findings of an external entity, or both. Whenever appropriate and the output of programs or projects can be readily quantified, such quantitative data must be included in the reports and be related to cost data for computation of unit costs.
  - (B) Reasons why established goals for the performance period were not met, if appropriate.
  - (C) Other pertinent information requested by USAID in writing, including, when appropriate, analysis and explanation of cost overruns or high unit costs reported in financial reports.
- iv. Grantee must immediately notify USAID of developments that have a significant impact on Project activities. Also, the Grantee must give

notification immediately in the case of problems, delays, or adverse conditions which materially impair the ability to meet the objectives of the Project. This notification must include a statement of the action taken or contemplated, and any assistance needed to resolve the situation.

C. Monitoring and Evaluation

- i. The Grantee must submit a monitoring and evaluation plan for approval, and carry out monitoring and evaluation activities in accordance with the approved monitoring and evaluation plan. USAID will review and approve the Grantee's monitoring and evaluation plan to ensure that it is appropriate for the activities to be undertaken as part of the agreement, and for compliance with the monitoring and evaluation guidance established by USAID or other guidance otherwise applicable to this Agreement.
- ii. USAID or its designee will also undertake monitoring and evaluation of the defined activities within the agreement. The Grantee must ensure reasonable access by USAID or its designee to all necessary sites, documentation, individuals and information to monitor, evaluate and verify the appropriate implementation the Activities and the use of USAID funding under this Agreement, and must require a provision to this effect in all sub-awards or contracts financed by funds under this Agreement.

**Attachment 6**  
**Cost Reimbursement Standard Provisions (for non-health activities, with alternates for health activities)**

**Table of Contents**

A.	Cost Allowability	1
B.	Eligibility Rules for Procurement of Commodities and Services	2
C.	Financial Management Assessment	3
D.	Termination and Suspension	3
E.	Refunds	4
F.	Title to and Disposition of Property	4
G.	Marking and Public Communications under USAID-Funded Activities	4
H.	Terrorist Financing	5
I.	Faith-Based Activities	6
J.	Prohibition on Private Entity Trafficking in Persons	6
K.	United Nations Security Council Sanctions Lists	6
L.	Salary Supplements	6
<a href="#"><u>As Applicable Standard Provisions</u></a>		
XX.	Transportation of Cargo	7
XX.	Worker’s Rights	7
XX.	Investment Promotion	7
XX.	Foreign Delegations to International Conferences	7
XX.	Contract Insurance Requirement	8
XX.	International Travel and Air Transportation	8
XX.	Training Requirements	10
XX.	Prohibition on Assistance to Drug Traffickers	11

**A. Cost Allowability**

Reimbursement will be made only for costs incurred in carrying out the purpose of the Project which are reasonable, allocable, and allowable, in accordance with the following:

- (A) “Reasonable” means the costs do not exceed those that would ordinarily be incurred by a prudent person in the conduct of normal business.
- (B) “Allocable” means the costs are necessary to the Project.

(C) “Allowable” means the costs are reasonable and allocable, and conform to any limitations set forth in this IL or the Agreement.

The Grantee may obtain USAID’s written concurrence in advance regarding the allowability of a specific cost to avoid uncertainty in certain circumstances.

## **B. Eligibility Rules for Procurement of Commodities and Services**

- i) No USAID funding under this IL may be used to finance contracts or grants to organizations and individuals that are suspended, debarred, or ineligible, as indicated on the U.S. Government Excluded Parties List System ([www.epls.gov](http://www.epls.gov)).
  
- ii) Unless otherwise approved by USAID in this Implementation Letter, no USAID funds under this Implementation Letter may be used to finance the procurement of:
  - (1) Military equipment,
  - (2) Surveillance equipment,
  - (3) Commodities and services for support of police or other law enforcement activities,
  - (4) Abortion equipment and services, information, education, training, or communication programs that seek to promote abortion as a method of family planning, or lobbying for or against abortion
  - (5) Involuntary sterilization equipment or services
  - (6) Luxury goods and gambling equipment, or
  - (7) Weather modification equipment;
  - (8) Support for police, prisons, or other law enforcement or security forces or activities,
  - (9) Agricultural commodities,
  - (10) Motor vehicles not manufactured in the United States,
  - (11) Pharmaceuticals or contraceptives,
  - (12) Pesticides,
  - (13) Used equipment,
  - (14) U.S. Government-owned excess property, or
  - (15) Fertilizer.
  
- iii) Source and Nationality:
  - (1) Goods and services financed under this IL must be available for purchase in the applicable Geographic Code at the time of purchase. Geographic Code 937 includes: the Grantee Country, the United States or a developing country. Geographic Code 935 includes any country which is not



a prohibited source. For a current list of countries within each Geographic Code, see the attached lists.<sup>11</sup> All goods financed under this IL shall have their source, and the suppliers of all goods and services financed under this IL shall have their nationality, in countries included in Geographic Code [937 or 935], except as specified in this IL, as USAID may otherwise agree in writing, and as follows:

- (a) Ocean transportation costs must be financed under the Agreement only on vessels under flag registry of countries included in Code 935. Also see subsection 6 below on use of U.S.-flag vessels.
  - (b) Any motor vehicles financed under the Agreement will be of United States manufacture, except as USAID may otherwise agree in writing.
- (2) The nationality of the contractor providing ocean and air shipping services will be deemed to be the ocean vessel's or aircraft's country of registry at the time of shipment.
- (3) Provisions concerning restricted and ineligible goods and services may be provided in subsequent written communications between the parties. Special procurement rules apply to agricultural commodities, pharmaceuticals, pesticides, and fertilizer, none of which may be procured without advance written consent of USAID.
- (4) Transportation by air of property or persons financed under this agreement will be on carriers holding United States certification, to the extent service by such carriers is available under the Fly America Act. This requirement may be further described by USAID in subsequent written communications between the parties.
- (5) Eligibility Date. No goods or services may be financed under the Agreement which are procured pursuant to orders or contracts firmly placed or entered into prior to the date of this Agreement, except as the Parties may otherwise agree in writing.
- (6) Transportation
  - (a) In addition to the requirements in subsection 1 above, costs of ocean or air transportation and related delivery services may not be financed under this Agreement, if the costs are for transportation under an ocean vessel or air charter which has not received prior USAID approval.
  - (b) Unless USAID determines that privately owned U.S. -flag commercial ocean vessels are not available at fair and reasonable rates for such vessels, or otherwise agrees in writing:
    - i. At least fifty percent (50%) of the gross tonnage of all goods (computed separately for dry bulk carriers, dry cargo liners and tankers) financed by USAID which may be transported on ocean vessels will be transported on privately owned U.S.-flag commercial vessels; and
    - ii. At least fifty percent (50%) of the gross freight revenue generated by all shipments financed by USAID and transported to the territory of

the Grantee on dry cargo liners shall be paid to or for the benefit of privately owned U.S.-flag commercial vessels. Compliance with the requirements of (1) and (2) of this subsection must be achieved with respect to both any cargo transported from U.S. ports and any cargo transported from non-U.S. ports, computed separately.

(End of Provision)

### **C. Financial Management Assessment**

The Parties acknowledge that USAID has assessed the Grantee's public financial management and procurement systems required to manage the project activities and that the funds provided under this IL are expressly conditioned upon the results and recommendations of that assessment, as well as any measures, mitigation or means by which the Grantee has addressed or will address the recommendations, if any, specified in that assessment. The Grantee agrees to take any necessary action(s) to address the recommendations or requirements of the assessment as agreed separately in writing with USAID in accordance with an action plan to be jointly developed to address such recommendations or as otherwise contained in this IL or the Agreement, including those that may arise during the Project Period.

### **D. Termination and Suspension**

1. Either Party may terminate this Project in its entirety or in part by giving the other Party thirty (30) days written notice. USAID may also suspend this Project in whole or in part upon giving the Grantee written notice. In addition, USAID may terminate or suspend this Project in whole or in part, upon giving the Grantee written notice, if: (i) the Grantee fails to comply with any provision of this Project; (ii) an event occurs that USAID determines makes it improbable that the Objective or Program Elements of the Project or the assistance program will be attained or that the Grantee will be able to perform its obligations under this Project; or (iii) any disbursement or use of funds in the manner herein contemplated would be in violation of the legislation governing USAID, whether now or hereafter in effect.
2. Any portion of this Project that is not suspended or terminated shall remain in full force and effect.

---

<sup>11</sup> Attach lists from ADS 310 Mandatory References listing countries classified as Developing Countries, Advanced Developing Countries and Prohibited Sources.

## **E. Refunds**

1. Funds obligated by USAID, but not disbursed to the Grantee before the Project Completion Date or before the Project is terminated, will revert to USAID, except for funds committed by the Grantee to a legally binding transaction applicable to the Project. Any funds advanced to, but not disbursed by, the Grantee before the Project Completion Date or the Project's termination must be refunded to USAID, except for funds committed by the Grantee to a legally binding transaction applicable to the Project.
2. In accordance with Section E.2 of the Agreement, any funds provided by USAID under the Project that are expended by the Grantee or any of its contractors, grantees or employees not in accordance with the terms of the Agreement or this IL must be refunded to USAID.

## **F. Title to and Disposition of Property**

1. Ownership of equipment, supplies, and other property purchased with funds under the Project will vest in the Grantee. Disposition of excess property financed under the Project will be made in consultation with USAID.
2. In the event any patentable rights are created or developed under this IL, USAID shall be granted a nonexclusive, nontransferable, irrevocable, paid-up license to practice or have practiced for or on behalf of the U.S. Government the subject invention throughout the world, and to sublicense others to do the same. The Grantee agrees to include, or cause to be included, within the specification of any United States patent application and any patent issuing thereon covering a subject invention, the following statement: "This invention was made with U.S. Government support under (identify the agreement awarded by USAID). The U.S. Government has certain rights in this invention." The Grantee must ensure any and all contractors and/or grantees under this IL agree to cooperate in the preparation and prosecution of any U.S., Grantee or third country patent applications, to execute all papers requisite in the prosecution of such application, and to secure the cooperation of any employee.
3. For all other intellectual property developed, or for which ownership is purchased, under this IL, USAID reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use the intellectual property, and to authorize others to do so.
4. This provision must be included in all subagreements, including subawards and contracts.

(End of Provision)

## **G. Marking and Public Communications under USAID-Funded Activities**

The grantee will

- a. broadly publicize and mark the programs and activities under this Implementation Letter as

made possible with support from the American people through the U.S. Agency for International Development (USAID). All publicity and marking efforts will comply with USAID policies for branding and marking as may be requested by USAID in writing.

- b. share with USAID a public communications strategy and plans for the programs and activities under this Implementation Letter for comments. The public communications strategy and plans will be designed to ensure adequate public awareness about the program in general as well as about the fact that this program is made possible with support from the American people through USAID.
- c. Develop specific guidance for all related publicity activities about how to acknowledge USAID assistance. Such guidance will specify language to be included in all speeches, written information materials, audio/video/print ads, and other publicity effort related to the program under this Implementation Letter. The guidance will be approved by USAID and enforced by the Grantee throughout the lifetime of the program.
- d. Develop specific guidance and templates for prominent and permanent marking of all assistance, activities, and public communications under this program with the USAID logo and the U.S. flag. Items under this program include but are not limited to all 1) assistance sites, events, items; 2) informational and promotional material (e.g., press releases, websites, brochures, video/print ads, posters, billboards, promotional handouts, etc.) , and 3) materials prepared for related events (e.g., backdrops, streamers, standees, PowerPoint presentations, folders, notebooks, etc.). Marking with the USAID logo and the U.S. flag will comply with USAID requirements and policies.
- e. Provide USAID with information about pending publicity events and achievement of key milestones and invite U.S. Government representatives to participate at these events as part of the effort to acknowledge USAID support for the program.
- f. Provide USAID with press releases, communications strategies and plans, marking guidance, and other public information or publicity material for comments, clearance, and coordination. USAID, through its Project Manager, will provide the Grantee with the USAID policies, information and guidance pertinent to implementation of the subject project activities, including access to files of USAID logos and the U.S. flag. USAID may elect to design and implement additional publicity activities to promote U.S. assistance under this Implementation Letter.
- g. The Grantee must include this marking provision in any sub-agreements entered into under this Implementation Letter.

(End of Provision)

## **H. Terrorist Financing<sup>1</sup>**

(a) Consistent with numerous United Nations Security Council resolutions, both USAID and the Grantee are firmly committed to the international fight against terrorism, and in particular, against the financing of terrorism. It is the policy of USAID to seek to ensure that none of its funds are used, directly or indirectly, to provide support to individuals or entities associated with terrorism. In accordance with this policy, the Grantee agrees to use reasonable efforts to ensure that none of the USAID funds provided under this Agreement are used to provide support to individuals or entities associated with terrorism, including those identified on the U.S. Department of Treasury Office of

---

<sup>1</sup> Agreed to with CDC and OGAC for Health activities.

Foreign Assets Control Specially Designated Nationals List.(b) This provision must be included in all subagreements, including contracts and subawards, issued under this IL.

(End of Provision)

## **I. Faith-Based Activities**

The Grantee must not favor or discriminate against any contractor, subrecipient, beneficiary or potential beneficiary on the basis of religion or religious belief as part of the programs or services directly funded under this Project. Further, funds provided under this Project may not be used in a manner that supports, enables or facilitates explicitly religious activities, which include, without limitation, worship, religious instruction, prayer, or proselytization.

## **J. Prohibition on Private Entity Trafficking in Persons**

- (a) Pursuant to the Protocol to Prevent, Suppress, and Punish Trafficking in Persons, especially Women and Children, supplementing the UN Convention against Transnational Organized Crime, the Grantee is firmly committed to the fight against trafficking in persons. Pursuant to this fight, no contractor or subrecipient under this Implementation Letter that is a private entity, or any of its employees, may engage in trafficking in persons or use forced labor during the Project Period.
- (b) The Grantee must include in all subagreements, including subawards and contracts, a provision prohibiting the conduct described in subsection a by private party subrecipients, contractors, or any of their employees.

ALTERNATE for Health Programs or Activities:

### **Trafficking in Persons<sup>2</sup>**

- (a) No contractor or subrecipient under this Agreement that is a private entity may, during the period of time that the award is in effect:
  - i. engage in trafficking in persons, as defined in the Protocol to Prevent, Suppress, and Punish Trafficking in Persons, especially Women and Children, supplementing the UN Convention against Transnational Organized Crime;
  - ii. procure any sex act on account of which anything of value is given to or received by any person; or
  - iii. use forced labor in the performance of this award.
- (b) If USAID determines that there is a reasonable basis to believe that any private party contractor or subrecipient has violated paragraph (a) of this section or that an employee of the contractor or subrecipient has violated such a prohibition where that the employee's conduct is associated with

---

<sup>2</sup> Agreed to with CDC and OGAC for Health activities.

the performance of this award or may be imputed to the contractor or subrecipient, USAID may, without penalty, (i) require the Grantee to terminate immediately the contract or subaward in question or (ii) unilaterally terminate this Agreement in accordance with the termination provision.

- (c) For purposes of this provision, “employee” means an individual who is engaged in the performance in any part of the Project as a direct employee, consultant, or volunteer of any private party contractor or subrecipient.
- (d) The Grantee must include in all subagreements, including subawards and contracts, a provision prohibiting the conduct described in subsection a by private party subrecipients, contractors, or any of their employees.

(End of Provision)

## **K. Sexual Exploitation, Sexual Abuse and Sexual Harassment**

- (a) The Parties have a zero tolerance for inaction approach to tackling sexual exploitation, sexual abuse and sexual harassment (“SEA” and “SH”).<sup>3</sup> This means the recipient, and its implementing partners, will take all reasonable and adequate steps to prevent SEA and SH of any person linked to the delivery of this agreement by both its employees and any implementing partner and respond appropriately when reports of SEA and SH arise. Unless inconsistent with a specific policy or rule governing the recipient, the recipient will apply the IASC Six Core Principles Relating to Sexual Exploitation and Abuse and the following principles and practices when implementing the activities under this agreement and provide evidence to demonstrate this where required:

1. Adherence to the IASC-Minimum Operation Standards and/or SEA elements of the Core Humanitarian Standard on Quality and Accountability;
2. A victim/survivor-centred approach<sup>4</sup> to SEA and SH issues;
3. Strong leadership and signalling on tackling SEA and SH;
4. Make all reasonable and adequate efforts to address gender inequality and other power imbalances;
5. Robust reporting to enhance accountability and transparency.

---

<sup>3</sup> See the DAC Recommendation on Ending Sexual Exploitation, Abuse, and Harassment in Development Co-operation and Humanitarian Assistance: Key Pillars of Prevention and Response for definitions of sexual harassment and sexual exploitation and abuse.

<sup>4</sup> A victim/survivor-centered approach is one for which the survivor’s dignity, experiences, considerations, needs, and resiliencies are placed at the center of the process, from the initial program design to investigating and responding to potential incidents. Consistent with the [UN Protocol on Allegations of SEA Involving Implementing Partners](#), the survivor should be informed, consulted during the decision-making process, and provide consent on the possible use and disclosure of their information. Those interacting with the survivor and/or handling information regarding the allegation must maintain confidentiality, take appropriate measures to ensure the safety of the survivor, and apply survivor-centered principles which are safety, confidentiality, respect, and non-discrimination. When the survivor is a child, the approach must consider the best interests of the child and engage with the family/caregivers as appropriate. Staff and partners should comply with national and local child welfare and protection legislation and international standards, whichever gives greater protection.

Recipients will ensure that SEA and SH standards from this arrangement are reflected in funding templates with implementing partners.

- (b) (1)** The recipient will promptly inform the USAID Office of the Inspector General (OIG) of any allegation credible enough to warrant an investigation of SEA related to this agreement. The recipient should also promptly report any allegation credible enough to warrant an investigation of SEA that is not directly related to this agreement, but would be of significant impact to the partnership with USAID. Upon reasonable request, the recipient agrees to provide further available relevant information, unless disclosure of such information would be inconsistent with the recipient's laws and procedures concerning disclosure of information.

**(2)** Notifications should indicate, as available and applicable: the agreement number, nature of the alleged misconduct, date of alleged misconduct, date of first report to the recipient, location, involvement of an implementing partner, state of affairs concerning the investigation and the action that will be taken by the recipient, and whether the case is referred to law enforcement. The recipient will provide updates on the status of the case as appropriate.
- (c)** It is understood and accepted that the recipient will report on SEA in accordance with subparagraph b, as consistent with its respective laws, regulations, rules, policies and procedures and subject to not compromising the safety, security, privacy and due process rights of any concerned persons. Any information or documentation provided in accordance with subparagraph **b** above will be treated by USAID OIG with utmost discretion in order to ensure, inter alia, the probity of any investigation, protect sensitive information, maximize the prospect of recovery of funds, ensure the safety and security of persons or assets, and respect the due process rights of all involved. OIG will presume information/documentation to be confidential, deliberative, and investigatory and will ensure that information/documentation provided to USAID personnel will be available solely to those who strictly require access to such information/documentation. Any disclosure of such information/documentation beyond such personnel will require notification and consultation with the recipient. USAID and OIG will obtain the express written authorization of the recipient before disclosing any such information/ documentation in a judicial proceeding or to the public, unless disclosure is otherwise required by U.S. federal or international law applicable to USAID and is not subject to the recipient's privileges and immunities under international and/or federal law.
- (d)** When the recipient becomes aware of suspicions or complaints of SEA and SH, the recipient will take swift and appropriate action to stop harm occurring, investigate and report to relevant authorities (for criminal matters) in a manner consistent with a survivor-centred approach. The recipient must maintain appropriate standards that govern the conduct of its personnel and implementing partners and a suitable mechanism for complete and comprehensive reporting of such conduct.
- (e)** USAID or any of its duly authorized representatives may at all times carry out reviews, evaluations or other oversight measures to verify the recipient's zero tolerance for SEA and SH, in accordance with agreed terms of reference. The recipient will fully cooperate with any such reasonable requests by USAID or any of its duly authorized representatives or agents to carry out such oversight measures.

## **L. United Nations Security Council Sanctions Lists<sup>5</sup>**

- (a) It is the policy of USAID to seek to ensure that none of its funds are used, directly or indirectly, to provide support to individuals or entities designated for United Nations Security Council sanctions. In accordance with this policy, the Grantee agrees to use reasonable efforts to ensure that none of the funds provided under this grant are used to provide support of individuals or entities designated for UN Security Council sanctions (compendium of Security Council Targeted Sanctions Lists at: [http://www.un.org/sc/committees/list\\_compend.shtml](http://www.un.org/sc/committees/list_compend.shtml)).
- (b) This provision must be included in all sub-agreements, including contracts and sub-awards, issued under this award.

## **M. Salary Supplements**

Without prior written consent from USAID, no costs may be reimbursed for supplements to the salaries of Grantee's employees, which are payments that augment an employee's base salary, including any premiums, overtime, extra payments, incentive payment or allowances for which the employee would qualify under rules or practice for the performance of regular duties or for work performed during regular office hours.

## **N. Restriction on Assistance for Military or Paramilitary Purposes or for Police and Persons<sup>6</sup>**

No funds or other support provided under the award may be used for support to any military or paramilitary force or activity, or for support to any police, prison authority, or other security or law enforcement forces without the prior written consent of USAID.

## **As Applicable Standard Provisions**

---

<sup>5</sup> Agreed to with CDC and OGAC for Health activities.

<sup>6</sup> Agreed to with CDC and OGAC for Health activities.



## **XX. Transportation of Cargo**

[include where goods may be shipped to the Partner country for the Project]

The Grantee shall comply with all provisions set forth in Section C.6 of Annex 2, of the Agreement regarding transportation of cargo.

## **XX. Workers' Rights<sup>7</sup>**

[Include where this may be relevant]

- (a) No funds or other support provided hereunder may be used for any activity that contributes to the violation of internationally recognized workers' rights of workers in the recipient country.
- (b) In the event the Grantee is requested or wishes to provide assistance in areas that involve workers' rights or the Grantee requires clarification from USAID as to whether the activity would be consistent with the limitation set forth above, the Grantee must notify the USAID and provide a detailed description of the proposed activity. The Grantee must not proceed with the activity until advised by USAID that it may do so.
- (c) The Grantee must ensure that all employees and subcontractors and sub-recipients providing employment-related services hereunder are made aware of the restrictions set forth in this clause and must include this clause in all subcontracts and other sub-agreements entered into hereunder.
- (d) The term "internationally recognized worker rights" includes-- the right of association; the right to organize and bargain collectively; a prohibition on the use of any form of forced or compulsory labor; a minimum age for the employment of children, and a prohibition on the worst forms of child labor; and acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health.
- (e) The term "worst forms of child labor" means-- all forms of slavery or practices similar to slavery, such as the sale or trafficking of children, debt bondage and serfdom, or forced or compulsory labor, including forced or compulsory recruitment of children for use in armed conflict; the use, procuring, or offering of a child for prostitution, for the production of pornography or for pornographic purposes; the use, procuring, or offering of a child for illicit activities in particular for the production and trafficking of drugs; and work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety, or morals of children, as determined by the laws, regulations, or competent authority of the Grantee.

(End of Provision)

## **XX. Investment Promotion**

---

<sup>7</sup> Agreed to with CDC and OGAC for Health activities.

[include in agreements where investment promotion issues could be relevant]

(a) No funds or other support provided hereunder may be used to provide a financial incentive to a business enterprise currently located in the United States for the purpose of inducing such an enterprise to relocate outside the United States if such incentive or inducement is likely to reduce the number of employees of such business enterprise in the United States because United States production is being replaced by such enterprise outside the United States.

(b) In the event the Grantee requires clarification from USAID as to whether the activity would be consistent with the limitation set forth above, the Grantee must notify USAID and provide a detailed description of the proposed activity. The Grantee must not proceed with the activity, or authorize contractors or grantees to do so, until advised by USAID that it may do so.

(c) The Grantee must ensure that its employees and subcontractors and sub-recipients providing investment promotion services hereunder are made aware of the restrictions set forth in this clause and must include this clause in all subcontracts and other sub-agreements entered into hereunder.

## **XX. Foreign Delegations to International Conferences**

[The following provision applies to only the following appropriation accounts: Development Assistance, including assistance for sub-Saharan Africa; Child Survival and Disease Programs Fund; and Micro and Small Enterprise Development Program Account. The provision does not apply to the following USAID accounts: International Disaster Assistance; Economic Support Fund; Assistance for Eastern Europe and Baltic States; Assistance for the Independent States of the Former Soviet Union; Operating Expense Accounts (USAID and IG); INCLE; NADR; and CCF funds.]

(a) U.S. Government funds under this award must 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 multilateral organization, as defined below, unless approved by USAID in writing.

(b) Definitions:

- (1) A foreign government delegation is appointed by the national government (including ministries and agencies but excluding local, state and provincial entities) to act on behalf of the appointing authority at the international conference. A conference participant is a delegate for the purposes of this provision, only when there is an appointment or designation that the individual is authorized to officially represent the government or agency. A delegate may be a private citizen.
- (2) An international conference is a meeting where there is an agenda, an organizational structure, and delegations from countries other than the conference location, in which

- country delegations participate through discussion, votes, etc.
- (3) A multilateral organization is an organization established by international agreement and whose governing body is composed principally of foreign governments or other multilateral organizations.

## **XX. Contract Insurance Requirement**

[Applies where contracts entered into by a Grantee country government are “approved” by USAID. See ADS 220 Mandatory Reference [Legal Requirements for G2G Assistance](#)]

The Grantee shall ensure that its contractors or subcontractors (a) provide, before commencing performance under any contracts or subcontracts funded under this [award/agreement], such workers' compensation insurance or security as required by USAID and (b) continue to maintain such insurance until performance is completed.

The [Grantee/Awardee] shall insert, in all contracts and subcontracts under this agreement, a clause similar to this clause (including this sentence) imposing upon those contractors and subcontractors the obligation to obtain workers' compensation insurance or security as required by USAID.

## **XX. International Travel and Air Transportation**

*[APPLICABILITY: This provision is applicable when costs for international travel or air transportation of cargo are anticipated to be funded by USAID. This provision is not applicable if the Grantee is providing for international travel costs as part of its contribution.]*

### **a. Travel Costs**

Except as USAID may otherwise agree in writing, all travel costs must be consistent with those normally allowed in like circumstances in the Grantee's non-USAID-funded activities, but may not exceed USAID per diem rates. Costs incurred by employees and government officials for travel, including air fare, costs of lodging, other subsistence, and incidental expenses, may be considered reasonable and allowable only to the extent such costs do not exceed charges normally allowed by the Grantee in its written travel policies. Additionally, any required airfare for travel must be booked at economy class rate. Business Class airfare is not authorized under this [award / agreement].

### **b. FLY AMERICA ACT RESTRICTIONS**

- (1) The Grantee must use U.S. Flag Air Carriers for all international air transportation (including personal effects) funded by this Implementation Letter pursuant to the Fly America Act and its implementing regulations to the extent service by such

carriers is available.

(2) In the event that the Grantee selects a carrier other than a U.S. Flag Air Carrier for international air transportation, in order for the costs of such international air transportation to be allowable, the Grantee must document such transportation in accordance with this provision and maintain such documentation pursuant to the Agreement's Standard Provision, "Accounting, Audit and Records." The documentation must use one of the following reasons or other exception under the Fly America Act:

- (i) The Grantee uses a European Union (EU) flag air carrier, which is an airline operating from an EU country that has signed the US-EU "Open Skies" agreement (<http://www.state.gov/e/eb/rls/othr/ata/i/ic/170684.htm>).
- (ii) Travel to or from one of the following countries on an airline of that country when no city pair fare is in effect for that leg (see <http://apps.fas.gsa.gov/citypairs/search/>):
  - a. Australia on an Australian airline,
  - b. Switzerland on a Swiss airline, or
  - c. Japan on a Japanese airline;
- (iii) Only for a particular leg of a route on which no US Flag Air Carrier provides service on that route;
- (iv) For a trip of 3 hours or less, the use of a US Flag Air Carrier at least doubles the travel time;
- (v) If the US Flag Air Carrier offers direct service, use of the US Flag Air Carrier would increase the travel time by more than 24 hours; or
- (vi) If the US Flag Air Carrier does not offer direct service,
  - a. Use of the US Flag Air Carrier increases the number of aircraft changes by 2 or more,
  - b. Use of the US Flag Air Carrier extends travel time by 6 hours or more, or
  - c. Use of the US Flag Air Carrier requires a layover at an overseas interchange of 4 hours or more.

c. DEFINITIONS

The terms used in this provision have the following meanings:

- (1) "Travel costs" means expenses for transportation, lodging, subsistence (meals and incidentals), and related expenses incurred by employees who are on travel status on

official business of the Grantee for any travel outside the country in which the organization is located. "Travel costs" do not include expenses incurred by employees who are not on official business of the Grantee, such as rest and recuperation (R&R) travel offered as part of an employee's benefits package that are consistent with the Grantee's personnel and travel policies and procedures.

- (2) "International air transportation" means international air travel by individuals (and their personal effects) or transportation of cargo by air between a place in the United States and a place outside thereof, or between two places both of which are outside the United States.
  - (3) "U.S. Flag Air Carrier" means an air carrier on the list issued by the U.S. Department of Transportation at <http://ostpxweb.dot.gov/aviation/certific/certlist.htm>. U.S. Flag Air Carrier service also includes service provided under a code share agreement with another air carrier when the ticket, or documentation for an electronic ticket, identifies the U.S. flag air carrier's designator code and flight number.
  - (4) For this provision, the term "United States" includes the fifty states, Commonwealth of Puerto Rico, possessions of the United States, and the District of Columbia.
- d. This provision must be included in all subagreements, including all subawards and contracts, under which this award will finance international air transportation.

(End of Provision)

## **XX. Training Requirements**

*[Drafting Note: This provision applies to Projects that contain any exchange visitor activities or participant training, as defined in [ADS 252](#) and [253](#), respectively, conducted or paid for by the recipient with USAID funds under the Project. For exchange visitor requirements referenced in paragraph b., see ADS 252 and 253].*

- a. The Grantee shall provide the following information to the USAID representative for all training that takes place under this Implementation Letter in any location other than the United States no later than 30 calendar days after the training session concludes:
  1. A description of the training program;
  2. The training dates;
  3. The method of instruction used (in-person or distance/virtual);
  4. The training provider's name, address and type;
  5. A brief description of the training program subject;
  6. The amount USAID funded for the instructor, materials, and trainee costs, including travel, per diem or registration fees;
  7. The amount funded for the training from all other sources;
  8. A description of the group of individuals trained;
  9. The number of males and females trained; and
  10. All of the countries of residence for the individuals trained.

The Grantee shall not conduct any training under this Implementation Letter for which attendees must travel to the United States without prior approval from the USAID designated representative for this Implementation Letter. The USAID designated representative for this Implementation Letter will provide further requirements and instructions to the Grantee for any such training.

## **XX. Prohibition on Assistance to Drug Traffickers<sup>8</sup>**

[Include provision if the country is a Major Narcotics Country- see ADS 206. ADS 206 requires, among other things, advance review of key individuals prior to sub-obligation][Insert this clause in ILs when assistance is being provided to a “covered country,” as defined by 22 CFR Part 140.]

(a) USAID may terminate this Implementation Letter or take other appropriate measures if the Grantee or a key individual of the Grantee is found to have been convicted of a narcotics offense or to have been engaged in drug trafficking.

[If there are COVERED PARTICIPANTS]

(b) USAID may terminate assistance to, or take or take other appropriate measures with respect to, any participant approved by USAID who is found to have been convicted of a narcotics offense or to have been engaged in drug trafficking.

[If there are LOANS OVER \$1000]

(c) For any loan over \$1000 made under the Implementation Letter, the Grantee shall insert a clause in the loan agreement stating that the loan is subject to immediate cancellation, acceleration, recall or refund by the Grantee if the borrower or a key individual of a borrower is found to have been convicted of a narcotics offense or to have been engaged in drug trafficking.

(d) Upon notice by USAID of a determination under section (a) and at USAID's option, the Grantee agrees to immediately cancel, accelerate or recall the loan, including refund in full of the outstanding balance. USAID reserves the right to have the loan refund returned to USAID.

[If there is a DESIGNATED SUBGRANTEE - modify the clause to fit the category of sub- Grantee, e.g., if the designated sub-Grantee is a U.S. NGO, review is not required and subparagraph (1) can be deleted]

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

---

<sup>8</sup> Agreed to with CDC and OGAC for Health activities.

**XX. Abortion and Involuntary Sterilization Restrictions** [Include if Project includes any democracy and governance activities that will support constitutional or any health-related legislative reform. Insert if Project does NOT include family planning activities. Do not use the Voluntary Population Planning Activities provision when this provision is included, but one of them must be included in all ILs.]

(a) Funds made available under this IL must not be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any individual to practice sterilization.

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

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

## **XX. Voluntary Population Planning Activities**

[Insert if Project includes family planning activities. Do not use the Abortion and Involuntary Sterilization Restrictions provision when this provision is included, but one of them must be included in all ILs.]

### **a. Voluntary Participation and Family Planning Methods.**

(1) The recipient agrees to take any steps necessary to ensure that funds made available under this award will not be used to coerce any individual to practice methods of family planning inconsistent with such individual's moral, philosophical, or religious beliefs. Further, the recipient agrees to conduct its activities in a manner which safeguards the rights, health, and welfare of all individuals who take part in the program.

(2) Activities which provide family planning services or information to individuals, financed in whole or in part under this agreement, shall provide a broad range of family planning methods and services

available in the country in which the activity is conducted or shall provide information to such individuals regarding where such methods and services may be obtained.

**b. Requirements for Voluntary Family Planning Projects.**

(1) A family planning project shall comply with the requirements of this paragraph **b**.

(2) A project is a discrete activity through which a governmental, nongovernmental, or public international organization provides family planning services to people and for which funds obligated under this award, or goods or services financed with such funds, are provided under this award, except funds solely for the participation of personnel in short-term, widely attended training conferences or programs.

(3) Service providers and referral agents in the project shall not implement or be subject to quotas or other numerical targets of total number of births, number of family planning acceptors, or acceptors of a particular method of family planning. Quantitative estimates or indicators of the number of births, acceptors, and acceptors of a particular method that are used for the purpose of budgeting, planning, or reporting with respect to the project are not quotas or targets under this paragraph, unless service providers or referral agents in the project are required to achieve the estimates or indicators.

(4) The project shall not include the payment of incentives, bribes, gratuities or financial rewards to (i) any individual in exchange for becoming a family planning acceptor or (ii) any personnel performing functions under the project for achieving a numerical quota or target of total number of births, number of family planning acceptors, or acceptors of a particular method of contraception. This restriction applies to salaries or payments paid or made to personnel performing functions under the project if the amount of the salary or payment increases or decreases based on a predetermined number of births, number of family planning acceptors, or number of acceptors of a particular method of contraception that the personnel affect or achieve.

(5) A person shall not be denied any right or benefit, including the right of access to participate in any program of general welfare or health care, based on the person's decision not to accept family planning services offered by the project.

(6) The project shall provide family planning acceptors comprehensible information about the health benefits and risks of the method chosen, including those conditions that might render the use of the method inadvisable and those adverse side effects known to be consequent to the use of the method. This requirement may be satisfied by providing information in accordance with the medical practices and standards and



health conditions in the country where the project is conducted through counseling, brochures, posters, or package inserts.

(7) The project shall ensure that experimental contraceptive drugs and devices and medical procedures are provided only in the context of a scientific study in which participants are advised of potential risks and benefits.

(8) With respect to projects for which USAID provides, or finances the contribution of, contraceptive commodities or technical services and for which there is no subaward or contract under this award, the organization implementing a project for which such assistance is provided shall agree that the project will comply with the requirements of this paragraph while using such commodities or receiving such services.

(9) The recipient shall notify USAID when it learns about an alleged violation in a project of the requirements of subparagraphs (3), (4), (5), or (7) of this paragraph. The recipient shall investigate and take appropriate corrective action, if necessary, when it learns about an alleged violation in a project of subparagraph (6) of this paragraph and shall notify USAID about violations in a project affecting a number of people over a period of time that indicate there is a systemic problem in the project. The recipient shall provide USAID such additional information about violations as USAID may request.

**c. Additional Requirements for Voluntary Sterilization Programs.**

(1) Funds made available under this award shall not be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any individual to practice sterilization.

(2) The recipient shall ensure that any surgical sterilization procedures supported, in whole or in part, by funds from this award are performed only after the individual has voluntarily appeared at the treatment facility and has given informed consent to the sterilization procedure. Informed consent means the voluntary, knowing assent from the individual after being advised of the surgical procedures to be followed, the attendant discomforts and risks, the benefits to be expected, the availability of alternative methods of family planning, the purpose of the operation and its irreversibility, and the option to withdraw consent any time prior to the operation. An individual's consent is considered voluntary if it is based upon the exercise of free choice and is not obtained by any special inducement or any element of force, fraud, deceit, duress, or other forms of coercion or misrepresentation.

(3) Further, the recipient shall document the patient's informed consent by (A) a written consent document in a language the patient understands and speaks, which explains the basic elements of informed

consent, as set out above, and which is signed by the individual and by the attending physician or by the authorized assistant of the attending physician; or, **(B)** when a patient is unable to read adequately a written certification by the attending physician or by the authorized assistant of the attending physician that the basic elements of informed consent above were orally presented to the patient, and that the patient thereafter consented to the performance of the operation. The receipt of this oral explanation shall be acknowledged by the patient's mark on the certification and by the signature or mark of a witness who speaks the same language as the patient.

**(4)** The recipient shall retain copies of informed consent forms and certification documents for each voluntary sterilization procedure for a period of three years after performance of the sterilization procedure.

**d. Abortion Restrictions.**

**(1)** No funds made available under this award shall be used to finance, support, or be attributed to the following activities:

**(A)** procurement or distribution of equipment intended to be used for the purpose of inducing abortions as a method of family planning;

**(B)** special fees or incentives to any person to coerce or motivate them to have abortions;

**(C)** payments to persons to perform abortions or to solicit persons to undergo abortions;

**(D)** information, education, training, or communication programs that seek to promote abortion as a method of family planning; or

**(E)** lobbying for or against abortion.

The term "motivate", as it relates to family planning assistance, shall not be construed to prohibit the provision, consistent with local law, of information or counseling about all pregnancy options.

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

e. The recipient shall insert this provision in all subsequent subawards and contracts involving family planning or population activities that will be supported, in whole or in part, from funds under this award.

(End of Provision)

**XX. Conscience Clause<sup>27</sup>**

[Insert if Project includes HIV/AIDS activities.]

An organization, including a faith-based organization, which is otherwise eligible to receive funds under this agreement for HIV/AIDS prevention, treatment, or care—

(a) Shall not be required, as a condition of receiving such assistance—

(1) To endorse or utilize a multisectoral or comprehensive approach to combating HIV/AIDS; or

(2) To endorse, utilize, make a referral to, become integrated with, or otherwise participate in any program or activity to which the organization has a religious or moral objection; and

(b) Shall not be discriminated against in the solicitation or issuance of grants, contracts, or cooperative agreements for refusing to meet any requirement described in paragraph (a) above.

(End of Provision)

## **XX. Medically Accurate Information About Condoms<sup>28</sup>**

[Insert if Project includes HIV/AIDS activities.]

Information provided about the use of condoms as part of projects or activities funded under the award must be medically accurate and must include the public health benefits and failure rates of such use.

(End of Provision)

## **XX. Prostitution and Sex Trafficking<sup>29</sup>**

[Insert if Project includes HIV/AIDS activities.]

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

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

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

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

“Sex trafficking” means the recruitment, harboring, transportation, provision, or obtaining of a person for the purpose of a commercial sex act.

(c) The Grantee must insert this provision in all subawards or contracts.

<sup>28</sup> Agreed to with CDC and OGAC.

<sup>29</sup> Agreed to with CDC and OGAC.

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

(End of Provision)

**XX. Needle Exchange<sup>30</sup>**

[Insert if Project includes HIV/AIDS activities.]

No funds made available under this award may be used for needle exchange programs.

(End of Provision)

**CLEARANCE PAGE:** IL for the [Name of Project]

[Include different or additional clearances as appropriate/pursuant to Mission Order or practice/custom:]

PRM: [\_\_\_\_\_] \_\_\_\_\_ Date: \_\_\_\_\_

OFM: [\_\_\_\_\_] \_\_\_\_\_ Date: \_\_\_\_\_

OIE: [\_\_\_\_\_] \_\_\_\_\_ Date: \_\_\_\_\_

RLO: [\_\_\_\_\_] \_\_\_\_\_ Date: \_\_\_\_\_

DD: [\_\_\_\_\_] \_\_\_\_\_ Date: \_\_\_\_\_

220sae\_072814