



USAID
FROM THE AMERICAN PEOPLE

AFGHANISTAN

February 10, 2009

Subject: Request for Proposal (RFP) No. 306-09-0506
Trade and Accession Facilities for Afghanistan (TAFA)

The United States Government, represented by the U.S. Agency for International Development (USAID) Afghanistan/Office of Acquisition & Assistance and in conjunction with the USAID/Afghanistan Office of Economic Growth (OEG), intends to award a contract for Trade and Accession Facilitation for Afghanistan (TAFA) program in Afghanistan.

I invite you to submit a proposal in accordance with the requirements of the RFP. I will conduct this procurement through full and open competition, under which any type of organization (large or small commercial [for profit] firms, educational institutions, or non-profit organizations) is eligible to compete. The procedures set forth in the Federal Acquisition Regulation (FAR) Part 15 shall apply. I anticipate an award of approximately \$50 to \$70 million dollars, inclusive of a three year base period and two, one-year option periods; however, the Government is in no way obligated to make an award, or within the above range. Cost proposals shall be evaluated as a part of a Best Value determination for contract award.

A pre-proposal conference may be scheduled by USAID/Afghanistan (the venue and date to be determined). The purpose of the conference is to avail the potential offerors an opportunity to ask questions and to request clarifications relating to the RFP. Each organization that plans to attend shall limit participation to two representatives, and shall submit the names and titles of their representatives along with copies of their picture IDs via e-mail to 306090506@usaid.gov within fifteen (15) calendar days from the date of issuance of this RFP.

Offerors are encouraged to read the entire solicitation, which includes the closing date and time, all pertinent contract requirements, and the conditions and instructions required for submitting a proposal. Offerors may submit questions via email to 306090506@usaid.gov within fifteen (15) calendar days from the date of issuance of this RFP.

Sincerely,

James D. Goodwin
Contracting Officer

<p>U.S. Agency for International Development U.S. Embassy Cafe Compound Great Masood Road Kabul, Afghanistan</p>	<p>Tel: [+93] 20 230 0436 Fax: [+93] 20 230 1364 http://afghanistan.usaid.gov/</p>	
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SOLICITATION, OFFER, AND AWARD		1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 350)		RATING	PAGE OF PAGES 1
2. CONTRACT NUMBER	3. SOLICITATION NUMBER 306-09-0506	4. TYPE OF SOLICITATION <input type="checkbox"/> SEALED BID (IFB) <input checked="" type="checkbox"/> NEGOTIATED (RFP)		5. DATE ISSUED 10 Feb 2009	6. REQUISITION/PURCHASE NO.
7. ISSUED BY US Agency for International Development ATTN: OAA/Kabul APO AE 09806		CODE BH	8. ADDRESS OFFER TO (If other than Item 7) US Embassy – USAID ATTN: OAA/Kabul APO AE 09806		

NOTE: In sealed bid solicitations "offer" and "offeror" mean "bid" and "bidder"

SOLICITATION

Sealed offers in original and 20 copies for furnishing the supplies or services in the Schedule will be received at the place specified in Item 8, or at the repository located at _____ until 4:30 P.M (Kabul local time) on March 11, 2009.

CAUTION — Late Submissions, Modifications, and Withdrawals: See Section L, Provision No. 52.214-7 or 52.215-1. All offers are subject to terms and conditions contained in this solicitation.

10. FOR INFORMATION CALL:	A. NAME Shaperai Naziri	B. TELEPHONE (NO COLLECT CALLS)			C. E-MAIL ADDRESS 306090506@usaid.gov
		AREA CODE 202	NUMBER 216-6288	EXT. 4343	

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OFFER (Must be fully completed by offeror)

NOTE: Item 12 does not apply if the solicitation includes the provisions at 52.214-16, Minimum Bid Acceptance Period.

12. In compliance with the above, the undersigned agrees, if this offer is accepted within _____ calendar days (60 calendar days unless a different period is inserted by the offeror) from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule.

13. DISCOUNT FOR PROMPT PAYMENT (See Section I, Clause No. 52.232-8)	<input type="checkbox"/>	10 CALENDAR DAYS %	20 CALENDAR DAYS %	30 CALENDAR DAYS %	CALENDAR DAYS %
14. ACKNOWLEDGMENT OF AMENDMENTS (The offeror acknowledges receipt of amendments to the SOLICITATION for offerors and related documents numbered and dated):	AMENDMENT NO.	DATE	AMENDMENT NO.	DATE	
15A. NAME AND ADDRESS OF OFFEROR	CODE	FACILITY	16. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER (Type or print)		
15B. TELEPHONE NUMBER AREA CODE NUMBER EXT.	<input type="checkbox"/> 15C. CHECK IF REMITTANCE ADDRESS IS DIFFERENT FROM ABOVE - ENTER SUCH ADDRESS IN SCHEDULE.		17. SIGNATURE	18. OFFER DATE	

AWARD (To be completed by Government)

19. ACCEPTED AS TO ITEMS NUMBERED	20. AMOUNT	21. ACCOUNTING AND APPROPRIATION			
22. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: <input type="checkbox"/> 10 U.S.C. 2304(c) (1) <input type="checkbox"/> 41 U.S.C. 253(c) ()		23. SUBMIT INVOICES TO ADDRESS SHOWN IN (4 copies unless otherwise specified)			ITEM
24. ADMINISTERED BY (If other than Item 7)	CODE	25. PAYMENT WILL BE MADE BY		CODE	
26. NAME OF CONTRACTING OFFICER (Type or print)		27. UNITED STATES OF AMERICA (Signature of Contracting Officer)			28. AWARD DATE

IMPORTANT -- Award will be made on this Form, or on Standard Form 26, or by other authorized official written notice.

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SECTION B: SUPPLIES OR SERVICES AND PRICE/COSTS**B.1 PURPOSE**

The overall purpose of this program is to improve the trade environment in Afghanistan, thereby fostering increased investment, exports, and market-based employment opportunities. The project will help the Government of the Islamic Republic of Afghanistan (GIROA) and the private sector to pursue and realize the advantages of greater regional and global trade linkages and economic integration through three components: 1) trade policy liberalization, 2) trade facilitation, and 3) public outreach on trade-related issues. The TAFE project will increase Afghanistan's ability to develop and implement sound trade policies that provide the foundation for increased trade and investment. The project will improve the conditions for international and cross-border trade and transit, addressing both internal issues as well as opportunities for enhanced cooperation on these issues with Afghanistan's neighbors. In the process, the program will also seek to stimulate greater public awareness, involvement and understanding of trade-related market reforms. In line with the Afghanistan National Development Strategy (ANDS), TAFE will contribute to sustainable improvement of Afghanistan's trade and investment environment and will promote economic growth and poverty reduction.

B.2 CONTRACT TYPE

The U.S. Government contemplates award of a Cost-Plus-Fixed -Fee (CPFF), completion type contract resulting from this solicitation. For the consideration set forth below, the Contractor shall provide the deliverables or outputs described in Section F in accordance with the performance standards specified in section E based on the Scope of Work found in Section C.

B.3 ESTIMATED COST, AWARD FEE, AND OBLIGATED AMOUNT**(a) Base Period of Performance**

(1) The estimated cost for the performance of the work required hereunder, exclusive of fee, for the base period is _____. The base fee is _____. The estimated cost plus all possible fees is _____.

(2) Within the estimated cost plus fee specified in paragraph (a)(1) above, the amount currently obligated and available for reimbursement of allowable costs incurred by the Contractor (and payment of fee) for performance hereunder is _____. The Contractor shall not exceed the aforesaid obligated amount.

(b) Option Period of Performance

(1) The estimated cost for the performance of the work required hereunder, exclusive of fee(s), if any, for the option period (s) is _____. The base fee is _____. The estimated cost plus fees is _____.

(2) Within the estimated cost plus all possible fees (if any) specified in paragraph (b)(1) above, the amount currently obligated and available for reimbursement of allowable costs incurred by the Contractor (and payment of fee, if any) for performance hereunder is _____. The Contractor shall not exceed the aforesaid obligated amount. Option year (s) can be exercised prior to the end of the base period to increase available LOE and to increase the pace of implementation.

Part I – The Schedule

(c) Funds obligated hereunder are anticipated to be sufficient to performance through approximately _____.

B.4 LINE ITEMS

Item	CLIN	Base Period (Years 1, 2, 3)	Option Period (Year 4 and 5)
Trade Policy Liberalization	001		
Trade Facilitation	002		
Public Outreach on Trade- related issues	003		
Total Estimated Cost plus Fee			

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:

Description	Rate	Base	Type	Period
TBD		1/	1/	1/

1/Base of Application:

Type of Rate: Predetermined

Period:

For Major Subcontractor(s):

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:

Description	Rate	Base	Type	Period
TBD		1/	1/	1/

1/Base of Application:

Type of Rate: Predetermined

Period:

“Major Subcontractors” are those subcontractors whose proposed cost exceeds \$5 million dollars”.

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B.6 COSTS REIMBURSABLE

The U.S. dollar costs allowable shall be limited to reasonable, allocable and necessary costs determined in accordance with FAR clause 52-216-7, Allowable cost and Payment, AIDAR clause 752.216-70, Award Fee, and AIDAR clause 752.7003, Documentation for Payment.

[END OF SECTION B]

SECTION C: DESCRIPTION/SPECIFICATIONS/STATEMENT OF OBJECTIVES**C.1 - EXECUTIVE SUMMARY**

The goal of the proposed Trade and Accession Facilitation for Afghanistan (TAFa) Project is to improve the trade environment for Afghanistan, thereby fostering increased investment, exports, and market-based employment opportunities. The project will help the Government of the Islamic Republic of Afghanistan (GIROA) and the private sector to pursue and realize the advantages of greater regional and global trade linkages and economic integration through three components: 1) trade policy liberalization, 2) trade facilitation, and 3) public outreach on trade-related issues. Specifically, the project will seek to improve processes and reduce impediments or obstacles in the following areas (but not limited to) affecting Afghanistan's trade and investment environment:

- GIROA's institutional capacity to coordinate trade and tariff policy;
- GIROA capacity to prepare for, negotiate, and implement trade agreements;
- Time/expense to clear customs, transport, transit, and border crossing operations
- Collection and analysis of trade-related data to inform policy decisions
- Business community knowledge of trade policies and trade-related opportunities
- Business community involvement in trade policy development
- Afghan public's awareness of the benefits of trade and support for a liberal trade regime

The project will result in the GIROA's improved capacity to negotiate and implement regional and international trade agreements and progress toward World Trade Organization (WTO) accession; increased cooperation on trade and customs issues within the region; increased transparency and reduced obstacles to trade, including areas such as customs, transport/transit, and border crossing operations; increased Customs revenue collection returning to the Central Treasury; increased investment, exports, and market-based employment; improved ranking on the World Bank's trading across borders indicator as part of the annual Doing Business survey; and increased public understanding of and support for a liberal trade regime.

C.2 - INTRODUCTION

The TAFa project will aim to increase Afghanistan's ability to develop and implement sound trade policies that provide the foundation for increased trade and investment. In the process, the program will also seek to stimulate greater public awareness, involvement and understanding of trade-related market reforms. In line with the Afghanistan National Development Strategy (ANDS), TAFa will contribute to sustainable improvement of Afghanistan's trade and investment environment and will promote economic growth and poverty reduction through increased investment, exports, and job opportunities. The proposed three year program (plus two option years) will be implemented through FY 2014 and will support USAID's Operational Plan objectives under Economic Growth, Program Area "Trade & Investment" – specifically, Program Element 4.2.1 "Trade & Investment Enabling Environment" and Program Sub-Elements 4.2.1.2 "Trade Liberalization and Agreements," 4.2.1.3 "Trade Facilitation."

The project is consistent with USAID/Afghanistan's 2005-2010 strategic plan, which seeks to advance Afghanistan's transition to a more stable and productive state through the promotion of democracy, rule of law and sustainable economic and social development that is responsive to citizens' needs. Its mission is centered on working with Afghans and others to achieve three interlinked Strategic Objectives:

- A thriving licit economy led by the private sector;
- A democratic government with broad citizen participation; and
- A better educated and healthier population.

Achievement of the first objective, “A thriving licit economy led by the private sector,” requires a legal, regulatory, and institutional framework supportive of private sector development. In the trade area, this includes promoting regional and international cooperation on trade and tariff agreements and related matters, such as transit of goods; reducing obstacles to trade such as onerous customs clearance procedures; and increasing understanding in the business community and the public of the benefits of a liberal trade regime. Linking TAFAs with the Mission’s small and medium enterprise (SME) and agribusiness activities will be crucial to accomplishing the third element. TAFAs will also help Afghanistan take advantage of recently introduced legislation to allow a wide range of Afghan goods to enter the U.S. market duty free through Reconstruction Opportunity Zones (ROZs). While this legislation is still pending in the U.S. Congress, TAFAs will help Afghanistan prepare for its eventual approval and implementation. In addition, with multiple U.S. actors and funding sources, including the US Department of Defense, implementation of TAFAs should look to leverage additional resources and expertise, particularly for strengthening program impacts in Afghanistan’s provinces. The results of all this for Afghanistan should lead to increased investment, exports, and private sector jobs – especially in trade-related areas – to support private-sector driven economic growth and poverty reduction.

TAFAs are one element of a comprehensive, multi-dimensional USAID assistance program to strengthen development of Afghanistan’s private sector. Other USAID activities include infrastructure, roads, power development; strengthening Afghanistan’s economic policy and domestic enabling environment; increasing access to finance for micro, small and medium enterprises (MSMEs), and substantial agribusiness and alternative development programs throughout the country. USAID intends for all of these activities to operate collaboratively and complementarily.

C.3 - BACKGROUND

Afghanistan is recovering from more than 20 years of war and economic devastation. As a least-developed country (LDC), Afghanistan requires an enhanced trade capacity to achieve its development goals, many of which are predicated on broad-based growth of the economy. As a landlocked country, it is dependent upon well-defined, efficient and cooperative trade and transit relationships with its neighbors, especially those with access to the sea (Pakistan, Iran, and by extension India), in order to realize the benefits of increased trade. As noted in USAID’s Strategy on Building Trade Capacity in the Developing World, “Trade expansion is particularly critical for many of the smallest and poorest developing and transition economies, where local demand is too weak to support rapid expansion of production, employment, and incomes.” Thus Afghanistan’s ability to negotiate trade terms with regional partners and others, as well as its willingness to create an enabling environment for the private sector to flourish, are essential to achieving economic growth and poverty reduction.

Unfortunately, part of the country’s war-torn legacy is an inefficient, fractured, and ineffectively implemented trade regime, accompanied by substantial bottlenecks and significant opportunities for corruption. Under the current government, responsibility for trade policy, trade facilitation, and customs administration is spread across different ministries, offices, and agencies, often with conflicting agendas. Currently, almost a dozen documents are required for both import and export, and process time takes officially 70 days. These problems in Afghanistan are compounded by continuing conflict with insurgents, particularly affecting border regions, and by frictions with its largest neighboring country, Pakistan, over a number of trade and border protection issues. The impact of all of this is reflected in the World Bank Doing Business Survey (2009), where Afghanistan ranks 179 out of 181 countries with respect to the ease of trading across borders.

A USAID trade diagnostic completed in 2007, “Afghanistan’s Agenda for Action: Developing the Trade and Business Environment,” provides key insights into additional impediments that contribute to

Afghanistan's poor performance in terms of cross-border trade. Looking across (1) Afghanistan's legal framework, (2) its trade implementing institutions (i.e. the ministries and agencies with primary responsibility for implementation and enforcement of policies), and (3) its trade supporting institutions (i.e. organizations, individuals and activities that are necessary to fully develop, implement, and enforce policies), the analysis identified the need for staff training, adopting internationally accepted methods for enforcement of workplace ethics and standards, and implementation of appropriate risk management systems, among other reforms.

In the face of these problems, the GIRoA has declared a strong commitment to trade expansion under a liberal trade regime in the Afghan National Development Strategy (ANDS), its blueprint for carrying out the plans and pledges agreed at the Paris Conference with donors in June 2008. The following excerpt from the ANDS demonstrates the clarity and breadth of the GIRoA's position:

“Maintain a pro-trade environment: The Government remains committed to maintaining trade policies with low barriers for imports and exports and a liberal foreign exchange system. The Government's trade policies will take into account the need to increase domestic revenues and support increased domestic production by the private sector. Pressures can be expected to arise from some groups for tariff protection, which would likely impose burdens on consumers or other producers in the economy. Such proposals will only be considered by evaluating the economy-wide costs and benefits, including the impact on consumers. The Government will undertake systematic tariff reform as part of the budget process and in consultation with the private sector and will avoid ad hoc changes. The Government will continue to vigorously seek to increase access for Afghan goods and services in foreign markets through bilateral, regional and multilateral trade agreements. The Government remains committed to WTO accession. Expanding trade with neighboring countries will help to establish Afghanistan as an important 'trading hub' in the region.¹”

Recognizing the importance of trade and its integral role in generating sustainable economic growth, which in turn is essential for poverty reduction, international donors have been providing assistance in many related areas, including “behind the border” activities such as macroeconomic policy, legal and regulatory reforms and financial sector strengthening, as well more directly trade-related assistance in customs reform, export promotion and trade agreement negotiations. Programs supporting micro-, small and medium enterprise (MSME) development and finance, throughout the country and in various sectors of the economy, also help to build the foundation for export-oriented business growth.

USAID has provided technical assistance for trade policy and customs reform since 2002, first under the Economic Governance Program (EGP) (2002-2005) and then under the Economic Governance and Private Sector Strengthening (EGPSS) program (2005-2009), both implemented by BearingPoint. These have been larger multi-sector umbrella programs covering many key activities aimed at improving the enabling environment for trade expansion and economic growth, including commercial law, regulatory reform and financial sector strengthening. USAID, is one of the key donors for trade-related initiatives in Afghanistan, working in cooperation with *Deutsche Gesellschaft fuer Technische Zusammenarbeit* (German Aid Agency –GTZ), United Nations Committee on Trade and Development (UNCTAD), and the World Bank. In the area of trade policy, USAID has helped Afghanistan to attain Observer Status in the World Trade Organization (WTO) and commence the process of accession to membership with the creation of a Working Group in Geneva. By the end of 2008, Afghanistan intends to submit to Geneva the “Memorandum of Foreign Trade Regime (MFTR),” a preliminary document that outlines the country's trade laws, practices, and key data according to the format specified by the WTO Secretariat. At

¹ Afghanistan National Development Strategy (ANDS), page 75.

the time of this solicitation, the MFTR remains in draft form. A draft copy of this document can be made available upon request with an email to: 306090506@usaid.gov.

In the area of customs reform and modernization, USAID has provided technical advisory support to the Afghanistan Customs Department (ACD) in the Ministry of Finance (MOF) and its Director General in the areas of modernization of legislation, international cooperation on trade matters, infrastructure, information management, human capacity development, enforcement and strategic planning. An overall goal is to improve revenue collection, which will have a direct and positive impact on the budget of the GIRoA, given that customs duties currently make up the largest proportion of own-source revenues. USAID technical assistance has contributed to drafting new customs legislation and regulations, establishment of an appeals and litigation department, harmonization of tariffs, standardization of valuation techniques, streamlining of the customs clearance process, and training of over 700 Customs Officers throughout the country on new policies and procedures. This activity has worked in cooperation with other international bodies working in the customs area, including the World Customs Organization (WCO), the World Bank, UNCTAD, the EC, and Japan, to introduce international standards, to rehabilitate or construct Customs facilities at border posts,² and to support adoption of the internationally recognized Automated SYSTEM for CUsToms Data (ASYCUDA) IT system for customs operations,³ along with support for acquisition of IT related equipment, uniforms, vehicles, telecommunications equipment, and similar supporting goods. USAID funding also initiated deployment of customs advisors to Balkh and Herat provinces to oversee implementation of customs reform at major border crossings. Since 2007, however, customs enforcement related initiatives at the border have been carried out by the Department of Defense (DOD)-supported Border Management Task Force (BMTF). USAID, BMTF, the World Bank, the EC, and other donors coordinate work on customs issues through an Informal Customs Network (ICN) which meets monthly. Finally, USAID assisted the ACD with development of two consecutive Five-Year Strategic Plans for customs reform, the latest covers the 2007-2012 period. Ensuring sound implementation of this plan will be a major focus of the new project.

Tariff reform also falls under the Ministry of Finance. As recently as 2003, Afghanistan had a highly complicated and differentiated tariff regime with 27 tariff bands and varying tariff rates from 0 to 150 percent, averaging 43 percent. In 2004, Afghanistan passed new customs legislation in compliance with international standards and became a member of the World Customs Organization (WCO). A Harmonized System (HS) of Classification (HS2002) was introduced, with valuation based on the transactions value. The new tariff schedule adopted then had six tariff bands with rates varying from 2.5% to 16%. More recently, however, there has been backsliding, with waivers and exemptions, and the number of tariff bands rising to 12 at a maximum rate of 40 percent, resulting in a more complicated and less predictable environment for businesses involved in international trade. Further work on the tariff structure is required to encourage growth of higher value-added exports in Afghanistan.⁴ Coordinating tariff policy with trade policy, which will require inter-ministerial coordination and direction from the GIRoA's top officials, will be important for the success of this new project.

USAID, *Deutsche Gesellschaft fuer Technische Zusammenarbeit* (German Aid Agency-GTZ), and independent Afghan institutions such as the Export Promotion Agency of Afghanistan (EPAA), the Afghanistan National Standards Agency (ANSA), and the Afghanistan Investment Support Agency

² Among Afghanistan's 13 border crossings, USAID provided funding for five facilities: Aquina, Faryab; Heiratan, Balkh; Sher-Khan-Bandar, Kunduz; Ghulum Khan, Khost; and Milak (Zarang), Nimroz.

³ USAID provided support for ASYCUDA implementation starting with the Kabul Road Terminal, and later Transit procedure at Torkham-Jalalabad-Kabul, Islam Q'ala -Herat, and Heiratan-Mazar corridors; full customs clearance procedures at Jalalabad, Kabul Road Terminal and Herat.

⁴ Draft Trade & Tariff Policy Framework for Afghanistan, May 2008, Ministry of Commerce & Industries, Islamic Republic of Afghanistan; Page 8-9.

(AISA) are all recognized as playing a role in enhancing the private sector's ability to respond to export opportunities, but much more work needs to be done. The Export Promotion Agency of Afghanistan (EPAA) recognizes expansion of exports as essential to building Afghanistan's economy and has performed analyses of obstacles to growth in key export oriented sectors, particularly carpets and handicrafts, natural herbs and medicinal plants, dry fruits and nuts, fresh fruits and vegetables, marble and gemstones. EPAA has also supported Afghan participation in international trade shows, some in cooperation with USAID. The Afghanistan National Standards Agency (ANSA) is energized with a strong vision to improve product and safety standards and quality control, and thus strengthen Afghanistan's capacity to export. Afghanistan Investment Support Agency (AISA) also provides services to domestic and foreign investors, facilitates cross-border partnerships, and advocates for needed business enabling environment measures to promote Afghanistan as an attractive investment destination. In addition to the work of these institutions, greater outreach to the public and private sector is required to promote a better understanding for how the private sector can benefit through improved trade relations.

Reliable trade data is limited, but official statistics for 1386 (April 2007 March 2008) indicate that Afghanistan's annual exports reached \$454 million, an increase of more than 300% over 5 years.⁵ However, annual imports are significantly higher, with an official figure of over \$3 billion.⁶ The considerable trade gap is attributed in large part to high demand for goods by the population after years of war, and from the substantial presence of the international community. With adoption of trade-enhancing policies coupled with growth of businesses producing for export markets, EPAA is hopeful that Afghanistan could begin to close this gap, with annual exports in the five priority sectors EPAA supports to reach \$2 billion within the next five years. Improvements in trade-related data, harmonized between the Customs Department and the Central Statistics Office (CSO), will also be needed to track trade balances with more accuracy and analysis to better inform policy makers.

In an effort to address the dearth of developed land with suitable infrastructure for manufacturing, USAID and the World Bank have supported the construction of four industrial parks – in Kabul, Mazar, Khandahar and Jalalabad to start, with additional parks in Kabul, Kunduz and Khost under consideration. Furthermore, the GIRoA envisions the establishment of 17 industrial parks throughout the country (or an average of one for every two provinces), with the ultimate aim of linking production centers to markets and trade opportunities.

The USG has pursued offering long-term trade preferences to Afghanistan,⁷ centered on creation of Reconstruction Opportunity Zones (ROZs) whose export products will have duty-free access to the U.S. market. Since ROZ certification can apply anywhere in Afghanistan, this concept could fit well with industrial parks or the GIRoA's proposed Trade Facilitation Zones (TFZs). ROZ legislation is still pending in the U.S. Until the legislation is approved, only preliminary planning actions should be undertaken under this project. Attention is also focused on a wide variety of cross-border issues with Pakistan, ranging from security interests of ISAF, the European Commission, and DOD-funded BMTF, to political cooperation and resolution of transit trade barriers through diplomatic channels, to economic

⁵ In terms of concentration, for 2005-6 and 2006-7, carpets and dried fruits comprised 2/3 of exports. Pakistan, India, Russia, and Finland have been the major export partners for Afghanistan during the past few years, and in 2006, those countries combined accounted for over 92% of total exports for that year. Pakistan alone accounted for over 63% of total exports of Afghanistan in 2006. Reference: Draft Trade & Tariff Policy Framework for Afghanistan, May 2008, Ministry of Commerce & Industry, Islamic Republic of Afghanistan; Page 17.

⁶ Key countries of origin for these imports include China, Pakistan, Japan, Russian, India, Uzbekistan, and Korea. EPAA.

⁷ Afghanistan gets similar privileges under the U.S. General System of Preferences (GSP), but this authority has to be renewed legislatively each year.

opportunities and reduction in bottlenecks hindering transport and trade, such as numerous informal checkpoints and charges on the route from Kabul to Peshawar and on to other trade corridors.

C.4 - PROJECT DESCRIPTION

Objective: The goal of TAFE is to improve the trade environment for Afghanistan, thereby fostering increased investment, exports, and market-based employment opportunities. This will be accomplished through (1) increasing Afghanistan's ability to participate more effectively in the regional and global economy while maintaining a liberal trade regime; (2) improving the conditions for international and cross-border trade and transit by removing bottlenecks and reforming customs and other border clearance procedures both internally and in collaboration with neighboring countries; and (3) helping the GIRA and the private sector to pursue and realize the advantages of greater regional and global trade linkages and economic integration.

The project will work with a range of government, quasi-government, and private sector counterparts, including the Ministry of Commerce and Industry (MOCI), the Ministry of Finance (MOF), the Ministry of Foreign Affairs (MFA), Ministry of Health (MOH), the Ministry of Agriculture, Irrigation, and Livestock (MAIL); quasi-governmental trade-supporting institutions such as the Afghanistan Investment Support Agency (AISA), EPAA, and Afghanistan National Standards Agency (ANSA) and other agencies that affect exporters and importers; and private sector counterparts such as customs brokers, transport companies and clearing agents, other trade service providers, and import-export related trade associations. USAID efforts, in concert with aid effectiveness principles, will support an extensive program of capacity building, public education and outreach at the national and provincial levels, along with engagement of stakeholders in defining issues and shaping policy development and implementation. Under this program, the contractor will provide technical assistance, training, and limited commodity support to help the GIRA to implement SAFTA and other regional agreements as well as support progress toward WTO accession; to simplify and streamline customs clearance and other border procedures impinging on export, import and transit; to improve trade data collection at the national and regional levels and cooperation in data sharing and market analysis; and to enhance capacity and understanding by the business community and the general public of the benefits of trade. Activities under TAFE will be closely coordinated with other USAID programs involved in business development and finance⁸ and with other USG and donor programs working on trade and customs issues.⁹ The efforts should also be coordinated with the World Bank's continuing work in support of the Enhanced Integrated Framework (EIF)¹⁰ and the Afghan authorities' implementation efforts.

Activities: The TAFE project is designed with three main components: 1) Trade Policy Liberalization; 2) Trade Facilitation and Integration, and 3) Public Outreach on Trade-related issues. Major activities under each of these are shown as follows, and can be expected to include a range of measures, including limited grants under contract. Where and when possible, offerors should seek to offer innovative approaches and mechanisms for working with the Provincial Reconstruction Teams (PRTs) and leveraging resources of the Commander Emergency Response Program (CERP):

⁸ Office of Economic Growth (OEG) ASMED, ARIES and follow-on economic policy activities; Alternative Development & Agriculture Office (ADAG's) agri-business activities; Office of Infrastructure, Energy and Environment (OIEE) infrastructure and roads activities; and opportunities for cooperation with the Provincial Reconstruction Teams (PRTs) and military/Commander Emergency Response Program (CERP).

⁹ Including USG's Border Management Task Force (BMTF), World Bank's Emergency Customs Facilitation Project; the European Commission, US Trade Representative (USTR) and Export Promotion Agency of Afghanistan (EPAA).

¹⁰ The EIF is an instrument inaugurated by six multilateral institutions at the 1997 WTO High Level Meeting on *Integrated Initiatives for Least-Developed Countries' Trade Development*. The six multilateral institutions are IMF, ITC, UNCTAD, UNDP, World Bank and the WTO.

Project Components: In pursuit of the above-mentioned objectives, the TAFAs project is organized under three main components with anticipated results as follows:

Component 1: Trade Policy Liberalization

Result 1: Improved GIRoA interagency coordination to advance and implement consistent trade and tariff policy

Result 2: Progress on regional trade agreements and WTO accession

Component 2: Trade Facilitation

Result 3: Improved cross-border trade and customs procedures

Result 4: Improved efficiency for transit, import and export of goods

Result 5: Realize benefits of Reconstruction Opportunity Zones (ROZ)

Component 3: Public Outreach on Trade-related issues

Result 6: Increased public support for market-based free trade

The following results followed by examples of illustrative activities and types of assistance that USAID believes could contribute to an improved trade and investment enabling environment. These illustrative activities should not be self-limiting and are only given as examples of areas of concern that USAID has identified, not as a checklist of items that the offeror is required to address. The offeror should provide a well-rounded and logical plan and may propose, with justification, additional and/or alternative tasks under each component if it is believed that these will better serve to achieve the results

C.4.1 - Component 1: Trade Policy Liberalization

Through the ANDS, the government is committed to (i) clarifying institutional responsibilities and mechanisms for reforming the business environment; (ii) strengthening the Ministry of Commerce and Industry, the Afghanistan Investment Support Agency, and the legal system to effectively regulate and resolve disputes; ... maintain[ing] low trade barriers for imports and exports; and ... strengthen[ing] certain competitive industries where Afghanistan possesses a comparative advantage. The Ministry of Finance will be responsible for setting the tariff regime, in consultation with relevant stakeholders. The Government's top priority will be to improve trade and commercial relations with regional countries, taking advantage of Afghanistan's strategic location in the region, by adopting policies and procedures that facilitate and promote transit and trade. In the short-term, the Government will focus on ensuring that custom regulations are consistently applied and that the average time required for the import and export of goods continues to decline and eventually reaches the regional average....

Under this component, the contractor will work to 1) assist the GIRoA establish a trade and tariff policy coordination mechanism within the government to foster consistent government positions on trade matters; and 2) support measures needed to increase cooperation on regional trade matters and agreements, implement agreements, and advance toward WTO accession.

Result 1: Improved GIRoA interagency coordination to advance and implement consistent trade and tariff policy.

Objective: Develop Afghan capacity to formulate a strong, well-coordinated GIRoA trade and tariff policy that contributes to improved implementation of trade policies, laws, and regulations conducive to deeper, more diverse trade links in the region and in world markets. Particularly implementation of policy that will lead to increased investment, exports, and market-based employment opportunities.

There are known to be conflicting approaches and overlapping responsibilities for trade policy in various ministries and departments throughout the GIRoA, which hinders the ability of Afghanistan and its business community to realize the benefits full engagement in international trade. TAFAs will assist the GIRoA, especially the Ministries of Finance and of Commerce and Industry, to coordinate and strengthen trade-related policy and to help to reduce the many technical and tariff barriers to trade that pose obstacles to both exporters and importers. In consultation with multiple stakeholders, (including the private sector), the contractor will help to identify and priorities policy interventions that can lead to quick impact for increased investment and exports. At the same time, the contractor will also support the development of a multi-year agenda for reform.

Illustrative Activities:

Assist in formulating trade and tariff policy by coordinating the process more effectively within the GIRoA – likely through high-level inter-ministerial efforts that bring the Ministry of Commerce together with the Ministry of Finance and affected line Ministries, for example, Ministry of Economy, Ministry of Agriculture, Ministry of Transportation, Ministry of Foreign Affairs, etc., in a workable and streamlined institutional arrangement.

Assist the government in liberalizing tariff structures in accordance with regional trade agreements calling for fewer and lower rates, with fewer concessions and exemptions, in order to simplify customs administration, reduce opportunities for corruption, and promote more efficient patterns of production and trade.

Increase local capacity to conduct economic impact analysis of trade policy options and to forecast the revenue impact of trade agreements, actual and prospective, under different scenarios. Ensure that consideration of any proposed protectionist measures includes an economy-wide analysis of costs and benefits, particularly impact on consumers.

Improve collection, analysis, and dissemination of trade related data to inform policy decisions.

Identify intra-government processes and procedures directly impacting trade competitiveness such as product standards, customs procedures, licensing, etc. Provide assistance to improve predictable and transparent implementation of trade-related measures.

Provide technical assistance in the area of product standard and certification requirements (with private sector participation), monitor implementation of agreed reforms in related laws and regulations, and provide targeted support on key implementation issues.

Work with GIRoA to improve coordination among donors in all areas affecting trade.

Accelerate efforts to implement improvements that result in increased trade and employment, particularly, interventions that assist small and medium enterprises small and medium enterprise (SMEs).

Result 2: Assist Afghanistan in preparing for, negotiating and implementing bilateral and regional trade agreements, and fulfill WTO accession requirements.

Objective: Build the capacity of implementing institutions to draft legislation and institute reforms required to improve the trade regime within the region and to meet WTO requirements.

Substantial efforts are underway to encourage regional cooperation on trade-related matters such as with Pakistan and transit trade, adoption and implementation of SAFTA, and updating the Memorandum of

Foreign Trade Regime (MFTR) for submission to the WTO. TAFAs shall provide technical support to the GIRA to prepare for and constructively participate in these forums, with an aim of improving regional trade and investment. Afghanistan's draft MFTR should be completed and submitted to the WTO in Geneva by 2008 year-end or early 2009. The next step will be agreement on working party sessions to address key issues. Activities will focus on providing technical assistance, in close collaboration with other USAID projects, to assist the GIRA to understand the legal and regulatory reforms required, including amendments to various laws such as Law on Standardization, Accreditation, Metrology, the Law on Technical Regulations, etc. Assistance to Afghanistan will also be required to reduce Technical Barriers to Trade (TBT), improve Intellectual Property Rights (IPR) regulations, develop sanitary and phyto-sanitary standards (SPS) for agricultural products, etc.

Illustrative activities (again, these are only illustrative and should not be taken as a checklist):

Assist GIRA with completion of the new Afghanistan-Pakistan Transit Trade Agreement (APTA) to replace the outdated 1965 agreement, and with encouragement of an accord allowing India transit rights through Pakistan for goods destined for the Afghanistan market.

Assist GIRA with policies, regulations and follow-up negotiations to enable Afghanistan to implement and take advantage of existing regional trade agreements (RTAs), such as the South Asia Free Trade Agreement (SAFTA) signed in August 2008, and unilateral preference programs, such as the USG General System of Preferences (GSP) and the pending Reconstruction Opportunity Zone (ROZ) legislation, in order to promote the free-trade goals of the ANDS and overcome barriers to trade.

Assist the GIRA to assess Afghanistan's current legal and regulatory framework for consistency with WTO obligations,¹¹ and determine priority areas for assistance.

In coordination with other donor partners, support the GIRA's development and implementation of a multi-year work plan for WTO Accession, laying out in a straightforward format a timeline for adopting and implementing identified reforms, conducting training and awareness programs, submitting documents to the WTO Secretariat, and negotiating accession terms.

Assist the Afghanistan government to prepare documentation and specialized briefs required as part of the WTO accession process, such as WTO questionnaires, schedules, and responses to questions submitted by WTO Working Party members.

Provide advisory support (including but not limited to research, analysis, drafting, and translation) to identify opportunities provided by the WTO accession process.

Provide training opportunities for GIRA officials and other key stakeholders as advisable to equip them to undertake the necessary policy reforms and to conduct negotiations for bilateral, regional, and multilateral trade agreements.

Organize targeted study tours for relevant Afghan ministerial officials and private sector stakeholders to examine the WTO accession process of other countries in the region, particularly Cambodia and Nepal, the first LDCs to join the organization since inception.

C.4.2 - Component 2: Trade Facilitation & Integration

¹¹ The 2007 Commercial, Legal and Institutional Reform Diagnostic for Afghanistan, titled "Afghanistan's Agenda for Action: Developing the Trade and Business Environment" (see Annex 1), may serve as a useful reference in this context.

In the area of trade facilitation, according to the GIROA's ANDS, "The Government will introduce trade facilitation measures to reduce the costs of moving goods within the country and across borders, including endeavoring to relax restrictions arising from transit agreements with neighboring countries. Institutional capacity to support the export of domestically produced goods and services will be increased, including for example the technical resources to [ensure that] international product standards are met. The Government will reduce the burden of export documentation and processes will be further streamlined and essential services, including market information, will be provided to the exporters by the Export Promotion Agency of Afghanistan (EPAA).¹²⁾

This component will focus on reducing trade impediments, including along the Afghanistan-Pakistan border as well as Afghanistan's northern border, that constrain trade between these two countries and within the region. Under this component, assistance will: 1) support customs reform and modernization; 2) identify and remove constraints pertaining to transit and transport of goods; 3) and support implementation and expansion of ROZs.

Result 3: Reduced time delays and costs for compliance with customs requirements as a result of improved cross-border trade and customs procedures.

Objective: Assist the Afghan Customs Department (ACD) of the Ministry of Finance (MoF) in implementing its comprehensive Five-Year Plan (2007-2012), concentrating on the areas with greatest potential for positive impact – such as increased transparency and consistent application of customs procedures and tariffs nationwide.

This will entail the GIROA to achieve its goals outlined in the ANDS for Customs Operations & Administration, whereby the GIROA will: Apply customs regulations consistently across the country and commit to achieving an average time for importing and exporting goods in line with best practice in the region (reduced by at least half of current levels); Examine the merits of outsourcing custom services; Reduce corruption by reviewing all government services and making recommendations for the adoption of ICT to streamline and automate (for example, customs processing, procurement and licensing).¹³⁾ Cooperation with Pakistan, and the Customs Departments of other neighboring countries such as Tajikistan, to reduce administrative barriers will be beneficial.

Illustrative Activities:

Continue assistance for GIROA reform of customs legislation, policy, procedures and guidelines, including best practice of Kyoto Convention and use of electronic processing, risk management, custom valuation, audit-based controls, cost-based fees for clearance, etc.

Assist GIROA to institute consistency in the valuation process at all border posts, which may also involve improved education of traders.

Provide support for business process/anti-corruption assessments, and assist with measures to enforce customs laws, adjudicate complaints and appeals, and combat corruption.

Assist GIROA to strengthen internal audit procedures within the ACD and coordinate with the MOF's higher-level internal audit department to address the problems identified.

¹² Afghanistan National Development Strategy (ANDS), page 104.

¹³ Afghanistan National Development Strategy, Page 236.

Aid in developing and managing information technology systems meeting international standards, including automation of business processes through the ASYCUDA system, tracking of customs revenue collection, and statistical data collection and reporting.

Assess and prioritize training needs for personnel and managers involved in customs operations in both the public and private sectors, in the capital, provinces, and border crossings. Note that substantial efforts to date have been focused in the capital and at borders, while mentorship of provincial level management is still required.

Assist with efforts to simplify customs procedures and streamline all border clearance processes conducted by GIRoA agencies, such as a “single window” approach, to expedite cross-border trade.

In coordination with other donors, help to design and implement an extensive training program with training-of-trainers, contributing to curriculum development of a proposed Afghanistan Customs Academy. The training program would be continually updated to reflect changes in laws, regulations and procedures and would cover a wide range of issues, such as the following: (1) customs clearance, declaration forms, (2) classification of goods under the Harmonized Coding System, valuation system and methods, risk analysis methods, post-audit systems, properly capturing of data, etc. (3) the purpose and function of the automated customs system, (4) published standards for cargo clearance and customs services, (5) the customs complaint and appeals process, (6) regulations surrounding any new Afghan-Pakistan Transit Agreement and its impact on inbound and outward bound goods, and (7) the ACD code of conduct; and involving

training for central office and field staff to understand, formulate and implement reform measures; information and training for customs brokers, chambers of commerce, business associations, freight forwarders, importers, and exporters on existing and new customs procedures.

As security conditions allow, provide some on-site training and technical assistance to personnel of customs facilities at or near the border crossings, in close cooperation with the USG’s Border Management Task Force (BMTF) and other related USG and donor activities.

Explore ways to place all customs and trade-related areas and facilities at the border under ACD control, including those currently controlled by the MOCI, to improve efficiency and combat smuggling. As feasible, encourage strong measures to halt petroleum smuggling, a major area of revenue loss; As feasible, and in cooperation with other donors, aid cross-border counter-narcotics measures.

Provide technical support and input to the Informal Customs Network (ICN) coordinating body.

As requested, per the ANDS, examine the merits of outsourcing certain customs services.

Consider recommendations from Pakistan’s Empower Pakistan Trade (EPT) program, to support joint collaboration at shared border crossing points, such as Torkham Gate (TG) and others, also engaging with local business institutions that may advocate for more efficient border-crossing processes.

Consider effective means for leveraging resources of PRTs and military-funded Commander Emergency Response Program (CERP) funds to improve border and customs facilities, and other efforts to support, streamline, and facilitate trade.

Result 4: Improved speed and efficiency of transit and transportation of goods.

Objective: Improve the time, cost, and predictability of transporting shipments along transit corridors, contributing to expanded regional trade.

The project should seek to improve efficiency and reduce costs for trade logistics, through encouraging the development of modern trade support services in such areas as cargo handling, insurance, shipping and transport/trucking, and through productive cooperation and negotiation with regional trade partners, notably India and Pakistan, and regional stakeholders to ensure swift and safe passage of export and import goods along trade corridors in accordance with laws and international agreements.

Illustrative Activities:

Support regional negotiations to improve the transit of trade goods through new agreements and/or strengthening of the provisions and particularly the implementation of existing agreements, such as that allowing free transport of goods between Afghanistan and India via Pakistan.

Aid in removing impediments to cross border trade with Pakistan and other countries in the region, such as delays in goods clearance, informal checkpoints and charges for road transport, and unnecessary hindrances to sea shipment of Afghan export goods.

Eliminate cargo transshipment requirements, such as removal of cargo from one truck or shipping container to another at the border, which is time consuming, costly, and leaves goods vulnerable to handling loss and damage.

In cooperation with ASMED, which recently helped to launch the first private-sector insurance company in Afghanistan, and a new economic policy program which may support regulation of the insurance sector, research ways to implement and expand provision of all necessary types of insurance and transit guarantee mechanisms.

Advise and support development of trade support businesses and business associations, including cross-border associations, in such areas as freight-forwarding, logistics management, warehousing and storage, and brokerage, and aid in drafting regulations as necessary to govern such businesses.

Support efforts by local associations, think tanks or other bodies to identify key problems along primary trade corridors, such as surveying extent of delays, inspections, and corrupt practices, and/or cost-to-market surveys to inform advocacy efforts and reduce time and cost for overland shipments.

As advisable, and in cooperation with the World Bank, provide support to improve access and implementation of the Transport International Routier (TIR) or similar systems to facilitate transit trade in the region.

Promote regional cooperation toward harmonization of vehicle standards and weight limits and measurement systems and introduction of common standards for vehicle registration and documentation.

Conduct assessments of key transportation facilities in air and road transport systems to encourage competition among different modes of transit as well as different providers, and seek ways to reduce costs and transit times for Afghan importers and exporters that are affected.

Assist the Afghanistan National Standards Agency (ANSA) in further developing its overall strategy for adopting internationally-accepted standards and certification procedures for export goods.

Advance use of telecommunications for trade, marketing, payments, and data exchange.

Consider creative measures and methods of reducing corruption in this area.

Consider creative ways to leverage PRT and CERP funds for needed infrastructure or other interventions to facilitate trade and exports.

Result 5: Create trade corridors through supporting implementation of Reconstruction Opportunity Zones (ROZs),¹⁴ and incorporation of industrial infrastructure and customs facilities. *(Note: if current legislation supporting ROZs doesn't pass in the US, resources for this result will be re-allocated/adjusted).*

Objective: Create a conducive environment for realizing the full benefit of ROZ provisions allowing free entry of Afghan exports to the US market, including creation of trade facilitation zones that combine improved facilities and equipment for customs clearance, industrial park-type infrastructure for trade-related business development, storage, shipment, communications, etc.

The ANDS includes the following policy actions or activities which are relevant to ROZs, some of which will be pursued regardless if ROZs are formally enacted: 1) Amend the tariff legislation to facilitate ROZ (Reconstruction Opportunity Zone) trade along the border with Pakistan; 2) Trade Facilitation Zones (TFZ) in key areas of Afghanistan that will connect district and provisional level production to regional and international markets by providing the basic infrastructure for processing, packaging and storage; 3) The new Afghanistan Pakistan Transit Agreement (APTA), the revised version of Afghan Trade and Transit Agreement (ATTA) signed with Pakistan in 1965; 4) Improved trade, transit documentation procedures.¹⁵

Illustrative Activities:

Assist with development of legislation and regulations, and an implementation plan needed to implement ROZs.

In coordination with other projects, develop a streamlined process to solicit and review private sector applications for ROZ status (see Appendix 4 for a model).

Support application of ROZ preferences in the context of establishing Trade Facilitation Zones, combining business development/industrial parks, and preferably linked to customs clearance facilities, as a sort of “one-stop shop” for trade (with reference to earlier reports on ROZ selection and site approval process).

As practicable, promote the development of at least one cross-border TFZ linking an Afghanistan border crossing facility with corresponding one in the ROZ-eligible area of Pakistan, through feasibility studies and infrastructure designs, to develop a common economic interest and approach to cross-border trade facilitation.

In cooperation with other projects and government bodies, ensure access to training and information on quality standards (including packaging and promotional efforts) to improve capacity of local firms to meet U.S. standards as specified in ROZ legislation; and conduct outreach to financial sector support services.

C.4.3 - Component 3: Increased understanding of the benefits of trade and increased access to trade-related information

¹⁴ Pending US legislation on ROZ, USAID may choose to make changes in this section after the Contract is awarded, in consultation with the Contractor.

¹⁵ Afghanistan National Development Strategy (ANDS), page 234.

Result 6: Increased public awareness and support for a free trade regime realized

Objective: Increase awareness of the costs and benefits of regional trade negotiations and the WTO accession process to promote “ownership” of agreements reached; and ensure public knowledge of latest trade-related legislation:

Often the benefits of trade liberalization are dispersed while the costs tend to be concentrated in well-defined groups that benefit from protection. Therefore, the project will support greater outreach efforts to generate broad-based support for an open trade regime, within the region and globally, and to inform and assist Afghan businesses throughout the country to take advantage of existing trade agreements – including GSP and the bilateral agreement with India – while preparing for future agreements and WTO accession.

Illustrative Activities:

For factors other than transit trade, help to increase awareness by the business community, in the capital and the provinces, of the agreements already in place, including how businesses can qualify for export preferences and how to meet the requirements of importers, thus encouraging the growth of export-oriented businesses.

Build the capacity of private sector stakeholders¹⁶ at the central, provincial and local levels to participate in policy reform processes and take advantage of measures to encourage the growth of trade-oriented businesses.

Work with Government, Parliament, local NGOs, journalists, universities, think-tanks, and business support institutions, to increase the understanding and awareness among government officials, “opinion leaders,” and the business community and civil society throughout the country, about the benefits of regional trade and the WTO accession process and of ongoing trade efforts of the GIROA and potential opportunities arising from them, overall and for particular sectors of the economy.

Support public education efforts, preferably through local partners such as the government, local NGOs, and journalists, for public awareness of the value of a liberalized economy and open trade regime. Include public discussions on critical topics, such as the effects of price controls, costs and benefits from trade agreements, etc.

Strengthen Customs data-collection efforts, which should be the lead on trade data, and coordinate with CSO on data collection and reporting. Encourage regular monthly trend analysis and reporting, seek out explanation of variations, compare performance over time and conduct other trend analysis, which should inform the public and contribute to trade and tariff policy formulation.

Ensure that sustainable methods are put in place to communicate quickly any important changes in trade regulations or tariffs to the business community and the public. Consider partnering with the Ministry of Communication & Information Technology (MCIT) to improve government website-based information related to trade, tariffs, and other relevant timely information.

Consider opportunities to foster local internship opportunities targeting students (or recent graduates) of schools of law and/or economics, to help develop the next generation of trade experts for Afghanistan.

¹⁶ Including traders, customs brokers, business associations, financial institutions, transporters, logistics companies, and other interested groups, such as civic organizations.

Consider creative ways to make use of international technical expertise to develop a training program or curricula for trade-related courses at the university level, civil service educational institutions, and for the relevant authorities.

Cross-Cutting Issues and Aid Effectiveness

USAID has identified a number of cross-cutting issues that need to be addressed in response to the RFP. This section discusses those issues and provides some guidance as to how they ought to be addressed. Moreover, cross-cutting issues successfully addressed and tools developed under this initiative may provide timely examples of best practices, and information about them should be circulated so they can benefit others – private sector groups and NGOs as well as Government. Support will be provided in such areas as public education and outreach, human resource capacity building, and development of information technology systems.

Aid effectiveness is also a major USAID concern which applies to all activities and, in many cases, overlaps with cross-cutting issues. USAID's commitments to aid effectiveness, outlined at the April 2008 Donor Coordination Forum, include increasing Afghan ownership, leadership and visibility with respect to USAID activities; embedding capacity development into all activities; directing more U.S. assistance through GIRoA systems; and buying more goods and services locally. This "Afghanization" should also extend to the offeror's proposed personnel practices, which should demonstrate a commitment to training, mentoring and advancing local staff to positions of increasing responsibility over the life of the project.

Offerors should be aware that USAID intends that cross-cutting issues and aid effectiveness commitments should not be seen as "a side show" to the main event. Rather they should be treated as integral to the technical assistance provided to GIRoA entities and other stakeholders identified in this statement of work. Specific issues and concerns are detailed below.

Subcontracts and Grants Under Contract

Building of Afghan technical capacity is a key cross-cutting priority for the Project. In order to support its capacity-building efforts as well as program implementation, the Contractor may subcontract with, or provide limited grants to Afghan business associations, universities, think-tanks or other stakeholders involved with private sector development. In line with the stated intention to conduct activities in various provinces and involve more non-government stakeholders, these should include provincial and/or local organizations, as well as those operating at the national level. Where it is determined that program content and efficiency of assistance will be benefited by experience that is particularly relevant, the Contractor may enter into subcontracts or grants with organizations from other Central or South Asian countries which have confronted similar issues, to assist in the implementation of the program. If an offeror suggests including a grants/subcontracts program in the Project, a brief description of the approach to grant-making and subcontracting shall be included in the proposal.

Public-private partnerships and Host Country-Contracts

Public-private partnerships, either between Afghan entities or in combination with U.S. government or private sector entities (e.g., through a Global Development Alliance), are a vital means of spurring economic growth and transferring knowledge and resources. Contracting with GIRoA agencies to provide planned assistance directly is an important way to build capacity and local ownership of the activity. To create support for such efforts, there needs to be extensive public education and outreach, especially to the business community at all levels and in all types of enterprises. The offeror is encouraged to propose means of facilitating the exchange of information and constructive dialogue within

government and between the government and private sector stakeholders, at both national and local levels, concerning the adoption and implementation of policies, laws and regulations, and the provision of other types of assistance, in order to improve the environment for trade and investment while advancing the public interest.

Information Exchange Mechanisms and Stakeholder Involvement

USAID encourages the establishment and active use, at the national and local level, of mechanisms such as conferences and roundtables to promote the exchange of information and constructive dialogue between the government and private sector stakeholders concerning the adoption and implementation of policies, laws and regulations affecting the trade and investment-enabling environment. Active participation at such events can serve to build support for business-friendly policies, laws and regulations and improve the capacity of the private sector groups to advocate for such measures. Assistance may also include training of selected associations in organizing roundtables, seminars, press conferences, and public hearings.

Human Resources Capacity Development

Despite an emphasis on capacity building from the start of donor-funded assistance six years ago, human resources capacity remains one of Afghanistan's most prevalent deficiencies. Moreover, it may be necessary to seek alternatives to traditional training and capacity building approaches. While donor interventions traditionally focus on strengthening central and, to a lesser extent, provincial government, expanding both the scope and the target groups to include private sector groups and NGOs, such as business associations and civic groups, could achieve better results in the long run, especially in a country like Afghanistan where the needs are so great. Innovations could include, for example, placing a cadre of younger educated Afghans into internships in regional countries or contracting out certain government functions to local, regional and international firms that would be required to employ and train Afghan nationals and paid on a fee for results basis. Structured training courses designed to address a wide range of subjects should be provided for staff within target Ministries but should subsequently be followed-up by the advisors with mentoring of the trainees to ensure that the training is understood and gives a foundation on which the recipient can build.

The Contractor is encouraged to undertake a comprehensive program of human resource capacity training – both for government officials at all levels and for private sector groups and NGOs – taking into account the need for particular skills and coordinating with other USAID and donor projects related to promotion of trade and investment in different parts of the country, such as the Afghanistan Small and Medium Enterprise Development (ASMED) project. Where possible such training should be carried out in-country or within the region and should be presented or assisted by the long-term resident and local advisors on the project team, with the understanding that they will provide on-going coaching or mentoring to the training recipients. Furthermore, budgeting for this training within the host-government's planning process should be incorporated as early as possible.

Gender Considerations

USAID places emphasis on improving the status of women throughout Afghan society. In some instances, women's lack of education, undeveloped skills, and limited access to markets, credit and other business assets complicate economic growth efforts, as do cultural constraints limiting women's mobility and participation in public life. Implementers in various sectors have devised culturally sensitive and creative solutions to overcome barriers and mitigate constraints imposed by local practice.

The TAFE project is largely focused on policy-level and implementation-level issues which are estimated to have a gender-neutral effect. However, in the informational campaigns about the benefits of regional trade and the WTO accession process and about ongoing trade efforts of the GIRA and potential opportunities arising from them, special efforts will be made to target women's business groups and recipients of business planning and/or microfinance assistance through other OEG activities, such as the Afghanistan Small and Medium Enterprise Development (ASMED) and Afghanistan Rural Investment and Enterprise Strengthening (ARIES) projects.

The Contractor is required to see that gender issues are suitably addressed in various program components and to undertake specific efforts to ensure that the activities do not discriminate against or disproportionately benefit either gender. To the greatest extent possible, the Contractor will seek to encourage men and women of all ages to be involved in all aspects of this program, including participation and leadership in meetings, working groups, training and counseling activities, exchanges and delegations. In particular, the Contractor is encouraged to propose ways to facilitate women's advancement within the business community, including access to export capacity building and skill development opportunities such as targeted training programs and internships.

Youth Considerations

The younger generation of Afghans holds the key to the sustainability of a market-oriented economy and a democratic political system. Economic growth activities must give particular attention to providing opportunities for young people to participate in private sector development and job creation. In the informational campaigns and public-private dialogues about the benefits of regional trade and the WTO accession process and business opportunities arising from them, special efforts will be made to target young entrepreneurs and youth organizations, particularly any organizations with a business focus. The Offeror is urged to present recommendations concerning how to engage young people, who constitute the most promising group for future economic policy, business development and economic growth. Subsequently, the Contractor will be required to report on efforts made to involve young people in the project's public outreach activities and results obtained.

Vulnerable Populations

This program is designed to facilitate the inclusion of all citizens of Afghanistan, including vulnerable populations. Key vulnerable groups include the Kuchis as well as other ethnic minorities, the disabled and the internally displaced persons. Issues related to outreach and public education will be key to ensuring that these populations are able to participate as feasible in trade development efforts so they can realize the benefits of stronger economic growth.

Anti-Corruption and Increased Transparency

Given the current pervasiveness of corruption in Afghanistan and its harmful impact on the trade and investment, anti-corruption efforts are vital. This is particularly true in the area of customs administration, which is important for GIRA revenues as well as for trade development. Increased awareness by the business community of trade and customs laws and regulations, simplified and streamlined procedures and tariff bands, increased automation of customs operations, expanded public-private dialogue and more transparent policy-making processes should reduce both the incentives for businesses to pay bribes and the opportunities for government officials to seek them. Anti-corruption efforts are more likely to work if the public administration is simplified to the point where corrupt practices become either unnecessary or highly conspicuous and if citizens have come to the view that corruption is exceptional and unwarranted rather than standard operating procedure.

Anti-extremism

This activity is directly aimed at promoting economic growth and poverty reduction, through engagement of both the public and private sectors to integrate Afghanistan into the international trade community. Achieving these goals is likely to be the most effective way to combat extremism. However, the program also includes an extensive public outreach and communications strategy designed to ensure that interested stakeholders at the central, provincial and local levels are informed about and involved in efforts to advance international trade and enable local businesses to benefit from market-based opportunities provided by trade agreements and trade facilitation measures. These activities will respect Islamic and cultural traditions while seeking to restore the pivotal place Afghanistan once held on the ancient Silk Road.

C.5 - EXPECTED RESULTS AND PERFORMANCE MANAGEMENT PLAN (PMP)

Through the TAFE project, Afghanistan can expect to experience stronger economic growth as a result of higher exports, lower prices for inputs, increased private sector investment, and increased market-based employment opportunities. Greater trade volumes will also facilitate the exchange of new technologies and knowledge, thus improving domestic productivity in traded and non-traded sectors alike. The reforms necessary for WTO accession have proven to strengthen institutions, improve governance, and support liberal trade regimes which otherwise would come under frequent protectionist pressures. Perhaps as important as eventual WTO membership is the process involved in reaching this milestone through which Afghanistan will build its capacity for facilitating trade and negotiating agreements, regionally and internationally. All these elements will improve the environment for private sector development, trade, and investment.

Below is a set of outcomes anticipated as a result of the TAFE Project. Some will require actions beyond the control of this program, but the program will play a major role in assisting Afghanistan to attain the results specified. All targets will be subject to revision and expansion based on the annual work plan submitted to USAID by the contractor, and periodic progress reviews conducted by USAID.

- Strengthened institutional capacity of government and affiliated organizations to effectively and properly implement trade policy reform, prepare negotiation documents, and negotiate regional terms of trade – specifically starting with negotiation and adoption of a new ATPA between Afghanistan and Pakistan.
- Development and implementation by the GIRA of a WTO Accession Master Plan to make measurable progress toward WTO accession.
- Improved transit of goods through Pakistan to reach destination markets through joint cooperation with Pakistan at key border crossings such as Tokham Gate, Chaman and other key ports of entry; and cooperation with other neighboring countries along Afghanistan’s border.
- Streamlined processes and reduced costs for importing and exporting goods, translating into annual improved ranking on the *trading across borders* indicator of the World Bank’s “Doing Business” survey, where Afghanistan is currently ranked 179 out of 181 countries. By the end of the project, Afghanistan should improve to come in line with at least the regional average for the time, costs, and number of documents required for trading across borders.
- Should Afghanistan be ranked by the World Economic Forum’s Global Enabling Trade Report (GETR), a 10% improvement in Afghanistan’s ranking per year from the established baseline.
- Increased awareness and involvement of private sector stakeholders at the central, provincial and local levels in the process of trade-related strategy and policy formulation and in accessing and taking advantage of new opportunities afforded for trade-related business development. This translates into increasing Afghanistan’s overall trade export volumes by 20% per year; should ROZ legislation pass, also increased export of Afghanistan’s competitive products to the United States market due to ROZ

(Reconstruction Opportunity Zone) trade preferences by 10% per year; and increased SME contribution to exports by 50% by the end of the project.

- Increased understanding of the benefits of regional and bilateral trade agreements and WTO accession and identification of WTO process milestones by political, public, and private sector stakeholders.

Achievement of tangible results is the essence of the TAFE project. USAID will judge the Contractor's success or lack thereof under the contract based on whether or not the tangible results – as set forth in this Statement of Work and further developed in the Contractor's Technical Approach and proposed Performance Management Plan (PMP) – are achieved. If agreed results will not be achieved, or if the Contractor becomes aware that any may not be achieved, the Contractor will immediately advise USAID/Afghanistan in writing and in the next required periodic report will provide a complete explanation. In Afghanistan, the contractor will strive to achieve proposed targets, either in percentage or absolute terms, to the following six indicators by the end of the three year (plus two option years) project period, which will be fully described in TAFE's approved PMP.

Indicators for TAFE (measured year-on-year):

- Number of tariff bands and average tariff level
- Customs processing time (overall and per border crossing)
- Number of documents/procedures required to import and export
- Number of public events held to discuss trade and business policy matters with stakeholders and the public (measured by province, participants by gender)
- Change in public perception toward trade
- Change in World Bank's Doing Business, *trading across borders* indicator, and noted changes in trade and customs related rankings by the World Economic Forum, should Afghanistan be ranked

The contractor shall report on the following high-level indicators, but will not be accountable for achieving specific targets. These indicators are listed below:

- Growth in trade volume in USD (import/exports; overall/per border crossing, by country)
- Growth in investment in USD and jobs (nationally and by province)
- Growth in customs revenue in USD (overall and per border crossing)
- Number of vehicles crossing Sher Kan Bandar and other crossings each direction
- Value of goods imported to the US taking advantage of GSP

The contractor shall report against the USAID's Operational Plan Indicators, and/or new Agency results reporting requirements over the course of this contract:

- Number of consultative processes with private sector as a result of USG assistance
- Number of USG supported training events held that related to improving the trade and investment environment and number of participants (female/male).

The Contractor must be prepared to set targets, and report on progress made with respect to the indicators, at least annually and at the request of the CTO at any time. Such reports should explain any variances between the indicator targets and actual results and demonstrate how activities conducted under this Contract contributed to these outcomes. Disaggregation of data, to be consistent with the PMP, may include by gender, age group and province, and other categories as necessary.

[END OF SECTION C]

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SECTION D: PACKAGING AND MARKING

D.1 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.2 BRANDING STRATEGY FOR IDEA/S ACTIVITY

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

Program Name: Trade and Accession Facilities in Afghanistan Project (TAFAP)

Branding: The branding shall 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 in: commodities or equipment; printed, audio, visual or electronic public communications; 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.3 BRANDING AND MARKING POLICY

In accordance with provision D.2 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” (version from January 8, 2007) at <http://www.usaid.gov/policy/ads/300/320.pdf>; and USAID “Graphic Standards Manual” available at www.usaid.gov/branding, or any successor branding policy.

[END OF SECTION D]

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SECTION E: INSPECTION AND ACCEPTANCE**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 FAR 52.252-2 for an internet address (if specified) for electronic access to the full text of a 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 shall 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 CTO 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

Monitoring and evaluation programs should be utilized in order to assess the impact of the programs and whether or not objectives are being achieved and if they should be adjusted. The Contractor will input all required information into the USAID GeoBase (or any successor database) on a monthly basis.

The contractor will provide a proposed monitoring and evaluation plan as part of a response to this RFP. The monitoring and evaluation plan will be reviewed as part of the selection process, and finalized not later than 45 days after contract award.

The Monitoring and Evaluation Plan should provide the following:

- The recipient's data collection procedures (e.g. how often data is collected, who collects the data, who analyzes the data collected, controls in place to safeguard data);
- Data quality information for all relevant indicators (USAID proposed/Contractor proposed indicators). Data quality includes: a precise definition of the indicator, unit of measure, and disaggregation information to include women, youth, members of vulnerable populations and people with disabilities;
- Life of activity targets for each relevant indicator for each fiscal year of this program (see data table); and

The Contractor's procedures for insuring the data quality of sub-grantee or sub-contractor's reported data

[END OF SECTION E]

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SECTION F: DELIVERIES OR PERFORMANCE**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 I of this contract. See FAR 52.252-2 for an internet address (if specified) for electronic access to the full text of a clause.

FEDERAL ACQUISITION REGULATION (48 CFR Chapter 1)

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

F.2. PERIOD OF PERFORMANCE

The period of performance for this contract is as follows: three years from award date for the base period plus two one-year option periods, if any.

F.3 PLACE OF PERFORMANCE

Performance of this contract will be principally in Afghanistan. Key personnel will be based in offices located in Kabul and key provincial centers.

F.4 DELIVERABLES

In addition to other required reports and deliverables in this Contract, the Contractor shall deliver the following:

TBD as negotiated with successful offeror based upon the offer's negotiated proposal.

F.5 PERFORMANCE STANDARDS

Evaluation of the Contractor's overall performance in accordance with the performance standards set forth in Section C, will be conducted jointly by the CTO and the Contracting Officer, and shall form the basis of the Contractor's permanent performance record with regard to this contract.

F.6 REPORTS

In addition to the requirements set forth for submission of reports in Sections I and J and in the AIDAR clause 752.242-70, Periodic Progress Reports, the Contractor shall submit the following deliverables or outputs to the CTO specified in Section G:

1. The contractor will submit detailed annual work plans to the CTO on an annual basis, with the final first year work plan to be submitted within 60 days of the award. Subsequent work plans shall be submitted 45 days prior to the start of the following project year. The Annual Work Plan (AWP) should provide detailed investment and implementation plans and schedules.
2. The contractor will perform and provide the CTO with a gender analysis to determine the extent to which both sexes participate and benefit and the degree to which the project has reduced gender disparities and improved the situation of disadvantaged girls and women.

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3. The contractor shall submit a final version of a Quality Assurance Surveillance Plan (QASP) within 30 calendar days from contract award describing how the contractor will monitor itself to ensure that service or quality levels are achieved. The plans must specify all work requiring surveillance and the method of surveillance.
4. The contractor will submit a complete and comprehensive Monitoring, Evaluation and Reporting (MER) plan to the CTO within 30 days of award in accordance with ADS 203. This plan should parallel the USAID Afghanistan Mission Monitoring and Evaluation (M&E) plan and thus will require consultation with the Office of Program and Project Development (OPPD) M&E unit. The MER should account for the USAID new strategic framework for foreign assistance and should be designed to easily comply with requirements for common indicators and reporting requirements of USAID at both Mission and Agency levels.
5. The contractor will provide a program closeout plan for all activities associated with this project to the CTO no less than 180 days before the contract completion date.

F.7 PROGRESS REPORTING REQUIREMENTS

The contractor shall submit the reports detailed below to the offices as indicated.

- **Indicators for TAFE (measured year-on-year):** The following indicators shall be reported on as part of the Operational Plan on a quarterly basis. Data collected during the first ninety days of performance would be reported by one-hundred twentieth day of performance and would serve as the baseline. Indicators would be measured quarterly thereafter, corresponding with the quarterly performance reporting schedule below.
 - Number of tariff bands and average tariff level
 - Customs processing time (overall and per border crossing)
 - Number of documents/procedures required to import and export
 - Number of public events held to discuss trade and business policy matters with stakeholders and the public (measured by province, participants by gender)
 - Change in public perception toward trade.
 - Change in World Bank's Doing Business, *trading across borders* indicator; and noted changes in trade and customs related rankings by the World Economic Forum, should Afghanistan be ranked

The offeror shall also report on the following high-level indicators, but will not be accountable for achieving specific targets. These indicators are listed below:

- Growth in trade volume (import/exports; overall/per border crossing, by country)
- Growth in customs revenue (overall and per border crossing)
- Number of vehicles crossing Sher Kan Bandar (or other crossing) each direction
- Value of goods imported to the US taking advantage of GSP

Operational Plan Indicators:

- Number of consultative processes with private sector as a result of USG assistance
- Number of USG supported training events held that related to improving the trade and investment environment and number of participants (female/male).

The Contractor must be prepared to set targets, and report on progress made with respect to the indicators, at least annually and at the request of the CTO at any time. Such reports should explain any variances

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between the indicator targets and actual results and demonstrate how activities conducted under this Contract contributed to these outcomes.

Biweekly Status Report

- **Biweekly Status Report:** Biweekly reports (biweeklies) are intended to be brief highlights of achievements across components. Such reports are meant to be shared with the USG community and other donors, in the field and in Washington, and Afghan counterparts to highlight progress and milestones achieved. Consideration of Dari and Pashtu versions should be considered as part of the public-outreach effort.

Monthly Performance Reports

In addition to Performance Management Plan and Work Plan required, the Contractor shall prepare and submit monthly reports. The monthly reports, which shall be submitted electronically to the CTO by the 10th business day of the month following the month being reported, are intended to be concise reports (no more than 20 pages) that summarize progress toward accomplishment of the benchmarks set forth. The monthly reports should (1) identify implementation issues, (2) give an update of progress made toward fulfillment of the Project results, (3) contain a discussion of obstacles encountered and possible delays, if any, in fulfillment of activities included in the work plan, and/or achievement of targets set forth in the PMP, (4) set forth proposed changes, if any, to the work plan; and (5) contain a forecast of activities for the month period immediately following the period being reported.

Quarterly Performance Reports

The Contractor shall submit brief quarterly performance reports to the CTO within 30 days of the end of each calendar quarter reflecting results and activities of the preceding quarter. The report shall describe the plan for the reporting period (as set forth in the annual work plan) and assess overall progress to that date in relation to agreed-upon performance indicators and PMP for that quarter. A description of the specific accomplishments of the Contractor, including specific results of STTA during the quarter should also be provided, including information on all activities, both ongoing and completed, by component, and geographically by province and district. The quarterly reports shall highlight any issues or problems that are affecting the delivery or timing of services provided by the Contractor. These reports should summarize project progress against tasks and benchmarks, including tasks assigned through technical directives and identify implementation issues that may inhibit or enhance contractor performance. In each quarterly report the Contractor shall include SUCCESS STORIES which provide information that demonstrates the impact that the activity/program has had during the reporting period through materials such as stories, quotes and photos. The reports will also discuss interaction with counterparts, and any necessary alterations to the work plan and initial timetable.

As agreed upon by the CTO, quarterly reporting shall begin after the end of the first quarter from the contract award. The quarterly report is due to the activity manager and/or the CTO on or before the last day of the month following the end of each quarter. The CTO may make exceptions to this schedule depending on when exactly the contract is signed, e.g. if project begins in November, the time remaining in Q1 may be incorporated into the quarterly report for Q2.

As agreed upon by the CTO, brief summary of quarterly activities and achievements in local languages Pashto and Dari should be considered.

Quarterly Reports Schedule for Submission:

Q1: January 1 to March 31

Q2: April 1 to June 30

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Q3: July 1 to September 30

Q4: October 1 to December 31

Quarterly Report due April 30

Quarterly Report due July 31

Quarterly Report due October 31

Quarterly Report due January 31

Quarterly Financial Reporting

The Contractor shall submit to the CTO and to the USAID FMO brief quarterly expenditure reports which will contain a summary page which shows spending by category for the quarter, cumulative spending to date, available funding for the remainder of the activity and any variances from planned expenditures. The Contractor will also be expected to delineate the expenses by province. If there are significant accrued expenditures for the quarter being reported upon which for some reason have not yet been billed to the contract, the Contractor will include a brief note to that effect, with the specific amount involved, thus enabling the CTO to accurately track TAFAs' expenditure rate. These reports will be submitted approximately two weeks before the end of the quarter. The precise deadline each quarter for the submittal of the financial reports will be specified by USAID.

Annual Results Reporting

There are two cycles of annual reporting – the Project annual report and input to the Mission's annual report. For the Project annual report, the Contractor shall submit a draft report 15 days prior to the end of the contract year, indicating progress made toward achieving desired results within a given time frame, capturing results against the project PMP in a format agreed with by the CTO. The CTO will provide comments within 15 days, and the Contractor shall then submit a final draft to the CTO for approval within 15 days of receipt of the CTO's comments. For the Mission annual report, input shall be submitted in draft to the CTO by an agreed-upon date and format that allows sufficient time to meet Mission deadlines. The Contractor shall be prepared to track and report performance data overall and by province for both reporting cycles. The Contractor shall be expected to provide brief summaries of annual results in local languages to contribute to building Afghan's understanding and support for advancing trade-related reforms.

Short-term Consultant Reports

Unless otherwise agreed to in writing by the CTO, the Contractor will submit within 10 days following departure of a Consultant, a brief written report that describes the purpose of the consultancy, progress made, and any observations to be shared; identifies issues and/or problems encountered; and details expected follow-on activities by resident Contractor staff as well as actions to be performed by participating counterparts.

Other Project Reports

The Contractor shall prepare and disseminate, as directed in the Annual work plan and by the CTO, other reports and deliverables needed to accomplish the purpose of this contract, such as technical reports prepared by in-country staff and short-term consultants, studies of policy and other issues, products, sectors, markets, technologies, etc.

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Final Report

The Contractor shall prepare and submit electronically to the CTO, no less than 30 days prior to the estimated end-date of this contract, a detailed draft final/completion report which summarizes the accomplishments and impact in relation to the expected results and PMP, and recommendations regarding future and unfinished work. The final draft shall be submitted no later than the estimated end-date of this contract. The report will include, but not be limited to:

- a discussion of the impact of the project as compared to baseline conditions and data, and analysis of Afghanistan's trade environment and performance;
- an estimate and/or a description of economic growth achievements, including changes in economic indicators, laws and regulations adopted and implemented, increased institutional and human capacity, etc.;
- a description of all public and private-sector institutions and organizations worked with in connection with project components and an evaluation of their strengths and weaknesses;
- a discussion of problems encountered, objectives not fully achieved and lessons learned, and suggest ways to resolve identified constraints;
- incorporation of any additional/available evaluative data compared to project results and any explanatory background; and
- a final financial report.

The final/completion report shall also contain an index of all reports and information products produced under this contract. The Completion Report may provide recommendations for follow-on work that might complement the work completed under the contract. The CTO will provide written comments, and the Contracting Officer may likewise add written comments, which the Contractor will address in revising the draft and submitting a final Completion Report.

The CTO is required to document/certify in the official CTO file on a quarterly basis confirming that the contractor is complying with specific reporting/delivery requirements.

F.8 KEY PERSONNEL

a. The key personnel whom the Contractor shall furnish for the performance of this contract are as follows:

(To be specified by the offeror and incorporated into the contract at time of award)

b. The personnel specified above are considered to be essential to the work being performed hereunder. Prior to replacing any of the specified individuals, the Contractor shall immediately notify both the Contracting Officer and USAID Cognizant Technical Officer reasonably in advance and shall submit written justification (including proposed substitutions) in sufficient detail to permit evaluation of the impact on the program. No replacement of personnel shall be made by the Contractor without the written consent of the Contracting Officer.

F.9 SUBMISSION REQUIREMENTS FOR DEVELOPMENT EXPERIENCE DOCUMENTS (JAN 2004)

(a) Contract Reports and Information/Intellectual Products.

(1) The Contractor shall submit to USAID's Development Experience Clearinghouse (DEC) copies of reports and information products which describe, communicate or organize program/project development assistance activities, methods, technologies, management, research, results and experience as outlined in

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the Agency's ADS Chapter 540. Information may be obtained from the Cognizant Technical Officer (CTO). These reports include: assessments, evaluations, studies, development experience documents, technical reports and annual reports. The Contractor shall also submit two copies of information products including training materials, publications, databases, computer software programs, videos and other intellectual deliverable materials required under the Contract Schedule. Time-sensitive materials such as newsletters, brochures, bulletins or periodic reports covering periods of less than a year are not to be submitted.

(2) Upon contract completion, the contractor shall submit to DEC an index of all reports and information/intellectual products referenced in paragraph (a)(1) of this clause.

(b) Submission requirements.

(1) Distribution:

(a) At the same time submission is made to the CTO, the contractor shall submit, one copy each, of 3 contract reports and information/intellectual products (referenced in paragraph (a)(1) of this clause) in either electronic (preferred) or paper form to one of the following:

- (i) Vía E-mail: docsubmit@dec.cdie.org
- (ii) Via U.S. Postal Service: Development Experience Clearinghouse, 8403 Coleville Road, Suite 210, Silver Spring, MD 20910, USA;
- (iii) Via Fax: (301) 588-7787; or
- (iv) Online: <http://www.dec.org/index.cfm?fuseaction=docSubmit.home>

(2) The contractor shall submit the reports index referenced in paragraph (a)(2) of this clause and any reports referenced in paragraph (a)(1) of this clause that have not been previously submitted to DEC, within 30 days after completion of the contract to one of the address cited in paragraph (B)(1)(a) of this clause.

(3) Format:

a. Descriptive information is required for all Contractor products submitted. The title page of all reports and information products shall include the contract number(s), contractor name(s), name of the USAID cognizant technical office, the publication or issuance date of the document, document title, author name(s), and strategic objective or activity title and associated number. In addition, all materials submitted in accordance with this clause shall have attached on a separate cover sheet the name, organization, address, telephone number, fax number, and Internet address of the submitting party.

b. The report in paper form shall be prepared using non-glossy paper (preferably recycled and white or off-white) using black ink. Elaborate art work, multicolor printing and expensive bindings are not to be used. Whenever possible, pages shall be printed on both sides.

c. The electronic document submitted shall consist of only one electronic file which comprises the complete and final equivalent of the paper copy.

d. Acceptable software formats for electronic documents include WordPerfect, Microsoft Word, and Portable Document Format (PDF). Submission in PDF is encouraged.

e. The electronic document submission shall include the following descriptive information:

(i) Name and version of the application software used to create the file, e.g., WordPerfect Version 9.0 or Acrobat Version 5.0.

(ii) The format for any graphic and/or image file submitted, e.g., TIFF-compatible.

(iii) Any other necessary information, e.g. special backup or data compression routines, software used for storing/retrieving submitted data or program installation instructions.

[END OF SECTION F]

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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 cognizant technical officer (CTO) 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 shall 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:

TOTAL EXPENDITURES (Document Number: XXX-X-XX-XXXX-XX)			
Line Item	Description	Amt. Vouchered To Date	Amt. Vouchered This Period
0001	Product/Service Desc. For Line Item 0001 example: Salary/Wages	\$XXXX.XX	\$XXXX.XX
0002	Product/Service Desc. For Line Item 0002 example: Travel	\$XXXX.XX	\$XXXX.XX
Total		\$XXXX.XX	\$XXXX.XX

(2) The fiscal report shall 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 shall 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

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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 shall 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 Office is:

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

G.3 COGNIZANT TECHNICAL OFFICER (CTO)

The Cognizant Technical Officer will be designated by a CTO letter from the Contracting Officer at:

US Agency for International Development
Office of Acquisition and Assistance
Café Compound
U.S. Embassy
Great Masood Road
Kabul, Afghanistan

G.4 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 CTO 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.

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(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 shall be signed as "Cognizant Technical Officer" 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 CTO 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 CTO may not take any action which may impact on the contract schedule, funds, scope or rate of utilization of LOE. All contractual agreements, commitments, or modifications which involve prices, quantities, quality, and schedules shall be made only by the Contracting Officer.

(c) In the separately-issued CTO designation letter, the CO designates an alternate CTO to act in the absence of the designated CTO, in accordance with the terms of the letter.

(d) 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 CTO shall 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.

(e) 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.5 PAYING OFFICE

The preferred method of transmission of invoices is through electronic medium at the following address: KabulAIDevouchers@usaid.gov . Subject line shall read Award No. and name of firm *[to be filled in at time of award]*. 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.

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Paper copy submission: One (1) original of each invoice shall 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
Café Compound
U.S. Embassy
Great Masood Road
Kabul, Afghanistan

Financial Tracking and vouchering

It is likely that multiple resources of funds, e.g., supplemental funds, may be used to fund this contract. The contractor should be prepared to track the use of these multiple financial resources and performance measures associated with these funds. All vouchers should clearly mark the source of funds. Prior year funds should be disbursed first.

G.6 ACCOUNTING AND APPROPRIATION DATA

Budget Fiscal:
Operating Unit:
Strategic Objective:
Team/Division:
Benefiting Geo Area:
Object Class:
Amount Obligated:

[END OF SECTION G]

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SECTION H: SPECIAL CONTRACT REQUIREMENTS**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 I of this contract. See FAR 52.252-2 for an internet address (if specified) for electronic access to the full text of a clause.

NUMBER DATE	TITLE
	FEDERAL ACQUISITION REGULATION (48 CFR Chapter 1) AIDAR 48 CFR Chapter 7
752.7027 DEC 1990	PERSONNEL

H.2 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.3 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://www.info.usaid.gov/pubs/ads/300/refindx3.htm>] or as approved by the CO.

H.4 AIDAR 752.225-70 SOURCE, ORIGIN AND NATIONALITY REQUIREMENTS (FEB 1997)

(a) Except as may be specifically approved by the Contracting Officer, all commodities (e.g., equipment, materials, vehicles, supplies) and services (including commodity transportation services) which will be financed under this contract with U.S. dollars shall be procured in accordance with the

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requirements in 22 CFR part 228, "Rules on Source, Origin and Nationality for Commodities and Services Financed by USAID." The authorized source for procurement is Geographic Code 935 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 shall 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 shall not procure any of the following goods or services without the prior written approval of the Contracting Officer:

- (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, and has received payment for such purposes, the Contracting Officer may require the Contractor to refund the entire amount of the purchase.

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:

Rutherford International, Inc.
5500 Cherokee Avenue, Suite 300
Alexandria, VA 22312

Points of Contact:
Diane Proctor or Sue Somers
(703) 813-6503

Hours of Operation are: 8 a.m. to 5 p.m. (EST)
Telefax: (703) 354-0370
E-Mail: www.rutherford.com

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H.6 752.228-70 MEDICAL EVACUATION (MEDEVAC) SERVICES (July 2007)

(Pursuant to class deviation OAA-DEV-2006-1c)

As prescribed in 728.307-70, for use in all contracts requiring performance overseas:

(a) Contractors must provide MEDEVAC service coverage to all U.S. citizen, 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.7 AUTHORIZED GEOGRAPHIC CODE

The authorized geographic code for procurement of goods and services under this contract is 935.

H.8 NONEXPENDABLE PROPERTY PURCHASES AND INFORMATION TECHNOLOGY RESOURCES

The Contractor is hereby authorized to purchase the following equipment and/or resources:

[to be filled in at time of award]

H.9 LOGISTIC SUPPORT

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

H.10 LANGUAGE REQUIREMENTS

Contractor key personnel and/or consultants shall have English, and local language proficiency (i.e. Dari, Pashtu), as needed, to perform contract requirements.

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H.11 SUBCONTRACTING PLAN AND THE SF 294

SUBCONTRACTING REPORT FOR INDIVIDUAL CONTRACTS AND SF 295 – SUMMARY CONTRACTING REPORT

The Contractors will use the e-SRS to comply with the reporting requirement in FAR clause 52.219-9 “Small Business Subcontracting Plan” which will be made as part of this contract. Contractor will electronically route summary paper SF 295 report to the office of Small Disadvantaged Business (OSDBU) and electronically enter the SF 294 information into e-SRS (www.esrs.gov). The Contractor's subcontracting plan dated _____ is hereby incorporated as a material part of this contract.

H.12 EXECUTIVE ORDER ON TERRORISM FINANCING

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

H.13 REPORTING ON TAXATION OF U. S. FOREIGN ASSISTANCE

(a) Annual Report. The contractor must annually submit a report on or before November 17 for each foreign country on the amount of foreign taxes charged, as of September 30 of the same year, by a foreign government on commodity purchase transactions valued at USD500 or more financed with U.S. foreign assistance funds under this contract during the prior U.S. fiscal year, and the amount reimbursed by the foreign government. [Reports are required even if the contractor did not pay any taxes during the reporting period.]

(b) Terms. For purposes of this clause:

(i) "Agreement" includes USAID direct and country contracts, grants, cooperative agreements and interagency agreements;

(ii) "Commodity" means any material, article, supplies, goods, or equipment;

(iii) "Foreign government" includes any foreign governmental entity;

(iv) "Foreign taxes" means value-added taxes and custom duties assessed by a foreign government on a commodity. It does not include foreign sales taxes.

(c) Where. Submit the reports to: Office of Financial Management

USAID/Afghanistan

Great Masoud Road
Kabul, Afghanistan

(d) Contents of Report. The reports must contain:

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- (i) contractor/grantee name;
- (ii) contact name with phone, fax and email;
- (iii) agreement number(s) if reporting by agreement(s);
- (iv) amount of foreign taxes assessed for each foreign government.
- (v) amount of any foreign taxes reimbursed by each foreign government.

(e) Sub-agreements. The [contractor/grantee] must include this reporting requirement in all applicable subcontracts, sub-grants and other sub-agreements.

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

H.14 GRANTS UNDER USAID CONTRACTS

Under this contract the Contractor will execute grants on behalf of USAID. If the Contractor awards grants under this contract, the Contractor shall comply in all material respects with USAID's Automated Directives System (ADS) Chapter 302 (including mandatory and supplementary references) in awarding and administering grants, as well as the Code of Federal Regulations 22 CFR 226.

In addition, the following requirements shall apply to the grants awarded by the Contractor under this contract:

a. The Grants Under Contracts procedure may be used only after the following clearance and approval have been obtained:

(1) Clearance from the cognizant GC or Legal Advisor and the Contracting Officer, and then

(2) The Head of the Contracting Activity (HCA) has approved its use in writing for a specific contract.

b. The grant program must meet the following conditions for approval:

(1) The total value of any individual grant to any U.S. organization must not exceed \$100,000. This limitation does not apply to grant awards to non-U.S. organizations.

(2) It is not feasible to accomplish USAID objectives through normal contract and grant awards executed by USAID because either

(a) The burden of executing a number of small grant activities is particularly difficult for the responsible USAID Mission or office, or

(b) The grant program is incidental and relatively small in comparison to other technical assistance activities of the contractor.

(3) USAID must be significantly involved in establishing selection criteria and must approve the actual selection of grant recipients. USAID may be less significantly involved when grants are quite small and are incidental to the contractor's technical activities.

(4) USAID must ensure that the requirements that apply to USAID-executed grants will also apply to grants that a USAID contractor executes.

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(5) USAID must retain, in the contracting arrangement, the ability to terminate the grant activities unilaterally in extraordinary circumstances.

(6) USAID does not require HCA approval when a contractor will only be managing or administering grants awarded by USAID.

(7) USAID does not authorize contractors to execute or administer cooperative agreements on USAID's behalf.

(8) ADS 302.3.4.9 Information System Security, Effective Date: 07/01/2007, applies to any award under this request for proposal.

(9) No funds will be used for agricultural development activities that would be in violation of any agricultural restrictions applicable to USAID funding including agricultural development activities for an agricultural commodity for export that would compete globally with a similar commodity grown or produced in the United States (referred to as the "Bumpers Amendment" restriction). The Contractor will be required to conduct a comprehensive analysis of each commodity under the USAID restrictions prior to providing any assistance with regard to the commodity. ADAG will be responsible for monitoring compliance by the Contractor with this requirement.

H.15 CONFIDENTIALITY AND OWNERSHIP OF INTELLECTUAL PROPERTY

All reports generated and data collected during this project shall be considered confidential and shall not be reproduced, disseminated or discussed in open forum, other than for the purposes of completing the tasks described in this document, without the express written approval of a duly-authorized representative of USAID. All findings, conclusions and recommendations shall be considered confidential and proprietary.

H.16 USAID DISABILITY POLICY - ACQUISITION (DECEMBER 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://www.usaid.gov/about/disability/DISABPOL.FIN.html>.

(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 men, women and children with disabilities.

H.17 PERSONNEL COMPENSATION

(a) Limitations:

(1) Salaries and wages may not exceed the Contractor's established policy and practice, including the Contractor's established pay scale for equivalent classifications of employees, which shall be certified to by the Contractor. Nor may any individual salary or wage, without approval of the Cognizant Contracting Officer, exceed the employee'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.

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(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 of the USAID established rate for agencies without a certified SES performance appraisal system (also referred to as USAID Contractor Salary Threshold (USAID CST)) published at <http://www.opm.gov/oca/08tables/html/es.asp>, as amended from time to time, unless the Contracting Officer approves a higher amount in accordance with the Agency policy and procedures in ADS 302 "USAID Direct Contracting."

(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 non-performance, or security reasons will in no event be reimbursed for a period which extends beyond the time required to return the employee promptly to the point of origin by the most direct and expeditious air route.

(d) Annual Salary Increases

One annual salary increase not more than TBD% (includes promotional increase) 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 USAID CST may be granted only with the advance written approval of the Contracting Officer.

(e) Consultants

No compensation for consultants will be reimbursed unless their use under the contract has advance written approval of the Cognizant Technical Officer; and if such provision has been made or approval given, compensation 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 USAID CST, whichever is less. Requests for waiver to this compensation guidance must be fully justified and shall require the approval of the Contracting Officer.

(f) Initial Salaries

The initial starting salaries of all employees whose salaries are charged as a direct cost to this contract must be approved, in advance and in writing, by the Contracting Officer. Any initial starting salaries included in the contractor's proposal and accepted during negotiations, are deemed approved upon contract execution.

Note: The Contractor must retain any approvals issued pursuant to sections (a) through (f) above for audit purposes. Approvals issued pursuant to the above must be within the terms of this contract, and shall not serve to increase the total estimated cost or the obligated amount of this contract, whichever is less (see Part I, Section B.3 of this contract).

(g) Work Week

(1) Non-overseas Employees.

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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 work week for the Contractor's overseas employees shall not be less than 40 hours and shall be scheduled to coincide with the work week for those employees of the USAID Mission and the Cooperating Country associated with the work of this contract.

(h) Compensation of Cooperating Country and Third Country Nationals (CCNs/TCNs):

Consistent with AIDAR 722.170(b), it is USAID policy that TCN/CCNs who are hired as local employees and whose salaries are 100% financed under an acquisition instrument be compensated in local currency, unless a Mission waiver has been obtained permitting compensation in dollars. Employee agreements or contracts entered into by contractors and CCN/TCNs must reflect a fixed annual or monthly salary, denominated in local currency with a provision for annual salary increases that have been approved by the Contracting Officer through negotiations.

(i) 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.18 HOMELAND SECURITY PRESIDENTIAL DIRECTIVE-12 (HSPD-12) (September 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

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government-issued picture ID. (Overseas foreign nationals must comply with the requirements of the Regional Security Office.)

USAID/W contractors must contact the USAID Security Office to obtain the list of acceptable forms of documentation, and 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.19 ENVIRONMENTAL COMPLIANCE

The contractor shall comply with 22 CFR 216¹⁷ requirements, the Initial Environmental Examination Recommendations (see Attachment 8) and Afghan environmental laws and regulations.

H.20 CONSENT TO SUBCONTRACTS

In accordance with Contract 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 products or services specified here:

<u>Contractor Name</u>	<u>Services to be Performed</u>
------------------------	---------------------------------

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.

[END OF SECTION H]

¹⁷ http://www.usaid.gov/our_work/environment/compliance/index.html

Part I – Contract Clauses

SECTION I: CONTRACT CLAUSES**I.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 FAR 52.252-2 for an internet address (if specified) for electronic access to the full text of a clause.

NUMBER	TITLE	DATE
	FEDERAL ACQUISITION REGULATION (48 CFR Chapter 1)	
52.202-1	DEFINITIONS	JUL 2004
52.203-3	GRATUITIES	APR 1984
52.203-5	COVENANT AGAINST CONTINGENT FEES	APR 1984
52.203-6	RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT	SEP 2006
52.203-7	ANTI-KICKBACK PROCEDURES	JUL 1995
52.203-10	PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY	JAN 1997
52.203-12	LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS	SEP 2007
52.203-13	CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT	DEC 2008
52,203-14	DISPLAY OF HOTLINE POSTER	DEC 2007
52.204-4	PRINTED OR COPIED DOUBLE-SIDED ON RECYCLED PAPER	AUG 2000
52.204-7	CENTRAL CONTRACTOR REGISTRATION (OCT 2003)	April 2008
52.204-9	PERSONAL IDENTIFICATION VERIFICATION OF CONTRACTOR PERSONNEL	Sep 2007
52.209-6	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT	SEP 2006
52.215-2	AUDIT AND RECORDS--NEGOTIATION	JUN 1999
52.215-8	ORDER OF PRECEDENCE--UNIFORM CONTRACT FORMAT	OCT 1997
52.216-7	ALLOWABLE COST AND PAYMENT	DEC 2002
52.217-2	CANCELLATION UNDER MULTIYEAR CONTRACTS	OCT 1997
52.219-8	UTILIZATION OF SMALL BUSINESS CONCERNS	MAY 2004
52.219-9	SMALL BUSINESS SUBCONTRACTING PLAN	April 2008
52.219-16	ALTERNATE II (OCT 2001) LIQUIDATED DAMAGES – SUBCONTRACTING PLAN	JAN 1999
52.222-3	CONVICT LABOR	JUN 2003
52.222-21	PROHIBITION OF SEGREGATED FACILITIES	FEB 1999
52.222-26	EQUAL OPPORTUNITY	MAR 2007
52.222-29	NOTIFICATION OF VISA DENIAL	JUN 2003
52.222-35	EQUAL OPPORTUNITY FOR SPECIAL DISABLED VETERANS, OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS	SEP 2006
52.222-36	AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES	JUN 1998
52.222-37	EMPLOYMENT REPORTS ON SPECIAL DISABLED	SEP 2006

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	VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS	
52.222-54	EMPLOYMENT ELIGIBILITY VERIFICATION	JAN 2009
52.225-13	RESTRICTIONS ON CERTAIN FOREIGN PURCHASES	JUN 2008
52.225-19	CONTRACTOR PERSONNEL IN A DESIGNATED OPERATIONAL AREA OR SUPPORTING A DIPLOMATIC OR CONSULAR MISSION OUTSIDE THE United States.	MAR 2008
52.227-14	RIGHTS IN DATA – GENERAL	DEC 2007
52.228-3	WORKERS' COMPENSATION INSURANCE (DEFENSE BASE ACT)	APR 1984
52.228-7	INSURANCE--LIABILITY TO THIRD PERSONS	MAR 1996
52.230-2	COST ACCOUNTING STANDARDS	APR 1998
52.230-6	ADMINISTRATION OF COST ACCOUNTING STANDARDS	MAR 2008
52.232-17	INTEREST	JUN 1996
52.232-22	LIMITATION OF FUNDS	APR 1984
52.232-23	ASSIGNMENT OF CLAIMS	JAN 1986
52.232-25	PROMPT PAYMENT ALTERNATE I (FEB 2002)	OCT 2003
52.233-3	PROTEST AFTER AWARD ALTERNATE I (JUN 1985)	AUG 1996
52.233-4	APPLICABLE LAW FOR BREACH OF CONTRACT CLAIM	OCT 2004
52.237-3	CONTINUITY OF SERVICES	JAN 1991
52.242-1	NOTICE OF INTENT TO DISALLOW COSTS	APR 1984
52.242-3	PENALTIES FOR UNALLOWABLE COSTS	MAR 2001
52.242-13	BANKRUPTCY	JUL 1995
52.243-2	CHANGES--COST REIMBURSEMENT ALTERNATE II (APR 1984)	AUG 1987
52.244-2	SUBCONTRACTS ALTERNATE I (JUN 2007)	JUNE 2007
52.244-5	COMPETITION IN SUBCONTRACTING	DEC 1996
52.244-6	SUBCONTRACTS FOR COMMERCIAL ITEMS	MAR 2007
52.245-1	GOVERNMENT PROPERTY	JUN 2007
52.246-23	LIMITATION OF LIABILITY	FEB 1997
52.248-1	VALUE ENGINEERING	FEB 2000
52.249-6	TERMINATION (COST-REIMBURSEMENT) (MAY 2004)	MAY 2004
52.249-14	EXCUSABLE DELAYS	APR 1984
52.253-1	COMPUTER GENERATED FORMS AIDAR 48 CFR Chapter 7	JAN 1991
752.202-1	DEFINITIONS	
752.209-71	ORGANIZATIONAL CONFLICT OF INTEREST DISCOVERED AFTER AWARD	JUN 1993
752.211-70	LANGUAGE AND MEASUREMENT	JUN 1992
752.219-8	UTILIZATION OF SMALL BUSINESS CONCERNS AND SMALL DISADVANTAGED BUSINESS CONCERNS	
752.245-70	GOVERNMENT PROPERTY-USAID REPORTING REQUIREMENTS	
752.245-71	TITLE TO AND CARE OF PROPERTY	APR 1984
752.7001	BIOGRAPHICAL DATA	JUL 1997
752.7002	TRAVEL AND TRANSPORTATION	JAN 1990
752.7006	NOTICES	APR 1984
752.7007	PERSONNEL COMPENSATION	JUL 2007
752.7008	USE OF GOVERNMENT FACILITIES OR PERSONNEL	APR 1984
752.7010	CONVERSION OF U.S. DOLLARS TO LOCAL	APR 1984

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	CURRENCY	
752.7011	ORIENTATION AND LANGUAGE TRAINING	APR 1984
752.7013	CONTRACTOR-MISSION RELATIONSHIPS	OCT 1989
752.7014	NOTICE OF CHANGES IN TRAVEL REGULATIONS	JAN 1990
752.7015	USE OF POUCH FACILITIES	JUL 1997
752.7019	PARTICIPANT TRAINING	JAN 1999
752.7025	APPROVALS	APR 1984
752.7028	DIFFERENTIALS AND ALLOWANCES	JUL 1996
752.228-3	WORKER'S COMPENSATION INSURANCE (DEFENSE BASE ACT)	
752.228-7	INSURANCE-LIABILITY TO THIRD PERSONS	
752.7029	POST PRIVILEGES	JUL 1993
752.7032	INTERNATIONAL TRAVEL APPROVAL AND NOTIFICATION REQUIREMENTS	JAN 1990
752.7033	PHYSICAL FITNESS	JUL 1997
752.7034	ACKNOWLEDGEMENT AND DISCLAIMER	DEC 1991

I.2 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 days from the completion date of the contract.

I.3 52.217-9 OPTION TO EXTEND THE TERM OF THE CONTRACT (MAR 2000)

(a) The Government may extend the term of this contract by written notice to the Contractor within 60 days; provided that the Government gives the Contractor a preliminary written notice of its intent to extend at least 60 days before the contract expires. The preliminary notice does not commit the Government to an extension.

(b) If the Government exercises this option, the extended contract shall be considered to include this option clause.

(c) The total duration of this contract, including the exercise of any options under this clause, shall not exceed five years.

I.4 52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

This contract incorporates one or 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.usaid.gov/business/regulations/>

I.5 COMMUNICATIONS PRODUCTS (OCT 1994)

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

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(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 is 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.6 52.227-23 RIGHTS TO PROPOSAL DATA (TECHNICAL) (JUN 1987)

Except for data contained on pages *[to be inserted at time of award]*, it is agreed that as a condition of award of this contract, and notwithstanding the conditions of any notice appearing thereon, the Government shall have unlimited rights (as defined in the “rights in Data – General” clause contained in this contract) in and to the technical data contained in the proposal dated *[to be inserted at time of award]* upon which this contract is based.

I.7 AIDAR 752.225-71 LOCAL PROCUREMENT (FEB 1997)

(a) Local procurement involves the use of appropriated funds to finance the procurement of goods and services supplied by local businesses, dealers or producers, with payment normally being in the currency of the cooperating country.

(b) All locally-financed procurements must be covered by source/ origin and nationality waivers as set forth in subpart F of 22 CFR part 228 except as provided for in 22 CFR 228.40, Local procurement.

I.8 52.203-8 CANCELLATION, RESCISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY (JAN 1997)

(a) If the Government receives information that a contractor or a person has engaged in conduct constituting a violation of subsection (a), (b), (c), or (d) of Section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423) (the Act), as amended by section 4304 of the National Defense Authorization Act for Fiscal Year 1996(Pub. L. 104-106), the Government may--

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(1) Cancel the solicitation, if the contract has not yet been awarded or issued; or

(2) Rescind the contract with respect to which--

(i) The Contractor or someone acting for the Contractor has been convicted for an offense where the conduct constitutes a violation of subsection 27 (a) or (b) of the Act for the purpose of either--

(A) Exchanging the information covered by such subsections for anything of value; or

(B) Obtaining or giving anyone a competitive advantage in the award of a Federal agency procurement contract; or

(ii) The head of the contracting activity has determined, based upon a preponderance of the evidence, that the Contractor or someone acting for the Contractor has engaged in conduct constituting an offense punishable under subsection 27(e)(1) of the Act.

(b) If the Government rescinds the contract under paragraph (a) of this clause, the Government is entitled to recover, in addition to any penalty prescribed by law, the amount expended under the contract.

(c) The rights and remedies of the Government specified herein are not exclusive, and are in addition to any other rights and remedies provided by law, regulation, or under this contract.

I.9 52.243-7 NOTIFICATION OF CHANGES (APR 1984)

(a) Definitions. "Contracting Officer," as used in this clause, does not include any representative of the Contracting Officer. "Specifically Authorized Representative (SAR)," as used in this clause, means any person the Contracting Officer has so designated by written notice (a copy of which shall be provided to the Contractor) which shall refer to this subparagraph and shall be issued to the designated representative before the SAR exercises such authority.

(b) Notice. The primary purpose of this clause is to obtain prompt reporting of Government conduct that the Contractor considers to constitute a change to this contract. Except for changes identified as such in writing and signed by the Contracting Officer, the Contractor shall notify the Administrative Contracting Officer in writing promptly, within calendar days from the date that the Contractor identifies any Government conduct (including actions, inactions, and written or oral communications) that the Contractor regards as a change to the contract terms and conditions. On the basis of the most accurate information available to the Contractor, the notice shall state--

(1) The date, nature, and circumstances of the conduct regarded as a change;

(2) The name, function, and activity of each Government individual and Contractor official or employee involved in or knowledgeable about such conduct;

(3) The identification of any documents and the substance of any oral communication involved in such conduct;

(4) In the instance of alleged acceleration of scheduled performance or delivery, the basis upon which it arose;

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(5) The particular elements of contract performance for which the Contractor may seek an equitable adjustment under this clause, including--

- (i) What contract line items have been or may be affected by the alleged change;
- (ii) What labor or materials or both have been or may be added, deleted, or wasted by the alleged change;
- (iii) To the extent practicable, what delay and disruption in the manner and sequence of performance and effect on continued performance have been or may be caused by the alleged change;
- (iv) What adjustments to contract price, delivery schedule, and other provisions affected by the alleged change are estimated; and

(6) The Contractor's estimate of the time by which the Government must respond to the Contractor's notice to minimize cost, delay or disruption of performance.

(c) Continued performance. Following submission of the notice required by (b) above, the Contractor shall diligently continue performance of this contract to the maximum extent possible in accordance with its terms and conditions as construed by the Contractor, unless the notice reports a direction of the Contracting Officer or a communication from a SAR of the Contracting Officer, in either of which events the Contractor shall continue performance; provided, however, that if the Contractor regards the direction or communication as a change as described in (b) above, notice shall be given in the manner provided. All directions, communications, interpretations, orders and similar actions of the SAR shall be reduced to writing promptly and copies furnished to the Contractor and to the Contracting Officer. The Contracting Officer shall promptly countermand any action which exceeds the authority of the SAR.

(d) Government response. The Contracting Officer shall promptly, within calendar days after receipt of notice, respond to the notice in writing. In responding, the Contracting Officer shall either--

(1) Confirm that the conduct of which the Contractor gave notice constitutes a change and when necessary direct the mode of further performance;

(2) Countermand any communication regarded as a change;

(3) Deny that the conduct of which the Contractor gave notice constitutes a change and when necessary direct the mode of further performance; or

(4) In the event the Contractor's notice information is inadequate to make a decision under (1), (2), or (3) above, advise the Contractor what additional information is required, and establish the date by which it should be furnished and the date thereafter by which the Government will respond.

(e) Equitable adjustments. (1) If the Contracting Officer confirms that Government conduct effected a change as alleged by the Contractor, and the conduct causes an increase or decrease in the Contractor's cost of, or the time required for, performance of any part of the work under this contract, whether changed or not changed by such conduct, an equitable adjustment shall be made--

(i) In the contract price or delivery schedule or both; and

(ii) In such other provisions of the contract as may be affected.

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(2) The contract shall be modified in writing accordingly. In the case of drawings, designs or specifications which are defective and for which the Government is responsible, the equitable adjustment shall include the cost and time extension for delay reasonably incurred by the Contractor in attempting to comply with the defective drawings, designs or specifications before the Contractor identified, or reasonably should have identified, such defect.

When the cost of property made obsolete or excess as a result of a change confirmed by the Contracting Officer under this clause is included in the equitable adjustment, the Contracting Officer shall have the right to prescribe the manner of disposition of the property. The equitable adjustment shall not include increased costs or time extensions for delay resulting from the Contractor's failure to provide notice or to continue performance as provided, respectively, in (b) and (c) above.

I.10 752.242-70 PERIODIC PROGRESS REPORTS (JULY 1998)

(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.11 52.229-8 TAXES--FOREIGN COST-REIMBURSEMENT CONTRACTS (MAR 1990)

(a) Any tax or duty from which the United States Government is exempt by agreement with the Government of, or from which the Contractor or any subcontractor under this contract is exempt under the laws of, shall not constitute an allowable cost under this contract.

(b) If the Contractor or subcontractor under this contract obtains a foreign tax credit that reduces its Federal income tax liability under the United States Internal Revenue Code (Title 28, U.S.C.) because of the payment of any tax or duty that was reimbursed under this contract, the amount of the reduction shall be paid or credited at the time of such offset to the Government of the United States as the Contracting Officer directs.

I.12 INTERNATIONAL TRAVEL APPROVAL

In accordance with the clearance/approval requirements in paragraph (a) of AIDAR 752.7027 Personnel (DEC 1990) (incorporated by reference in section H) and AIDAR 752.7032 International Travel Approval and Notification Requirements (JAN 1990) (incorporated by reference above), the Contracting Officer hereby provides prior written approval provided that the Contractor obtains the CTO'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/task order, 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). The Contractor shall retain for audit purposes a copy of each travel concurrence.

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I.13 752.219-70 USAID MENTOR-PROTÉGÉ PROGRAM (JULY 2007)

- (a) Large and small business are encouraged to participate in the USAID Mentor-Protégé Program (the “Program”). Mentor firms provide eligible small business Protégés with developmental assistance to enhance their business capabilities and ability to obtain Federal contracts.
- (b) Mentor firms are large prime contractors or eligible small business capable of providing developmental assistance. Protégé firms are small business as defined in 13 CFR Parts 121, 124, and 126.
- (c) Developmental assistance is technical, managerial, financial, and other mutually beneficial assistance that aids Protégés. The costs for developmental assistance are not chargeable to the contract.
- (d) Firms interested in participating in the Program are encouraged to contact the USAID Mentor-Protégé Program Manager (202-712-1500) for more information.

I.14 752.219-71 MENTOR REQUIREMENTS AND EVALUATION (JULY 2007)

- (a) Mentor and Protégé firms shall submit an evaluation of the overall experience in the Program to OSDBU at the conclusion of the mutually agreed upon Program period, the conclusion of the contract, or the voluntary withdrawal by either party from the Program, whichever occurs first. At the conclusion of each year in the Mentor-Protégé Program, the Mentor and Protégé will formally brief the USAID Mentor-Protégé Program Manager regarding Program accomplishments under their Mentor-Protégé Agreement.
- (b) Mentor or Protégé shall notify OSDBU in writing, at least 30 calendar days in advance of the effective date of the firm's withdrawal from the Program.

I.15 752.7101 VOLUNTARY POPULATION PLANNING ACTIVITIES (JUNE 2008)

(a) *Requirements for Voluntary Sterilization Program.* None of the funds made available under this contract shall be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any individual to practice sterilization.

(b) *Prohibition on Abortion-Related Activities.*

(1) No funds made available under this contract 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, 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 contract 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.

(c) The contractor shall insert this provision in all subcontracts.

[END OF SECTION I]

PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS

SECTION J: LIST OF ATTACHMENTS

- APPENDIX 1: AFGHANISTAN DEVELOPMENT CONTEXT
- APPENDIX 2: SYNOPSIS OF THE AFGHANISTAN WTO ACCESSION
- APPENDIX 3: RECONSTRUCTION OPPORTUNITY ZONE BACKGROUND NOTE
- APPENDIX 4: MAP OF ROZ FOCUS AREAS
- APPENDIX 5: PAKISTAN-AFGHANISTAN ROZ OVERVIEW AND RECOMMENDATIONS
- APPENDIX 6: SAFTA RATIFICATION AND IMPACT ON AFGHANISTAN
- APPENDIX 7: CROSS BORDER CONSTRAINTS IDENTIFIED IN 2007 TRADE DIAGNOSTIC
- APPENDIX 8: IDENTIFICATION OF PRINCIPAL GEOGRAPHIC CODE NUMBERS
- APPENDIX 9: USAID FORM 1420-17 - CONTRACTOR BIOGRAPHICAL DATA SHEET
- APPENDIX 10: SF LLL - DISCLOSURE OF LOBBYING ACTIVITIES
- APPENDIX 11: CONTRACTOR PERFORMANCE REPORT – SHORT FORM
- APPENDIX 12: MODEL SUBCONTRACTING PLAN
- APPENDIX 13: LIST OF ACRONYMS
- APPENDIX 14: CONTRACTOR PERFORMANCE EVALUATION REPORT
- APPENDIX 15: INITIAL ENVIRONMENTAL EXAMINATION
- APPENDIX 16: CERTIFICATE OF CURRENT COST OR PRICING DATA
- APPENDIX 17: INTERNATIONAL ORGANIZATIONS - DONORS
- APPENDIX 18: U.S. AGENCIES
- APPENDIX 19: U.S. COUNTER-NARCOTICS STRATEGY FOR AFGHANISTAN
- APPENDIX 20: APPLICABLE WEBSITES, DOCUMENTS AND REFERENCES
- APPENDIX 21: GUIDANCE FOR USAID-FUNDED COMMUNICATIONS PRODUCTS
- APPENDIX 22: MEMORANDUM OF FOREIGN TRADE REGIME (MFTR)
- APPENDIX 23: CUSTOMS-FINAL 5-YEAR STRATEGIC PLAN 2007
- APPENDIX 24: MASTER CHART TABLE 6 ADJUSTED

Appendix 1: Afghanistan Development Context

A.1. Regional and International Opportunities for Strengthening the Trade Regime

South Asian Free Trade Agreement

On April 3, 2007, Afghanistan became a member of the South Asian Association for Regional Cooperation (SAARC), a necessary stepping stone to join the South Asian Free Trade Agreement (SAFTA). SAFTA is a key agreement within the region and governs economic cooperation among its member states.¹⁸ Its motivating principle, as stated in the SAFTA Accord established on January 7, 2004, is to “strengthen intra-SAARC economic cooperation to maximize the realization of the region’s potential for trade and development of their people.”¹⁹ Among SAFTA’s objectives are to: (1) “eliminate barriers to trade and facilitating the cross-border movement of good between” member states, (2) promote “conditions of fair competition in the free trade area”, and (3) “establishing a framework for further regional cooperation to expand and enhance the mutual benefits of this Agreement.”²⁰

At the 3rd SAFTA Ministerial Meeting held on March 3, 2008, Afghanistan’s Minister of Commerce and Industry presented the country’s protocol of accession to SAFTA. It was accepted by all member states, along with a “sensitive list” of Afghanistan’s protected goods. The protocol was formally signed by all 8 Heads of Governments in August 2008 at the SAARC Summit, in Kandy, Sri Lanka, to enter into force in November 2008 following ratification by all member states and completion of other formalities.²¹

World Trade Organization Accession

On November 21, 2004, Afghanistan submitted a renewed application for WTO membership, and a Working Party on Afghanistan’s accession was established in December 2004. The working party will meet for the first time when the country finalizes and submits its Memorandum on the Foreign Trade Regime (MFTR). The MFTR is a detailed report on the applicant’s trade regime and is the first step in the accession process. Drafts of the MFTR were prepared in mid-2007 and reviewed by donors, including the United Nations Committee on Trade and Development (UNCTAD), the German Technical Cooperation (GTZ), USAID, and the International Labor Organization (ILO), as well as by representatives of relevant Afghan ministries and by the Afghan ambassador in Geneva, and then submitted for consideration by the cabinet and President. However, due to public and private sector concerns about the competitive impact of WTO accession, no further action was taken and progress on WTO matters stalled until mid-2008. With the MOCI receiving authorization from the Cabinet’s Economic Committee to move ahead on WTO, and the adopted Afghanistan National Development Strategy (ANDS) expressing strong support for free trade and WTO accession, work on updating the

¹⁸ Current SAFTA member states include the following: Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka. If the Islamic Republic of Afghanistan ratifies the SAFTA Accession Protocol as anticipated it will become SAFTA’s 9th member.

¹⁹ “Text of the South Asian Free Trade Accord.” January 7, 2004. http://bilaterals.org/article-print.php?id_article=754

²⁰ Ibid.

²¹ Afghanistan’s protocol shall enter into force on 90th day (late November) after issuance of notification by the SAARC Secretariat upon completion of formalities. Formalities include ratification and notifications, through which all member states will issue necessary customs notifications extending the tariff concessions in accordance with the provisions of the protocol. The protocol will be an integral part of the agreement. Additional information on SAFTA is provided in Appendix 5 of these documents.

MFTR has resumed. The revised draft is expected to be ready to be sent to the WTO working party in Geneva by the end of the year.

Properly understood, WTO accession for Afghanistan provides a broad platform for it to further development goals, in particular sustainable and inclusive economic growth -- while clearing a path to secure the benefits of WTO membership. If the GIROA targets areas related to WTO reform, such as improving the business enabling environment by adopting modern commercial laws and regulations, building the capacity of trade implementing and supporting institutions to establish an adequate and transparent policy framework, and adopting effective administrative and judicial procedures, Afghanistan stands to benefit from accession even before membership is conferred. In fact, these intermediate by-products of the accession process are vital for increasing the competitiveness of domestic enterprises and attracting foreign investment.

Reconstruction Opportunity Zone (ROZ) Program

The Reconstruction and Opportunity Zone (ROZ) program announced by the United States offers three important potential benefits to Afghanistan: duty-free access to the US market for products produced in designated zones within Afghanistan and Pakistan,²² great potential for increased employment in these zones, and increased regional cooperation through trade. USG efforts to establish the ROZ program are on-going. At the time this Request for Proposals was issued, the Congressional legislation defining duty free treatment for certain goods originating from ROZs had yet to become law. While USAID hopes to take maximum advantage of the ROZ program under this Contract, the trade facilitation and capacity building interventions described here will not be dependent on the enactment of the ROZ legislation.

A November 2006 assessment completed on the viability of ROZ activities in Afghanistan and Pakistan designated Jalalabad and Kabul as the “logical places to focus near-term ROZ activity.” This assessment still holds in early 2008, due to the economic potential in these cities and the security and logistical factors that make ROZ related activities difficult to complete elsewhere in the country. Specifically, the corridor extending from the Nowshera and Swabi districts in Pakistan through to Peshawar and Kabul in Afghanistan would be the area of focus once the ROZ program is finalized and funded. Industrial parks in these districts would be targeted, with final selection of sites made by private sector entrepreneurs.²³

Using a four part selection process that included ranking sectors according to such criteria as employment generating potential, skills development capacity, required infrastructure, access to finance, and labor intensity, among others, a team of USAID analysts found the following industrial sectors (in descending order of importance) to have the greatest export potential under the ROZ program:

- Carpets
- Ceramic glazed tiles
- Apparel
- Agricultural processing
- Home textiles
- Marble products
- Gems and jewelry
- Leather products (footwear/bags)

²² In Afghanistan, the whole country is eligible for designation of ROZs; in Pakistan, just the area along the border with Afghanistan is eligible.

²³ See full discussion on final selection of ROZ designated sites in “Final Report: Reconstruction Opportunity Zones – Pakistan and Afghanistan Assessment of Possible Locations and Products (pp.80-81), November 2006. Completed under USAID Segir Task Order No. 9.

Among the products and sectors identified here, carpets, glazed ceramics, apparel, agro-processing, and home textiles ranked among the top five, in descending order of importance against established criteria.

Other Agreements

Since Afghanistan is a landlocked country, transit agreements governing its trade in goods are vital to ensuring the economy's strength. Its agreements with Pakistan are most critical, given the long border shared by the two countries and the fact that Pakistan provides the closest access to seaports. Arguably second, in terms of current trade importance and future significance, is the relationship with India.

The transit relationship with Pakistan is governed by the 1965 Afghan Transit and Trade Agreement (ATTA), which affords Afghanistan duty-free passage of its exports and imports via Pakistan. In effect, however, such goods have not only been taxed, but also significantly delayed in passage through Pakistan, at the port and in-transit overland to Afghanistan. Recently, important progress has been made toward updating the 1965 agreement. The anticipated 2008 Afghan-Pakistan Transit Agreement is intended to revise existing law to recognize that now most freight arriving in Pakistan from Afghanistan comes via road – a dramatic shift from 1965, when 90% of freight was delivered through rail lines. It will also reflect the establishment of 2 additional ports since the creation of the original transit agreement. While movement towards a more comprehensive and modern trade agreement is an important first step toward improving the trade relationship between the two countries, much work will remain in terms of implementing the agreement on the ground. As indicated in *South Asian Free Trade Area: Opportunities and Challenges*, additional issues that need to be resolved include “taxation of goods in transit to Afghanistan by [Pakistan] municipal authorities and the nearly 100 percent inspection rates that causes long delays at borders.”

For Afghanistan, as important as these unresolved “ground-level” issues with Pakistan are, the fact that both SAFTA and the draft 2008 Afghan-Pakistan transit agreement are silent on the topic of India's transit rights through Pakistan is problematic and will need to be favorably resolved for Afghanistan to realize a broad expansion in trade competitiveness. To reach the Afghan market by land, Indian products must cross through Pakistan, and several key imports come to Afghanistan from India, including “56% of all garment imports and more than a fifth of medical imports.”²⁴ In order for SAFTA membership to be most relevant for Afghanistan, these important transit issues will need to be addressed.

In addition to ATTA and SAFTA, Afghanistan participates in the Central and South Asia Transport and Trade Forums (CSATTF) Corridor Plan and is a signatory to the International Transit Convention.²⁵ It is also a member of the Economic Cooperation Organization (ECO), along with Azerbaijan, Iran, Kazakhstan, the Kyrgyz Republic, Pakistan, Turkey, Turkmenistan, and Uzbekistan. ECO focuses on regional trade liberalization and integration. Afghanistan joined the Central Asia Regional Economic Cooperation (CAREC) organization in 2005 to coordinate trade, customs, and energy policies more closely with these countries.²⁶ Most recently, Afghanistan is engaging Turkey and Pakistan through the working group on the Istanbul Forum for Economic Cooperation. The joint declaration from the first meeting, held on October 26, 2007, noted that the forum will focus on creating “joint economic projects

²⁴Trask, Kathleen. United States Agency for International Development. *South Asian Free Trade Area*. Virginia: Nathan and Associates, October 2005. Funded under the global Trade Capacity Building Project, pg. 215.

²⁵Participants include the Islamic Republic of Afghanistan, Islamic Republic of Iran as an observer, Islamic Republic of Pakistan, Republic of Tajikistan, and Republic of Uzbekistan.

²⁶ Other CAREC members include Azerbaijan, People's Republic of China (PRC), Kazakhstan, Kyrgyz Republic, Mongolia, Tajikistan, and Uzbekistan. See also Trask, Kathleen. United States Agency for International Development. *South Asian Free Trade Area*. Virginia: Nathan and Associates, October 2005. Funded under the global Trade Capacity Building Project, pg. 215.

that would especially aim at increasing prosperity and tackling the unemployment problem in the region through offering endemic solutions to endemic problems.”²⁷

The challenge for Afghanistan now is to make each of these agreements meaningful by implementing and adapting them to respond to the needs of its evolving trade environment. Thus far, little progress has been made toward implementation. Future efforts are likely to focus on SAFTA and update of the Afghan-Pakistan Transit Agreement

A.2. Synergy with other USAID/USG Projects

According to the World Bank study entitled, “The Investment Climate in Afghanistan: Exploiting Opportunities in an Uncertain Environment,” lack of electricity and access to land were the two greatest constraints for all businesses in Afghanistan, both export-oriented and domestic-focused. Limited qualified labor, insecurity, limited access to finance, poor infrastructure (i.e. road networks), inefficient transportation, and water supply constraints also hinder the growth of Afghanistan’s private sector. While removing these impediments is largely outside the manageable interests of this Activity, other USAID and USG projects are already achieving results in these areas and will provide an important complement to the activity. Some of these investments, specifically, the Economic Governance and Private Sector Strengthening (EGPSS) project and the Border Management Initiative have specific components that are already working directly on trade facilitation, mainly trade policy and customs reform. A select number of these components will be picked up and expanded under the Trade and Accession Facilitation for Afghanistan Activity. Below is a brief review of those USAID Economic Growth activities that directly support or complement trade facilitation work:

Afghanistan Small Medium Enterprise Development Project (ASMED): ASMED focuses on five economic development activities: gathering, analyzing and disseminating Afghanistan market information; developing strong business services providers; strengthening and increasing the numbers of business associations; creating public-private sector alliances that contribute to increased incomes, jobs and investment; and building the capacity of an Afghan private sector workforce. Related achievements include the following:

- By means of a global development alliance (GDA), facilitated the establishment of the first insurance company in the country – the Insurance Corporation of Afghanistan (ICA) – which introduced trade-related insurance products into the Afghan market, including marine cargo (import/export) and all cargo (import/export) insurance, as well as a wide range of business insurance, including construction all-risk insurance, business asset insurance (including equipment), and business liability insurance. Other classes of insurance are available upon request, some of them trade related, such as trade credit, general liability, motor fleet liability, professional indemnity, workers compensation/defense based act, group life and others.
- Under another GDA partnership, seeking to facilitate expansion of existing cargo transport companies, creation of new transport companies and employment of more drivers, professional staff and administrative staff in the transport sector
- Support to key export areas (carpets and handicrafts, gemstones and, cashmere and wool, food processing) with marketing and production expertise;
- Support for local private sector growth through capacity building, development of business associations, and provision of market information;

²⁷ Joint Declaration of the First Meeting of the Istanbul Forum for Economic Cooperation between Afghanistan-Turkey-Pakistan. 26 October 2007.

- Supported the merger of the Afghanistan International Chamber of Commerce (AICC) and the Afghan Chamber of Commerce and Industry (ACCI), thus creating a single entity representing the private sector and ensuring that the organization can be self-sustaining.

Agriculture Rural Investment Enterprise Strengthening (ARIES)

- Establishes micro-finance institutions throughout Afghanistan, including creation of rural credit cooperatives.
- Provides loans for micro-enterprises (currently 51% female-owned), including agro-based enterprises;
- Instituted a lending window for small and medium enterprise (SME) loans within an apex institution;

Border Management Task Force

- Provides training and “mentoring” for Afghan Customs Police and Customs officials;
- Works with Afghan agencies to improve border security;
- Assists in infrastructure and facilities development at selected border crossing points, e.g., Spin Boldak, Weesh Charman and Islam Qalah.

Economic Governance and Private Sector Strengthening (EGPSS)

- Assisted Islamic Republic of Afghanistan (IRoA) in raising \$75 million in donor grants for customs facilities (including 5 prefabricated customs buildings), uniforms, transport facilities, and security and cargo-handling equipment;
- Initiated and completed negotiations for Afghanistan’s entry into the World Customs Organization;
- Advised the Ministry of Finance with the selection and acquisition of customs automation system (ASYCUDA) and data collection system (Eurotrace);²⁸
- Helped increase customs revenue by 400% in over four years, from \$76.5 million in 2004 to \$387 million in 2008.
- Worked to reduce trader licensing time from 30 days to 4 days;
- Supported development of the mobile telecommunications sector in Afghanistan, including establishment of a telecom regulator to encourage private investment.
- Organized ROZ inter-ministerial working group to conduct study tour of Jordan Qualified Investment Zones (QIZ), leading to MOCI proposal for establishment of Trade Facilitation Zones (TFZ), which could incorporate and increase the impact of ROZs;
- Supported GIROA membership in the South Asian Association for Regional Cooperation and subsequent accession to SAFTA.
- Assisted GIROA in drafting and now updating the Memorandum of Foreign Trade Regime (MFTR), planned to be submitted for WTO review by the end of 2008;

Industrial Parks Development

²⁸ ASYCUDA is a computerized customs management system which covers most foreign trade procedures. The system handles manifests and customs declarations, accounting procedures, transit, and suspense procedures. ASYCUDA also generates trade data that can be used for statistical economic analysis. The ASYCUDA software is developed in Geneva by UNCTAD. EUROTRACE is a statistical package developed by the European Union to provide analysis of trade data. Data can be input into EUROTRACE directly from ASYCUDA or can be input manually.

- Establishing modern industrial parks in Kabul, Kandahar, and Mazir-i-Sharif;
- Industrial Parks model can be utilized in planning for implementation of ROZs and TFZs.

Land Titling and Economic Restructuring in Afghanistan (LTERA)

- Assists government in streamlining the land titling process and formalizing registration of property ownership;
- Facilitates privatization of state-owned enterprises.

A.3. Customer Involvement/Demand

Under the Afghanistan National Development Strategy (ANDS) , both trade facilitation and WTO accession are clearly supported in a number of places:

The Government is committed to pro-trade policies which maintain low trade barriers for imports and exports and take into account domestic revenues and the need to support increased domestic production by the private sector. It is important to strengthen certain competitive industries where Afghanistan possesses a comparative advantage. The Ministry of Finance will be responsible for setting the tariff regime, in consultation with relevant stakeholders. The Government’s top priority will be to improve trade and commercial relations with regional countries, taking advantage of Afghanistan’s strategic location in the region, by adopting policies and procedures that facilitate and promote transit and trade. In the short-term, the Government will focus on ensuring that custom regulations are consistently applied and that the average time required for the import and export of goods continues to decline and eventually reaches the regional average. The Government remains committed to gaining accession to the World Trade Organization.²⁹

The cross-border trade facilitation, market access, and policy reform and implementation activities, which make up the largest technical component of the Trade and Accession Facilitation for Afghanistan Activity, require strong leadership from top GIROA officials and close coordination among ministries and agencies across the Afghan government to achieve the desired results. Representatives from the following ministries and agencies will benefit from specific technical support provided by the activity: the Ministry of Commerce and Industry, Ministry of Finance, Ministry of the Economy, Ministry of Foreign Affairs, Ministry of Justice (MOJ), Afghanistan Investment Support Agency (AISA), Export Promotion Agency of Afghanistan (EPAA), Afghanistan National Standardization Authority (ANSA), and Ministry of Agriculture, Irrigation, and Livestock (MAIL). The consultation process, including the provision of technical assistance, will be designed to build the capacity of relevant Afghan institutions to carry out their legislative and executive mandates with respect to trade facilitation.

²⁹ Afghanistan National Development Strategy (ANDS), page 75.

Appendix 2: Synopsis of the Afghanistan WTO Accession

World trading rules have evolved over the past 50 years under the General Agreement on Tariffs and Trade (GATT). The Uruguay Round of Multilateral Trade negotiations created the World Trade Organization (WTO) on the basis of GATT and over 20 Multilateral Trade Agreements (MTAs) and four Plurilateral Trade Agreements (PTAs) negotiated under the Uruguay Round by countries with widely disparate economic and cultural systems. The MTAs, whose observance is mandatory for all WTO members, address a wide variety of structural issues affecting trade and business, including agriculture, product standards, customs procedures, services, investment measures, subsidies, and intellectual property. Observance of the PTAs, which cover government procurement and civil aircraft, is optional.

Three basic principles under GATT must be followed in any legislation affecting trade: (1) Most-favored nation (MFN) treatment, whereby concessions negotiated between two members are applicable and/or available to all other members; (2) national treatment, whereby foreign businesses and persons must have the same rights and privileges of domestic ones; and (3) transparency, whereby laws, regulations, and dispute resolution mechanisms must operate in a predictable and open manner.

By deciding to accede to the WTO, Afghanistan would be committing itself to accepting these basic rules of conduct by the time of accession. Although some latitude and flexibility are available, fundamentally no legislation or subsequent implementation of that legislation may be inconsistent with GATT or the MTAs. This is why senior officials from the Office of the U.S. Trade Representative (USTR) call the accession process a "technical" one, rather than a "political" one. Were the process merely political, then an acceding country that did not have a WTO-consistent foreign trade regime would be immediately subject to WTO dispute settlement procedures. More fundamentally, however, if accessions were based on non-technical criteria, this would cheapen their value and serve to undermine the principles upon which the WTO is based.

Technical subject areas covered by MTAs include the following:

- Agriculture,
- Product Standards (covered by the Agreement on Technical Barriers to Trade);
- Intellectual Property Rights (covered by the Agreement on Trade Related Aspects of Intellectual Property Rights, or TRIPs);
- Customs regime (covered by numerous agreements);
- Trade Protection Mechanisms (covered by three specific agreements governing Antidumping, Countervailing Duties, and Safeguards mechanisms);
- State Trading Enterprises;
- Sanitary & Phytosanitary Measures;
- Textiles;
- Trade Related Investment Measures (TRIMs); and
- Trade in Services (GATS).

Subject areas covered by PTAs include the following:

- Agreement on Trade in Civil Aircraft; and
- Agreement on Government Procurement;

In a practical sense, the IROA accession would imply binding of tariffs at set levels, termination of import and export quotas, implementation of the Harmonized System of Tariff Nomenclature, and a forswearing of subsidies for production of goods for export. It would also comprehend a similar relaxation of restrictions in the different areas of services. Accession to WTO would necessitate a change, as well, in the "culture" of regulation of trade and investment, requiring a degree of transparency in administration and enforcement procedures that will take considerable education and training for Afghan officials to appreciate and implement.

Within this mix, a central challenge for Afghanistan in the accession process is to ensure that the country avails itself of WTO concessions accorded to least-developed countries (LDCs) and land-locked LDCs (LLDCs), following the conclusion of the Uruguay Round. Two important concession packages were created in 1996 and 1997, namely the "Plan of Action for Least-Developed Countries," which includes technical assistance... "and a pledge from developed countries to improve market access for least-developed countries" as well as the "Integrated Framework" launched by six international organizations to further assist LDCs in the accession process. The IF, as the Integrated Framework is called, and the "enhanced IF (EIF)," its follow-on, exist to support LDCs in integrating national trade policies with development policies. Since the inauguration of the Doha Round in 2001, commonly referred to as the "development round" because of its focus on agriculture and the challenges developing countries encounter in implementing WTO agreements, other forms of technical assistance have evolved, including the 2002 "work program" for LDCs. To summarize, the work program focuses on improved market access, a more streamlined accession process for LDCs, and technical assistance in terms of observing and following the work of the WTO. The accession of Cambodia (October 2004) and Nepal (March 2004) -- the only LDCs to gain membership since the inauguration of the WTO -- is instructive for Afghanistan. Observers suggest that neither Nepal nor Cambodia was able to fully exploit the special and differential terms available to them due to their inability to gain the cooperation of their WTO working group members³⁰.

As an eventual WTO member, Afghanistan can expect its status to translate into the following set of gains:

1. Increased trade capacity and access to international markets
2. Expanded foreign direct investment flows
3. Access to an international trade dispute mechanism
4. Protection from unfair trade practices
5. Increased influence over the development of international trade standards and rules

The magnitude of these gains will of course be governed by the terms under which Afghanistan adopts basic WTO requirements related to trade, the robustness of its internal business enabling environment reforms, the skill with which it negotiates concessions on

³⁰ Cheng, Fuzhi. "Cambodia's WTO Accession." Cornell University, p. 9 -10, 2007.

market access for its goods and services, and the extent to which it is able to the advantage of the preferential terms now available to LDCs.

Process of WTO Accession

The five key steps in any WTO accession process are the following: (1) initial notification, (2) organization and convening of a Working Party Group, (3) foreign trade regime examination and review, (4) market access negotiations, and (5) negotiation of a Protocol of Accession.

A. Initial Notification and Application:

Country governments as well as customs entities, like Hong Kong and the European Union, may accede to the WTO. Typically, the applicant government applies first for observer status, and at some later time applies formally for membership. Following some statement of intention to apply, the applicant government submits a "Memorandum of Foreign Trade Regime (MFTR)", which outlines its trade laws and practices according to the format specified by the WTO Secretariat. Afghanistan is in the process of completing its MFTR and expects to submit it by the end of 2008.

B. Organization and Convening of a Working Party Group:

Following submission of a Memorandum of Foreign Trade Regime (which must be submitted in either English, French, or Spanish - the three official languages used by the WTO), the WTO Secretariat prepares translations, if necessary. Simultaneously, a Working Party Group is organized, comprising representatives of WTO members with an expressed interest in the particular applicant government's accession. The Secretariat arranges the appointment of a chairman for each specific Working Party Group. The chairman serves as a communications conduit regarding accession procedures (like the convening of Working Party Meetings) and as a "Sherpa" guiding the accession process.

C. Foreign Trade Regime Examination and Discussion:

This is done through the applicant government's thorough preparation of documentation and through answering technical questions posed by WTO member countries. Documentation includes the following:

- 1) Memorandum of Foreign Trade Regime (ACC/1)
- 2) Documentation prescribed by various WTO Secretariat memoranda, including:
 - a. Questionnaire on technical product standards and certification requirements;
 - b. ACC/4 - Questionnaire on Agriculture, including Aggregate Measures of Support, subsidies; and
 - c. ACC/5 - Questionnaire on Services.
- 3) Answers to possibly hundreds of questions (i.e., questions which have been posed by WTO signatories and forwarded by the WTO Secretariat to the applicant). Afghanistan's answers would be sent to the WTO Secretariat, and would form part of the agenda of the next Working Party Meeting. This process may be repeated a

- number of times before progressing to next steps.
- 4) Preparation of a Tariff Schedule in WTO-prescribed format.

D. Market Access Negotiations:

Negotiations take place on a bilateral basis outside the formal workings of the Working Party. It should be expected that negotiations would take place with the applicant's major trading partners. Then next phase of the accession process is the Offer on Tariff Concessions, to be completed once bilateral negotiations with major trading partners are concluded. This is followed by the Report of the Working Party on the applicant's accession, which outlines the various commitments to be made by the applicant's government concerning WTO obligations. The applicant then has to prepare the following items to complete this phase of the accession:

- 1) Offer on Goods;
- 2) Offer on Services.

Negotiations then proceed through meetings with the Working Party to go through the many actions required of the applicant country, including changes in laws, regulations and procedures necessary to meet WTO requirements, and to prescribe additional actions needed. These negotiations can take a considerable amount of time, with Working Party meetings scheduled only when the applicant can show significant progress toward fulfilling the requirements laid out at the previous meeting.

E. Protocol of Accession:

This is a WTO document which outlines the conditions under which the applicant's accession is to be accomplished; it will outline any special conditions to be applied during any phase-in period following formal accession by the applicant. (To be negotiated and agreed upon once all previous phases are completed.)

The Contractor shall be precluded from taking part in diplomatic negotiations concerning the terms of market access and a Protocol of Accession. The bulk of the Contractor's activities concerning the process of accession will entail examination and review of the foreign trade regime

Appendix 3: Reconstruction Opportunity Zone Background Note 31



Briefing by U.S. Administration Highlights Proposed Reconstruction Opportunity Zones (ROZs) for Afghanistan and Pakistan

WASHINGTON – As part of its objective to facilitate business and investment between the U.S. and Afghanistan, the Afghan-American Chamber of Commerce (AACC), in conjunction with the Embassy of Afghanistan, held an industry briefing on proposed Reconstruction Opportunity Zones (“ROZs”) for Afghanistan and Pakistan. Over sixty representatives of major U.S. corporations, development organizations, and government agencies attended the event in order to learn about ROZs, a new program for Afghanistan and border areas of Pakistan recently proposed by the U.S. Administration to Congress.

An Afghan-Pakistan ROZ program could address the issue of lack of economic development and jobs that has led to these areas becoming a breeding ground for insurgents, terrorists, and drug smuggling. They would present a way to create zones of economic opportunity to replace zones of instability. The program would provide duty-free access into the U.S. market for certain goods produced in approved areas and thus would create significant employment opportunities. A similar program has helped to create thousands of jobs and significantly increased exports from Jordan.

The event provided the first briefing on proposed ROZs by the U.S. administration to private sector representatives interested in doing business in Afghanistan. Deputy Assistant Secretary of State for Trade Policy and Programs Chris Moore and Deputy United States Trade Representative for South Asia Claudio Lilienfeld provided information on the Administration’s proposal to Congress. Deputy Assistant Secretary Moore stated that President Bush had announced the ROZ proposal in March 2006 in a visit to the region. Moore noted that, “We recognize that ROZs are just a part of overall economic development efforts” and that “We are looking at other programs such as employment skills, trade facilitation and infrastructure to complement the ROZ initiative.” H.E. Said T. Jawad, Afghanistan’s Ambassador to the United States, shared the Government of Afghanistan’s perspective on ROZs, stating “ROZs will provide for regional cooperation and global security.”

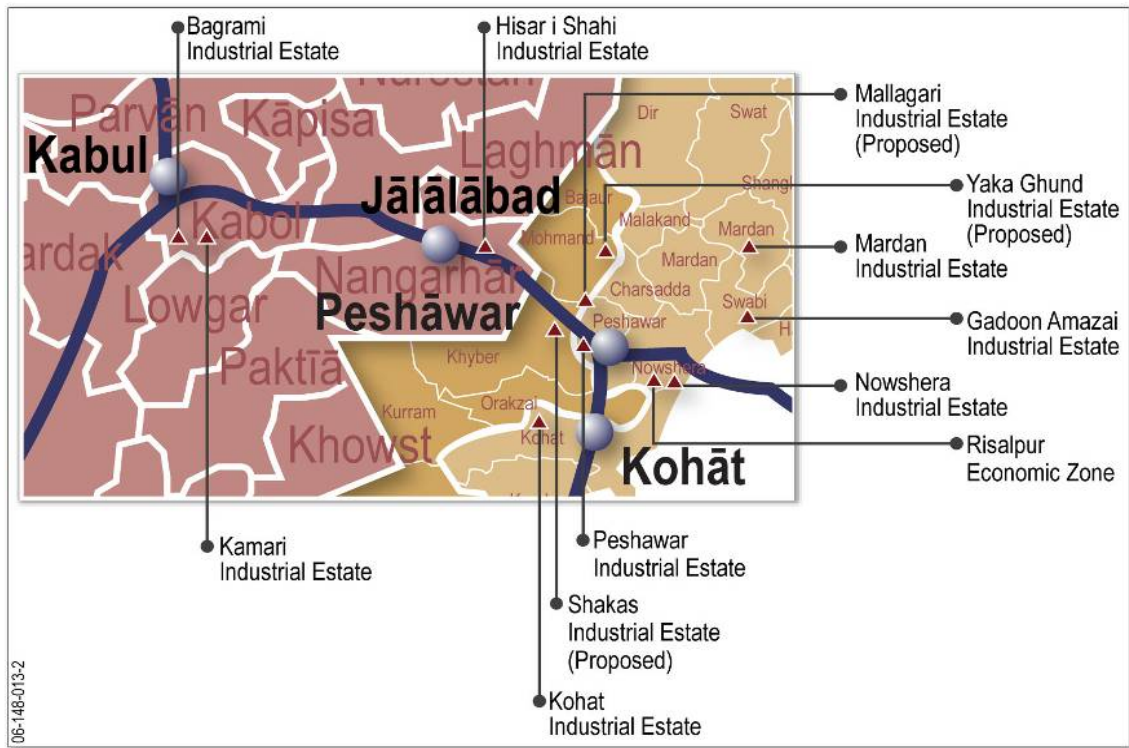
AACC’s President Atiq Panjshiri commented on the potential benefit to the private sector from such a program. Mr. Panjshiri noted, “With the right approach, and balancing the benefits of the ROZ to both Afghanistan and border areas of Pakistan, it is possible that this program could work to promote investment in these areas.” AACC Executive Vice President Assad Mattin stressed the importance of such a program for security and counter narcotics efforts. Mariam Nawabi of AACC, who moderated the event, stated “The ROZ proposal is a

great example of a public-private partnership” and encouraged participating companies to show their support for the program on Capitol Hill.

The Administration has begun a dialogue with key Committees on Capitol Hill on proposed ROZ legislation for Afghanistan and the border areas of Pakistan. Given security and counter narcotics issues, it is hoped that the proposal will be taken up soon and will move forward through the lawmaking process.

Appendix 4: Map of ROZ Focus Areas

Pakistan-Afghanistan Combined Focus Areas



Appendix 5: Pakistan-Afghanistan ROZ Overview and Recommendations³²

Based on the foregoing analyses of the potential for ROZ development in Pakistan and Afghanistan, this concluding chapter lays out approaches for some fundamental aspects of the ROZ program: mechanisms for designating ROZ eligible locations, enterprises, and products; ROZ rules of origin; reducing transit trade costs; and the options for supporting the core ROZ tariff reduction mechanism with complementary support programs to maximize its economic and security impact.

Central to these issue areas is the assessment's conclusion that the ROZ tariff preference program, while potentially beneficial, does not in and of itself create sufficient incentives to dramatically transform the regional economies in the study area. The locational and security disadvantages inherent to these areas are considerable and, while difficult to price with accuracy, are in the same order of magnitude or greater than the potential gains through preferential access to the U.S. market. The ROZ's potential instead lies in being part of a broader effort to encourage economic cooperation between Afghanistan and Pakistan and to support industry within the study area to penetrate export markets. This approach recognizes both that initial export volumes to the U.S. will be low and that efforts to increase export competitiveness will be required to achieve the ROZs' strategic objectives.

ROZ Designation

The study team made two general findings that relate to potential implementation of the ROZ program in the two countries. First, the study team determined that the ROZ focus area for the two countries forms a corridor extending from the Nowshera and Swabi districts on the east, through Peshawar and to Kabul on the west. This corridor offers the greatest opportunity to stimulate export related investment and industrial development in the near term. As the ROZ program demonstrates results in the focus areas it can expand to other locations in the ROZ eligible territories including Balochistan and Earthquake Affected Areas as well as the other eligible locations within Afghanistan. Map 13 highlights this combined focus area and the locations of the existing industrial estates.

The second finding was that the private sector should be extensively involved in the final selection of sites in the focus areas and suggest consideration of the selection process used in the US sponsored QIZ program in Egypt. An area would be designated as ROZ eligible and applications accepted from the private sector for ROZ designation. In the case of the Egypt four broad industrial zones were created: Greater Cairo (including Giza, Shubra Al Kheima, Nasr City, 10th Ramadan City, 15th May City, Badr City, 6th October City, Obour City, Kalyoub City and the industrial area in Gesr El Suez), Alexandria, the Suez Canal Area (including: Port Said, Ismaillia and Suez), and the Middle Delta (including the governorates of: Gharbia, Dakahlya, Monofia and Dommiata).

The QIZ application procedure applied to the ROZ would include the following steps:

- A company submits a ROZ application along with all the required supporting documents, such as the Tax I.D., the Industrial License, and the Commercial Register Number, and location details
- The application is reviewed by the ROZ administrative unit to ascertain that the company's production facilities are located within a ROZ eligible area
- The application is submitted to the Joint Committee, which could be comprised of representatives from Pakistan or Afghanistan and the U.S. Government (e.g. U.S. Trade Representative, Customs, etc). The Committee convenes at least once every three months and would review and approves applications that meet the location requirements.
- Applications can be approved via mail as an alternative to waiting for the Joint Committee to be held.

³² Excerpted from the following document: United States of America. United States Agency for International Development. Final Report Reconstruction Opportunity Zones: Pakistan and Afghanistan Assessment of Possible Locations and Products. Virginia: Bearing Point International, 2006.

- Each ROZ factory (not company) would receive its own ROZ registration and I.D. number even if they are all owned by the same company.

ROZ Support Program

There is a wide range of support programs that would enhance the competitiveness of export enterprises in the ROZ. While implementation of these programs will have to be agreed and coordinated among the governments of Afghanistan, Pakistan, and the international donor community, all of these measures will help to support and diversify the economic opportunities conferred by the ROZ program itself. Such programs could include:

- Target infrastructure development initiatives to improve power and transportation infrastructure in the focus areas.
- Expand and accelerate the development of industrial estates specifically geared to companies producing ROZ eligible products. Emphasis should be placed on industrial estates sponsored through a public-private partnership or by the private sector alone.
- Expand regional trade negotiations through such organizations as SAFTA to create greater opportunities to develop exports for the regional.
- Target export promotion and market access programs for ROZ eligible export-oriented industries.
- Target export finance to overcome the current limitations of local financing mechanisms. Adequate financing will be critical to insure that the ROZ benefits reach the broadest range of business types, especially the small to medium scale enterprises in such industries as marble, gems and jewelry, carpets, and furniture.
- Expand skills training in high-potential industries to reduce the cost of recruiting and training skilled labor.
- Upgrade quality standards in high-potential industries, especially agricultural products which must meet health and sanitary standards to enter the US market.

Appendix 6: SAFTA Ratification and Impact on Afghanistan

Afghanistan is the first new member admitted to SAFTA since the formation of SAARC, and it is one of SAFTA's least developed members (LDMs).³³ At the request of the SAARC Secretariat on behalf of the member states, Afghanistan submitted its sensitive list (which contains over 1000 tariff lines) in mid-2007.

In terms of trade preferences, Afghanistan will have 0% concessionary rates of duty for all its exports to India except for the items on India's sensitive list. India has also advanced its tariff liberalization program for LDMs. In addition, Afghanistan will benefit from preferential access to Pakistan and Sri Lanka, based on their tariff liberalization program (TLP). Finally, the other LDMs will also offer Afghanistan concessionary rates of duties for its exports to those countries. Afghanistan will have to reduce its import duties, except for the items on its sensitive list, according to the TLP, and bring them down to 0 - 5% by the end of 2015. All concessionary rates of duties are subject to the rules of origin criteria.

As LDMs depend greatly on customs duties for revenue, member states have agreed on a formula of compensation for revenue loss for LDMs under SAFTA which will give Afghanistan compensation for four years. SAFTA will also encourage investment, especially joint ventures. There are other benefits such as cooperation among customs agencies in the region, harmonization of standards, and meetings of the governors of the central banks. Cooperation in the areas of food security, transport, and health is also addressed. Finally, technical assistance is provided to LDMs for capacity building purposes related to customs procedures and legislative and policy reform.

³³ The list of least developed members under SAARC includes Bangladesh, Maldives, Nepal, and Bhutan.

Appendix 7: Cross Border Constraints Identified in 2007 Trade Diagnostic

- Lack of senior advisors who can assist the ACD Commissioner in carrying forward border management reform efforts aimed at staff training, adopting internationally accepted methods for customs valuation, enforcement of workplace ethics and standards, and implementation of appropriate risk management systems, among other reforms.
 - Prevailing opinion among custom agents that trade facilitation impedes ACD revenue collection, thus reinforcing their commitment to outdated procedures that are complex, multi-tiered, time consuming and costly for traders.
 - Poor conditions at border ports, including deteriorating port facilities used to warehouse and transship goods.
 - Heavy reliance on customs collection as the principle source of domestic revenue, creating incentives for customs agents to misclassify goods, cease refunds, and increase the number of unwarranted seizures, among other trade-inhibiting practices.³⁴
 - Use of standard price lists for custom valuation, instead of declared invoice values, that slows trade flow and is non-WTO compliant.
 - Low salaries, coupled with meager living conditions along the border, create a climate for corruption among customs officials.
 - Inability to retain trained and qualified staff at the ACD.
 - Lack of formal training of customs agents, at the point of joining the department and during employment tenure.
 - An incomplete Customs Law which does not support post release audits. These audits would facilitate the efficient movement of goods across the border and build up risk management capacity within the ACD.
 - Weak transport sector serving importers and exporters (e.g., vehicles shipping goods to Karachi seaport do not meet international standards; lack of available rail cars in Pakistan increases demurrage charges for Afghan exports; air cargo services are limited and expensive; limited automated systems and unpredictable transportation times increase costs).
 - Professional cadre of trained, well-informed customs brokers absent.
 - Business and trade associations insufficiently integrated into trade process.
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³⁴According to 2004 estimates, 60% of Afghanistan's domestic revenue is derived from customs collections. About half of all government revenue is generated from domestic sources. Donors contribute the remaining half. See Trask, Kathleen, "South Asian Free Trade Area: Opportunities and Challenges," USAID/Kabul, 2005, p. 220.

Appendix 8: IDENTIFICATION OF PRINCIPAL GEOGRAPHIC CODE NUMBERS

The USAID Geographic Code Book sets forth the official description of all geographic codes used by USAID in authorizing or implementing documents, to designate authorized source countries or areas. The following are summaries of the principal codes:

(a) Code 000--The United States: The United States of America, any State(s) of the United States, the District of Columbia, and areas of U.S.-associated sovereignty, including commonwealths, territories and possessions.

(b) Code 899--Any area or country, except the cooperating country itself and the following foreign policy restricted countries: Libya, Cuba, Iran, North Korea, and Syria.

(c) Code 935--Any area or country including the cooperating country, but excluding the foreign policy restricted countries.

(d) Code 941--The United States and any independent country (excluding foreign policy restricted countries), except the cooperating country itself and the following: Albania, Andorra, Angola, Armenia, Austria, Australia, Azerbaijan, Bahamas, Bahrain, Belgium, Bosnia and Herzegovina, Bulgaria, Belarus, Canada, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Gabon, Georgia, Germany, Greece, Hong Kong, Hungary, Iceland, Ireland, Italy, Japan, Kazakhstan, Kuwait, Kyrgyzstan, Latvia, Liechtenstein, Lithuania, Luxembourg, Macedonia*, Malta, Moldova, Monaco, Mongolia, Montenegro*, Netherlands, New Zealand, Norway, Poland, Portugal, Qatar, Romania, Russia, San Marino, Saudi Arabia, Serbia*, Singapore, Slovak Republic, Slovenia, South Africa, Spain, Sweden, Switzerland, Taiwan*, Tajikistan, Turkmenistan, Ukraine, United Arab Emirates, United Kingdom, Uzbekistan, and Vatican City.

(e) Code 110 – Collective for New Independent States of the former Soviet Union.

* Has the status of a "Geopolitical Entity", rather than an independent country.

Appendix 9: USAID FORM 1420-17 - CONTRACTOR BIOGRAPHICAL DATA SHEET

SEE FOLLOWING PAGE

CONTRACTOR EMPLOYEE BIOGRAPHICAL DATA SHEET

1. Name (Last, First, Middle)		2. Contractor's Name			
3. Employee's Address (include ZIP code)		4. Contract Number		5. Position Under Contract	
		6. Proposed Salary		7. Duration of Assignment	
8. Telephone Number (include area code)	9. Place of Birth		10. Citizenship (if non-U.S. citizen, give visa status)		

11. Names, Ages, and Relationship of Dependents to Accompany Individual to Country of Assignment

12. EDUCATION (include all college or university degrees)				13. LANGUAGE PROFICIENCY (See Instructions on Reverse)		
NAME AND LOCATION OF INSTITUTE	MAJOR	DEGREE	DATE	LANGUAGE	Proficiency Speaking	Proficiency Reading

14. EMPLOYMENT HISTORY

1. Give last three (3) years. List salaries separate for each year. Continue on separate sheet of paper if required to list all employment related to duties of proposed assignment.
2. Salary definition - basic periodic payment for services rendered. Exclude bonuses, profit-sharing arrangements, or dependent education allowances.

POSITION TITLE	EMPLOYER'S NAME AND ADDRESS POINT OF CONTACT & TELEPHONE #	Dates of Employment (M/D/Y)		Annual Salary
		From	To	Dollars

15. SPECIFIC CONSULTANT SERVICES (give last three (3) years)

SERVICES PERFORMED	EMPLOYER'S NAME AND ADDRESS POINT OF CONTACT & TELEPHONE #	Dates of Employment (M/D/Y)		Days at Rate	Daily Rate in Dollars
		From	To		

16. CERTIFICATION: To the best of my knowledge, the above facts as stated are true and correct.

Signature of Employee	Date
-----------------------	------

17. CONTRACTOR'S CERTIFICATION (To be signed by responsible representative of Contractor)

Contractor certifies in submitting this form that it has taken reasonable steps (in accordance with sound business practices) to verify the information contained in this form. Contractor understands that the USAID may rely on the accuracy of such information in negotiating and reimbursing personnel under this contract. The making of certifications that are false, fictitious, or fraudulent, or that are based on inadequately verified information, may result in appropriate remedial action by USAID, taking into consideration all of the pertinent facts and circumstances, ranging from refund claims to criminal prosecution.

Signature of Contractor's Representative	Date
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INSTRUCTION

Indicate your language proficiency in block 13 using the following numeric Interagency Language Roundtable levels (Foreign Service Institute Levels). Also, the following provides brief descriptions of proficiency levels 2, 3, 4, and 5. 'S' indicates speaking ability and 'R' indicates reading ability. For more indepth description of the levels refer to USAID Handbook 28.

2. Limited working proficiency

S Able to satisfy routine special demands and limited work requirements

R Sufficient comprehension to read simple, authentic written material in a form equivalent to usual printing or typescript on familiar subjects.

3. General professional proficiency

S Able to speak the Language with sufficient structural accuracy and vocabulary to participate effectively in most formal and informal conversations.

R Able to read within a normal range of speed and with almost complete comprehension.

4. Advanced professional proficiency

S Able to use the language fluently and accurately on all levels.

R Nearly native ability to read and understand extremely difficult or abstract prose, colloquialisms and slang.

5. Functional native proficiency

S Speaking proficiency is functionally equivalent to that of a highly articulate well-educated native speaker.

R Reading proficiency is functionally equivalent to that of the well-educated native reader.

PAPERWORK REDUCTION ACT INFORMATION

The information requested by this form is necessary for prudent management and administration of public funds under USAID contracts. The information helps USAID estimate overseas logistic support and allowances, the educational information provides an indication of qualifications, the salary information is used as a means of cost monitoring and to help determine reasonableness of proposed salary.

PAPERWORK REDUCTION ACT NOTICE

Public reporting burden for this collection of information is estimated to average thirty minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to:

United States Agency for International Development
Procurement Policy Division (M/OP/P)
Washington, DC 20523-1435,
and
Office of Management and Budget
Paperwork Reduction Project (0412-0520)
Washington, DC 20503

Appendix 10: SF LLL - DISCLOSURE OF LOBBYING ACTIVITIES

SEE FOLLOWING PAGE

DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure.)

Approved by OMB
0348-0046

<p>1. Type of Federal Action:</p> <input type="checkbox"/> a. CONTRACT <input type="checkbox"/> b. GRANT <input type="checkbox"/> c. COOPERATIVE AGREEMENT <input type="checkbox"/> d. LOAN <input type="checkbox"/> e. LOAN GUARANTEE <input type="checkbox"/> f. LOAN INSURANCE	<p>2. Status of Federal Action:</p> <input type="checkbox"/> a. BID/OFFER/APPLICATION <input type="checkbox"/> b. INITIAL AWARD <input type="checkbox"/> c. POST-AWARD	<p>3. Report Type</p> <input type="checkbox"/> a. INITIAL FILING <input type="checkbox"/> b. MATERIAL CHANGE FOR MATERIAL CHANGE ONLY: YEAR _____ QUARTER _____ DATE OF LAST REPORT _____
<p>4. Name and Address of Reporting Entity:</p> <input type="checkbox"/> PRIME <input type="checkbox"/> SUBAWARDEE TIER _____, IF KNOWN: Congressional District, if known: _____	<p>5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of _____ Congressional District, if known: _____</p>	
<p>6. Federal Department/Agency</p>	<p>7. Federal Program Name/Description:</p> <p style="text-align: right;">CFDA Number, if applicable: _____</p>	
<p>8. Federal Action Number if known: _____</p>	<p>9. Award Amount if known: _____</p>	
<p>10a. Name and Address of Lobbying Entity (if individual, last name, first name, MI)</p>	<p>b. Individual Performing Services (including address if different from No. 10A) (last name, first name, MI)</p>	
(attach Continuation sheet(s) SF LLL-A, if necessary)		
<p>11. Amount of Payment (check all that apply):</p> <p>_____ <input type="checkbox"/> actual <input type="checkbox"/> planned</p>	<p>13. Type of Payment (check all that apply):</p> <input type="checkbox"/> a. RETAINER <input type="checkbox"/> b. ONE-TIME FEE <input type="checkbox"/> c. COMMISSION <input type="checkbox"/> d. CONTINGENT FEE <input type="checkbox"/> e. DEFERRED <input type="checkbox"/> f. OTHER; SPECIFY: _____	
<p>12. Form of Payment (check all that apply):</p> <input type="checkbox"/> a. cash <input type="checkbox"/> b. in-kind; specify: nature _____ value _____		
<p>14. Brief Description of Services performed or to be Performed and Date(s) or Service, including officer(s), employee(s), or Member(s) contacted, for Payment indicated in Item 11:</p> <p style="text-align: center;">(attach Continuation sheet(s) SF LLL-A, if necessary)</p>		
<p>15. Continuation Sheet(s) SF-LLL-A attached: <input type="checkbox"/> Yes <input type="checkbox"/> No</p>		
<p>11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.</p>	<p>Signature: _____</p> <p>Printed Name: _____</p> <p>Title: _____</p> <p>Telephone No.: _____ Date: _____</p>	
<p>Federal Use Only:</p>		<p>AUTHORIZED FOR LOCAL REPRODUCTION Standard Form - LLL</p>

INSTRUCTIONS

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation of receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Use the SF-LLL-A Continuation Sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, state and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee", then enter the full name, address, city, state and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (Item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in Item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in Item 4 or 5.
10. (a) Enter the full name, address, city, state and zip code of the lobbying entity engaged by the reporting entity identified in Item 4 to influence the covered Federal action.

(b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter last Name, First Name, and Middle Initial (MI).
11. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (Item 4) to the lobbying entity (Item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
12. Check the appropriate box(es). Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
13. Check the appropriate box(es). Check all boxes that apply. In other, specify nature.
14. Provide a specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the date(s) of any services rendered. Include all preparatory and related activity, not just time spent in actual contact with Federal officials. Identify the Federal official(s) or employee(s) contacted of the officer(s), employee(s), or Member(s) of Congress that were contacted.
15. Check whether or not a SF-LLL-A Continuation Sheet(s) is attached.
16. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503.

Appendix 11: CONTRACTOR PERFORMANCE REPORT – SHORT FORM

SEE FOLLOWING PAGE

Appendix 11

Approved by OMB
0348-0046

CONTRACTOR PERFORMANCE REPORT - SHORT FORM

Reporting Entity: _____ Page _____ of _____

PART I: Contract Information (to be completed by Contracting Officer)

- 1. Name of Contracting Entity: _____
- 2. Contract Number: _____
- 3. Contract Type: _____
- 4. Contract Value (TEC): _____
- 5. Description of Work/Services: _____
- 6. Problems: (If problems encountered on this contract, explain corrective action taken) _____
- 7. Contacts: (Name, Telephone Number and E-mail address) _____
- a. Contracting Officer: _____
- b. Other: _____
- 8. Offeror: _____
- 9. Information Provided in Response to RFP No. : _____

PART II: Performance Assessment (to be completed by Agency)

- 1. Quality of product or service. Comment: _____
- 2. Cost control. Comment: _____
- 3. Timeliness of performance. Comment: _____
- 4. Customer satisfaction. Comment: _____
- 5. Effectiveness of key personnel. Comment: _____

Information Provided by:

Name:

Phone/Fax/Internet Address:

Date:

Information Collected by:

Name/Office:

Signature: _____

OMB No. 9000-0142

Appendix 12: MODEL SUBCONTRACTING PLAN

**SMALL BUSINESS, VETERAN-OWNED SMALL BUSINESS,
HUBZONE SMALL BUSINESS CONCERNS,
SMALL DISADVANTAGED BUSINESS,
and WOMEN-OWNED SMALL BUSINESS**

MODEL SUBCONTRACTING PLAN OUTLINE *

Identification Data

Contractor: _____

Address: _____

Solicitation or Contract Number: _____

Project Title: _____

Total Amount of Contract (Including Options) \$ _____

Period of Contract Performance (MO. & YR.) _____

* *Federal Acquisition Regulation (FAR), paragraph 19.708(b) prescribes the use of the clause at FAR 52.219-9 entitled "Small Business, Small Disadvantaged Business, and Women Owned Small Business Subcontracting Plan." The following is a suggested model for use when formulating such subcontracting plan. While this model plan has been designed to be consistent with FAR 52.219-9, other formats of a subcontracting plan may be acceptable. However, failure to include the essential information as exemplified in this model may be cause for either a delay in acceptance or the rejection of a bid or offer where the clause is applicable. Further, the use of this model is not intended to waive other requirements that may be applicable under FAR 52.219-9. "SUBCONTRACT" as used in this clause, means any agreement (other than one involving an employer-employee relationship) entered into by a Federal Government prime contractor or subcontractor calling for supplies or services required for performance of the contract or subcontract.*

1. Type of Plan (Check One)

____ Individual plan (All elements developed specifically for this contract and applicable for the full term of this contract).

____ Master plan (Goals developed for this contract; all other elements standard; must be renewed annually).

____ Commercial products plan (Contractor sells large quantities of off-the-shelf commodities to many Government agencies. Plans/goals negotiated by a lead agency on a company-wide basis rather than for individual contracts. Plan effective only during year approved. Contractor must provide copy of lead agency approval).

(d) The offeror's subcontracting plan shall include the following:

(1) Goals, expressed in terms of percentages of total planned subcontracting dollars, for the use of small business, veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns as subcontractors. Service-disabled veteran-owned small business concerns meet the definition of veteran-owned small business concerns, and offerors may include them within the subcontracting plan goal for veteran-owned small business concerns. A separate goal for service-disabled veteran-owned small business concerns is not required. The offeror shall include all subcontracts that contribute to contract performance, and may include a proportionate share of products and services that are normally allocated as indirect costs.

(2) A statement of--

(i) Total dollars planned to be subcontracted for an individual contract plan; or the offeror's total projected sales, expressed in dollars, and the total value of projected subcontracts to support the sales for a commercial plan is:

\$ _____ and _____ %

(ii) Total dollars planned to be subcontracted to small business concerns is:

\$ _____ and _____ %*

(iii) Total dollars planned to be subcontracted to veteran-owned small business concerns is:

\$ _____ and _____ %*

(iv) Total dollars planned to be subcontracted to service-disabled veteran-owned small business concerns is:

\$ _____ and _____ %*

(v) Total dollars planned to be subcontracted to HUBZone small business concerns is:

\$ _____ and _____ %*

(vi) Total dollars planned to be subcontracted to small disadvantaged business concerns is:

\$ _____ and _____ %*

(vii) Total dollars planned to be subcontracted to women-owned small business concerns is:

\$ _____ and _____ %*

(*Expressed as a percentage of "A")

(3) A description of the principal types of supplies and services to be subcontracted, and an identification of the types planned for subcontracting to--

- (i) Small business concerns;
- (ii) Veteran-owned small business concerns;
- (iii) HUBZone small business concerns;
- (iv) Small disadvantaged business concerns; and
- (v) Women-owned small business concerns.

(check all that apply)

Subcontracted

Supplies/Services LB SB VOSB SDVOSB HUBZone SDB WOSB

(Attach additional sheets if necessary.)

(4) A description of the method used to develop the subcontracting goals in paragraph (d)(1) of this clause.

(5) A description of the method used to identify potential sources for solicitation purposes (e.g., existing company source lists, the Procurement Marketing and Access Network (PRO-Net) of the Small Business Administration (SBA), veterans service organizations, the National Minority Purchasing Council Vendor Information Service, the Research and Information Division of the Minority Business Development Agency in the Department of Commerce, or small, HUBZone, small disadvantaged, and women-owned small business trade associations). A firm may rely on the information contained in PRO-Net as an accurate representation of a concern's size and ownership characteristics for the purposes of maintaining a small, veteran-owned small, HUBZone small, small disadvantaged, and women-owned small business source list. Use of PRO-Net as its source list does not relieve a firm of its responsibilities (e.g., outreach, assistance, counseling, or publicizing subcontracting opportunities) in this clause.

(6) A statement as to whether or not the offeror included indirect costs in establishing subcontracting goals, and a description of the method used to determine the proportionate share of indirect costs to be incurred with—

- (i) Small business concerns;
- (ii) Veteran-owned small business concerns;
- (iii) HUBZone small business concerns;
- (iv) Small disadvantaged business concerns; and
- (v) Women-owned small business concerns.)

(7) The name of the individual employed by the offeror who will administer the offeror's subcontracting program, and a description of the duties of the individual.

(8) A description of the efforts the offeror will make to assure that small business, veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns have an equitable opportunity to compete for subcontracts.

(9) Assurances that the offeror will include the clause of this contract entitled "Utilization of Small Business Concerns" in all subcontracts that offer further subcontracting opportunities, and that the offeror will require all subcontractors (except small business concerns) that receive subcontracts in excess of

\$500,000 (\$1,000,000 for construction of any public facility) to adopt a subcontracting plan that complies with the requirements of this clause.

(10) Assurances that the offeror will--

- (i) Cooperate in any studies or surveys as may be required;
- (ii) Submit periodic reports so that the Government can determine the extent of compliance by the offeror with the subcontracting plan;
- (iii) Submit Standard Form (SF) 294, Subcontracting Report for Individual Contracts, and/or SF 295, Summary Subcontract Report, in accordance with paragraph (j) of this clause. The reports shall provide information on subcontract awards to small business concerns, veteran-owned small business concerns, service-disabled veteran-owned small business concerns, small disadvantaged business concerns, women-owned small business concerns, and Historically Black Colleges and Universities and Minority Institutions. Reporting shall be in accordance with the instructions on the forms or as provided in agency regulations.
- (iv) Ensure that its subcontractors agree to submit SF 294 and SF 295.

REPORTING PERIOD	REPORT DUE	DUE DATE
Oct 1 – Mar 31	SF 294	04/30
Apr 1 – Sept 30	SF 294	10/30
Oct 1 – Sept 30	SF 295	10/30

ADDRESS:

DIRECTOR
USAID/OSDBU
RM 7.8E RRB
WASHINGTON, DC 20523-7800

(11) A description of the types of records that will be maintained concerning procedures that have been adopted to comply with the requirements and goals in the plan, including establishing source lists; and a description of the offeror's efforts to locate small business, veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns and award subcontracts to them.

SUBCONTRACTING PLAN AUTHORIZATION:

NAME: _____

TITLE: _____

DATE: _____

SIGNATURE: _____

Appendix 13: LIST OF ACRONYMS

List of Acronyms

ACD	Afghanistan Customs Department
ADAG	Alternative Development and Agriculture Office (USAID)
ADS	Automated Directives System (USAID)
AISA	Afghanistan Investment Support Agency
ANDS	Afghanistan National Development Strategy
ANSA	Afghanistan National Standards Agency
APTA	Afghanistan-Pakistan Transit Agreement
ARIES	Afghanistan Rural Investment and Enterprise Strengthening Activity
ASMED	Afghanistan Small and Medium Enterprise Development
ASYCUDA	Automated SYstem for CUstoms DAta
ATTA	Afghan Trade and Transit Agreement
BMTF	Border Management Task Force
CSO	Central Statistics Office
CEAP	Chief Economic Advisor to the President
EC	European Commission
EGP	Economic Governance Program (USAID)
EGPSS	Economic Governance & Private Sector Strengthening Activity (USAID)
EPAA	Export Promotion Agency of Afghanistan
EIF	Enhanced Integrated Framework
FAA	Foreign Assistance Act
GIRoA	Government of the Islamic Republic of Afghanistan
GSP	General System of Preferences
GTZ	<i>Deutsche Gesellschaft fuer Technische Zusammenarbeit</i> (German Aid Agency)
HS	Harmonized System
ICN	Informal Customs Network
IMF	International Monetary Fund
IPR	Intellectual Property Rights
ISAF	International Security Assistance Force
ITC	International Trade Centre (joint agency of WTO and United Nations)
LDC	Least Developed Country
MCIT	Ministry of Communication & Information Technology
MFTR	Memorandum of Foreign Trade Regime
MOCI	Ministry of Commerce and Industries
MOF	Ministry of Finance
MSME	Micro-, Small and Medium-sized Enterprises
OEG	Office of Economic Growth (USAID)
SPS	Sanitary and Phyto-sanitary Standards
RFP	Request for Proposals
ROZ	Reconstruction Opportunity Zone
TAFA	Trade and Accession Facilitation for Afghanistan
TBT	Technical Barriers to Trade

TCB	Trade Capacity Building
TFZ	Trade Facilitation Zones
TIR	Transport International Routier
UNCTAD	United Nations Committee on Trade and Development
UNDP	United Nations Development Program
USG	United States Government
USTR	United States Trade Representative
WCO	World Customs Organization
WTO	World Trade Organization

Appendix 14: Contractor Performance Evaluation Report

CONTRACTOR PERFORMANCE EVALUATION REPORT				
CATEGORY	CRITERIA	RATING	CRITERIA WEIGHTING	EVALUATION RATING
1	Technical Innovation/ Achievement of Results		X30	
2	Timelines		X20	
3	Management and Staffing		X20	
4	Cost Control		X30	
TOTAL WEIGHTED RATING: _____				
RATING BY: _____				
SIGNATURE : _____				

Appendix 15: INITIAL ENVIRONMENTAL EXAMINATION



USAID | AFGHANISTAN
FROM THE AMERICAN PEOPLE

**US AGENCY FOR INTERNATIONAL DEVELOPMENT
Bureau for Asia/Afghanistan**

INITIAL ENVIRONMENTAL EXAMINATION

PROGRAM/ACTIVITY DATA

Country Code and SO: 306-007

Strategic Objective Name: SO5

Country or Region: Afghanistan

Activity Name: Trade Accession and Facilitation for Afghanistan

Funding Begin: o/a April 2009 **Funding End:** o/a March 2014 (includes one optional year) **LOP Amount:** [REDACTED]

Sub-Activity Amount:

IEE Prepared by: Mumtaz Ahmad and Ali Azimi

Date: 12/21/2008

IEE Amendment (Y/N): Y No

ENVIRONMENTAL ACTION RECOMMENDED: (Place X where applicable)

Categorical Exclusion:	<input checked="" type="checkbox"/>	Deferral:	<input type="checkbox"/>
Positive Determination:	<input type="checkbox"/>	Negative Determination:	<input type="checkbox"/>
Negative Determination with Conditions:	<input type="checkbox"/>	Exemption:	<input type="checkbox"/>

OVERVIEW

USAID intends to support Afghanistan through the challenging process of World Trade Organization (WTO) accession, even though it is recognized that actual accession is outside the manageable interests of USAID and the contractor. This project will provide long- and short-term technical assistance necessary to prepare Afghanistan for accession, thus contributing toward the wider goal of an internationally compliant national trade regime. The task is designed as if accession were definite; in fact, capacity constraints, vested protectionist interests, opposition by other WTO members, and other factors may prevent actual accession into the WTO within the lifetime of this activity. Therefore actual circumstances may affect implementation. The program will also provide capacity support within the Afghanistan's regions, including training of custom officers stationed along the Afghanistan – Pakistan border, and borders with other neighbors. Assistance will strengthen trade facilitation entities, such as Afghanistan's custom Department, export and business organizations.

U.S. Agency for International Development
Great Massoud Road
Kabul
Afghanistan

Tel: (202) 216-6288
Fax: (202) 216-6288 ext. 4162
http://www.usaid.gov/locations/asia_near_east/afghanistan


The program will also support substantial public education and outreach to key stakeholders including the private sector to increase understanding for the benefits of trade.

ENVIRONMENTAL RECOMMENDATIONS

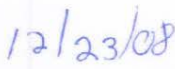
USAID/Afghanistan Trade Accession and Facilitation for Afghanistan activities include; Preparation of WTO Accession Master Plan, assistance in accession, establishment of basic inquiry Points, coordination with other donors, governments, institutions, and agencies, short term consultative services, training, research intern program and public education and information: qualify for Categorical Exclusion per 22 CFR 216.2(c) (1) (i) as "the action does not have an effect on the natural or physical environment and § 216.2(c) (2) (i), (iii), (v) and (xiv) as technical assistance and education, workshops and meetings, information transfer and development planning.

MISSION CLEARANCE:

A. Mission Director
Approval:



Charles Drilling



Date

Mission Environmental Officer
Concurrence:



James Gilmore

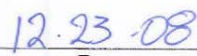


Date

Project Manager/CTO
Concurrence :



Erin N. Pacific



Date

APPROVAL

Bureau Environnemental Officer

Approval:

John O. Wilson

Date

Appendix 16: CERTIFICATE OF CURRENT COST OR PRICING DATA

This is to certify that, to the best of my knowledge and belief, cost or pricing data (as defined in section 2.101 of the Federal Acquisition Regulation (FAR) and required under FAR subsection 15.403-4) submitted, either actually or by specific identification in writing, to the Contracting Officer or to the Contracting Officer's representative in support of _____* are accurate, complete, and current as of _____**. This certification includes the cost or pricing data supporting any advance agreements and forward pricing rate agreements between the offeror and the Government that are part of the proposal.

FIRM _____

SIGNATURE _____

NAME _____

TITLE _____

DATE OF EXECUTION*** _____

* Identify the proposal, request for price adjustment, or other submission involved, giving the appropriate identifying number (e.g., RFP No.).

** Insert the day, month, and year when price negotiations were concluded and price agreement was reached or, if applicable, an earlier date agreed upon between the parties that is as close as practicable to the date of agreement on price.

*** Insert the day, month, and year of signing, which should be as close as practicable to the date when price negotiations were concluded and the contract price was agreed to.

Appendix 17: INTERNATIONAL ORGANIZATIONS - DONORS

United Nations Assistance Mission to Afghanistan

<http://www.unama-afg.org/>

United Nations Security Council

<http://www.un.org/Docs/sc/>

United Nations High Commissioner for Human Rights (UNHCHR) – Afghanistan

<http://www.ohchr.org/EN/Pages/WelcomePage.aspx>

United Nations Development Program (UNDP) – Afghanistan

<http://www.undp.org.af/>

United Nations High Commission for Refugees (UNHCR) - Afghanistan

<http://www.unhcr.org/home.html>

World Food Program (WFP) – Afghanistan

http://www.wfp.org/country_brief/index_region.asp

Food and Agriculture Organization (FAO) – Afghanistan

http://www.fao.org/world/afghanistan/index_en.htm

United Nations Office for Drugs and Crime (UNODC) – Afghanistan Opium Survey

http://www.unodc.org/afg/en/reports_surveys.html

United Nations Children and Education Fund (UNICEF) – Afghanistan

<http://www.unicef.org/infobycountry/afghanistan.html>

United Nations Development Fund for Women (UNIFEM) – Afghanistan

http://www.unifem.org/global_spanner/index.php?f_loc=s_asia

United Nations Educational, Scientific and Cultural and Organization (UNESCO)

http://portal.unesco.org/en/ev.php-URL_ID=29008&URL_DO=DO_TOPIC&URL_SECTION=201.html

World Bank – Afghanistan

<http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/SOUTHASIAEXT/AFGHANISTANEXTN/0,,menuPK:305990~pagePK:141159~piPK:141110~theSitePK:305985,00.html>

International Monetary Fund – Afghanistan

<http://www.imf.org/external/country/AFG/>

European Union – Afghanistan

http://ec.europa.eu/external_relations/afghanistan/intro/

Asian Development Bank – Afghanistan

<http://www.adb.org/afghanistan/>

International Center for Settlement of Investment Disputes (ICSID)

<http://icsid.worldbank.org/ICSID/Index.jsp>

International Organization for Migration (IOM) – EU-RQA Return of Qualified Afghans Programme

<http://www.iom.int/jahia/Jahia/pid/747>

International Labor Organization (ILO) – NATLEX Database of National Labor Law - Afghanistan
http://www.ilo.org/dyn/natlex/natlex_browse.country?p_lang=en&p_country=AFG

Economic Cooperation Organization (ECO)
<http://www.ecosecretariat.org/>

International Institute of Higher Studies in Criminal Sciences (ISISC)
<http://www.isisc.org/ISISHome.asp>

International Institute for the Unification of Private Law (UNIDROIT)
<http://www.unidroit.org/>

The Asia Foundation – Afghanistan
<http://www.asiafoundation.org/country/overview/afghanistan>

Aga Khan Development Network
<http://www.akdn.org/>

The International Legal Foundation (ILF) – Legal Aid Afghanistan
www.theilf.org

United States Government Department of Commerce Afghanistan Investment and Reconstruction Task Force
<http://trade.gov/afghanistan/>

United Kingdom Department for International Development (DFID) - Afghanistan
<http://www.dfid.gov.uk/countries/asia/afghanistan.asp>

Deutsche Gesellschaft für Technische Zusammenarbeit - German Technical Cooperation (GTZ) - Afghanistan
<http://www.gtz.de/en/weltweit/europa-kaukasus-zentralasien/670.htm>

Italian Ministry of Foreign Affairs – Afghanistan
<http://www.esteri.it/MAE/EN>

Canadian International Development Agency (CIDA)
<http://www.acdi-cida.gc.ca/afghanistan-e>

Japan International Cooperation Agency (JICA) - Afghanistan
<http://www.jica.go.jp/afghanistan/english/index.html>

Government of Netherlands Development Cooperation – Afghanistan
<http://www.minbuza.nl/en/developmentcooperation/PartnersAZ,afghanistan.html>

Australian Agency for International Development (AusAID)
<http://www.ausaid.gov.au/country/country.cfm?CountryID=27886219&Region=AfricaMiddleEast>

Appendix 18: U.S. AGENCIES

The broader U.S. Government (USG) development presence in Afghanistan also comprises programs in other USAID sectors and with other USG actors. It is expected that the program will leverage technical assistance opportunities and other support from other ongoing programs working in areas such as community-level support; economic growth and private sector programs; and cross-border development (e.g. with Pakistan) and with provincial reconstruction teams (PRTs), and civil military affairs (CMA) among others. Donor coordination, formal and informal private sector alliances, anti-corruption, public-private partnerships (e.g. with local municipalities), gender, and environment are cross-cutting themes that will be expected to be appropriately integrated throughout the program.

U.S. Army Corps of Engineers: The US Army Corps of Engineers Afghanistan Engineer District (AED) formally stood up March 2004. Prior to being formally recognized as the AED, the Corps had an area office in Kabul, where the Headquarters currently resides. AED has a broad mission and area of responsibility. There are three major program areas: the U.S. Forces Program; the Afghan National Army –ANA – Program; and the U.S. Agency for International Development – USAID – Reconstruction of Afghanistan Program. AED’s geographic area of responsibility currently includes Afghanistan, Uzbekistan , Kyrgyzstan , Pakistan , and Tajikistan.

U.S. Department of Agriculture: The Foreign Agricultural Service (FAS) of the U.S. Department of Agriculture (USDA) works to improve foreign market access for U.S. products, build new markets, improve the competitive position of U.S. agriculture in the global marketplace, and provide food aid and technical assistance to foreign countries.

U.S. Department of Treasury: Treasury's Office of International Affairs protects and supports economic prosperity at home by encouraging financial stability and sound economic policies abroad. International Affairs performs constant surveillance and in-depth analysis of global economic and financial developments and then engages with financial market participants, foreign governments, international financial institutions, and in multilateral fora to develop and promote good policies.

U.S. Geological Survey: As the Nation's largest water, earth, and biological science and civilian mapping agency, the U.S. Geological Survey (USGS) collects, monitors, analyzes, and provides scientific understanding about natural resource conditions, issues, and problems. The diversity of our scientific expertise enables us to carry out large-scale, multi-disciplinary investigations and provide impartial scientific information to resource managers, planners, and other customers.

Appendix 19: U.S. COUNTER-NARCOTICS STRATEGY FOR AFGHANISTAN

The USG five-pillar strategy focuses on helping the Government of the Islamic Republic of Afghanistan (IRoA) disrupt Afghanistan's opium-based economy and strengthen the central government's control over the country. To address these objectives comprehensively, the USG has focused on helping the IRoA implement the five pillar strategy:

1. Public Information (PI) - (State/INL and DOD): Designed as a year-round, nationwide program focused on helping the IRoA achieve sustainable reductions in poppy cultivation and production through public information, engagement, and education.
2. Alternative Development (AD) - (USAID): Designed to help the IRoA establish economic alternatives to the cultivation of poppy for Afghan people.
3. Elimination/Eradication - (State/INL): Designed to help the IRoA deter and reduce the cultivation of opium poppy by launching a major program of prevention incentives while also building a credible forced eradication capability.
4. Interdiction - (DEA, DOD, and State/INL): Focuses on decreasing narcotics trafficking and processing in Afghanistan by helping the IRoA build its capacity to disrupt and dismantle the most significant drug trafficking organizations. Groups such as the DEA-trained Counter narcotics Police of Afghanistan (CNPA), the Afghanistan Special Narcotics Force (ASNF), and the National Interdiction Unit (NIU) of the CNPA are being equipped to arrest and prosecute the command and control elements of narcotics trafficking organizations.
5. Law Enforcement/Justice Reform - (DOJ and State/INL): Encompasses both police and justice sector efforts to help the IRoA increase overall rule of law, specifically in the area of narcotics-related law enforcement. Programs are closely tied to police-sector and justice-sector efforts at large. USG advisors mentor the Afghan Criminal Justice Task Force's (CJTF) pursuit of narcotics and public corruption cases through the Central Narcotics Tribunal (CNT) in Kabul.

Appendix 20: APPLICABLE WEBSITES, DOCUMENTS AND REFERENCES

Note: USAID/Afghanistan considered the following links contained therein critical for offerors to the RFP to review prior to completion of their proposals. If additional documents or links are determined necessary, additional updates will be posted on www.fbo.gov.

Fighting the Opium Trade in Afghanistan: Myths, Facts, and Sound Policy
<http://www.state.gov/p/inl/rls/other/102214.htm>

U.S. Counternarcotics Strategy for Afghanistan
<http://www.state.gov/p/inl/rls/rpt/90561.htm>

United Nations Office on Drugs and Crime
<http://www.unodc.org/afg/>

Afghanistan Research and Evaluation Unit (AREU)
<http://www.areu.org.af/>

Afghanistan National Development Strategy (ANDS) (see attached)
<http://www.and.s.gov.af/>

Office of the President
<http://www.president.gov.af/>

Ministry of Counternarcotics
<http://www.mcn.gov.af/>

Afghan-American Chamber of Commerce (AACC)
<http://www.a-acc.org/>

USAID Afghanistan
<http://afghanistan.usaid.gov/en/index.aspx>

USAID
<http://www.usaid.gov/index.html>

- Telling Our Story
<http://www.usaid.gov/stories/>

- Environmental Compliance
http://www.usaid.gov/our_work/environment/compliance/index.html

- Gender Analysis
http://www.usaid.gov/our_work/cross-cutting_programs/wid/gender/gender_analysis.html

- Global Partnerships
http://www.usaid.gov/our_work/global_partnerships/

- Donor Coordination
<http://www.usaid.gov/policy/coordination/donor.html>

U.S. Department of State
<http://www.state.gov/>

NATO-ISAF

<http://www.nato.int/isaf/index.html>

Implementing the Paris declaration: implications for the promotion of women's rights and gender equality
<http://www.eldis.org/go/display&type=Document&id=36031>

The National Action Plan for the Women of Afghanistan (NAPWA)
<http://afghanistan.unifem.org/prog/MOWA/napwa.html>

Who Owns the Farm? Rural Women's Access to Land and Livestock
http://cache.search.yahoo.net/search/cache?ei=UTF-8&p=WHO+OWNS+THE+FARM%3F&rd=r1&meta=vc%3Dsg&fr=yfp-t-501&fp_ip=SG&u=www.areu.org.af/index.php%3Foption%3Dcom_docman%26Itemid%3D%26task%3Ddoc_download%26gid%3D182&w=owns+farm+farming+farms&d=cZIMvC72RLWs&icp=1&.intl=us

GENDER ROLES IN AGRICULTURE: Case studies of five villages in northern Afghanistan
http://cache.search.yahoo.net/search/cache?ei=UTF-8&p=GENDER+ROLES+in+Agriculture%3B+areu&rd=r1&meta=vc%3Dsg&fr=yfp-t-501&fp_ip=SG&u=unpan1.un.org/intradoc/groups/public/documents/APCITY/UNPAN018206.pdf&w=gender+roles+role+agriculture+areu+%22are+u%22&d=dQilfS72RD6W&icp=1&.intl=us

The Employment of Rural Women in Multinational Agribusiness
<http://www.ips.uiuc.edu/gap>

Overview of Issues in Women's Employment in Multinational Agribusiness
www.ips.uiuc.edu/gap/pdf/OVERVIEW.pdf

Alternative Development Program links:

Alternative Development Program Southern Region
<http://www.adp-af.com/>

Alternative Development Program Eastern Region
<http://www.alper-af.com/>

Alternative Development Program for Northeast Afghanistan
<http://www.aecominterdev.com/MarketsAndServices/44/16/index.jsp>

Appendix 21: GUIDANCE FOR USAID-FUNDED COMMUNICATIONS PRODUCTS

1. GOAL:

The goal of this guidance is to ensure that USAID-funded communications materials are:

1. cost-effective;
2. informative;
3. targeted to a well-defined and specific audience;
4. accompanied by a well-defined, thought out, and detailed distribution plan that can and will be executed; and,
5. reflective of USAID's mission: to promote sustainable development in the countries we assist.

In addition to the five points above, the communications material should fulfill a real, identified need and contribute directly to the accomplishment of the Agency's mission.

2. DEFINITION:

For the purpose of this guidance, communications products are defined as any printed material (other than non-color photocopy material), photographic services (including slide shows or other multimedia productions) or video production services meeting the criteria in section 3. Multi-volume or multi-sectional printed materials, videos or other communications products that are intended to be distributed together as one unit, package or group will be considered as one communications product for the purpose of this guidance.

3. COMMUNICATIONS MATERIALS AFFECTED BY THIS GUIDANCE:

Effective October 1, 1994, communications materials that meet either of the following two criteria (funding or audience) must be approved by the Assistant Administrator of the Bureau for Legislative and Public Affairs (AA/LPA) or her designee.

3a. FUNDING CRITERIA:

(1) All communications materials funded by operating expense account funds must be reviewed and approved by AA/LPA.

(2) Any communications materials funded by program account funds and costing over \$25,000 total. The \$25,000 cost threshold will be arrived at by looking at the sum total of the costs of preparation and execution of the communications material. For example, in the case of a publication, the cost will be the sum total of the research (directly related to the writing and production of the publication), writing and other editorial services (including any associated overhead costs), design, layout, and production costs.

3b. AUDIENCE CRITERIA:

(1) Any communications material that will be sent directly to or is likely to be seen by a Member of Congress or Congressional staffer requires approval. Of course, such requests should be coordinated with LPA under the general procedures governing Congressional communications.

(2) Any publication that will have a majority of the copies (over 50 percent) distributed in the United States (excluding copies provided to CDIE and other USAID/W offices for internal use) requires approval.

3c. EXAMPLES:

(1) A program-funded family planning calendar produced by USAID grantee and to be distributed to 200 USAID beneficiaries in India as part of the grantee's family planning efforts and costing less than \$25,000: NO APPROVAL REQUIRED.

(2) Same as 1 but distribution also includes 100 "family planning leaders" in the United States, 200 "family planning leaders" overseas, and 25 for distribution within USAID and costing less than \$25,000: NO APPROVAL REQUIRED.

(3) Same as 2 but 400 additional copies given to ANE for distribution to "family planning leaders" in U.S.: APPROVAL REQUIRED.

(4) Same as 1 and 2 but costing more than \$25,000: APPROVAL REQUIRED.

(5) A program-funded videotape setting forth lessons learned in an agricultural sector project in West Africa to be distributed to 150 colleges and universities in the United States regardless of cost. APPROVAL REQUIRED.

(5) An employee training manual produced by USAID with operating expense funds and for distribution within USAID regardless of cost: APPROVAL REQUIRED.

(6) An operating expense-funded or program-funded annual report to Congress that is required by law and will be distributed to both Congress and to interested people in the United States regardless of cost: APPROVAL REQUIRED.

3d. EXEMPT COMMUNICATIONS MATERIALS:

(1) Program-funded publications costing less than \$25,000 and specifically intended as design, evaluation and feasibility studies that are not intended for the general public.

(2) Program-funded publications costing less than \$25,000 and distributed solely overseas as part of the delivery of foreign assistance or as part of a mission's informational program in the host country.

4. REVIEW PROCESS:

Effective with the issuance of this guidance, all communications products meeting the criteria in section 3 of this guidance must be submitted for review and approval by USAID/LPA/MC. This process must be completed before any final planning or funding commitment on the communications materials can be given.

Required information and design standards for printed materials and video/photographic materials are attached as annexes to this guidance.

As always, LPA staff is available to assist bureaus and missions in the production of communications products.

5. CONTRACT AND GRANT DOCUMENTS REVIEW:

Agency personnel should be aware that this guidance applies to all affected communications materials produced through USAID- funded contracts and grants. Thus, USAID staff is urged to review current contracts and grants and to keep in mind for FY 1995-funded contracts and grants that these guidelines must be built into the agreements. Materials produced under omnibus contracts covering other services are subject to this guidance.

Please note that M Bureau will provide detailed guidance to contracting officers and other appropriate USAID personnel that will include a required separate line item and other standardized language incorporating these issues as a part of the contract or grant.

6. POINTS OF CONTACT:

Point of contact for this guidance is USAID/LPA/MC.STANDARDS FOR USAID-FUNDED PUBLICATIONS

The following standards are intended as general guidelines for the production of USAID-funded publications that fall within the scope of those requiring LPA approval.

The purpose of establishing basic standards is to enable LPA to work in a cooperative effort with agency bureaus and field missions to produce informative, professional and cost-effective products that meet the needs of a designated audience. The audience and distribution plans must be clearly defined and justification given that a real need exists for the proposed publication.

We are fully aware that there will be situations that warrant exceptions to these standards. Exceptions will be made by LPA on a case-by-case basis.

I. Publications intended for a U.S. audience, including Congress:

A. Use of color: Two-color maximum for both cover and text (black or blue ink, generally used for text, counts as one color). In the case of publications such as conference proceedings, one color is the standard.

B. Paper: For both cover and text, use the most cost- effective stock that suits the publication's purpose. Make every effort to use recycled paper. Do not use heavy stock.

C. Photos: Black-and-white

D. Content: Emphasize results achieved toward sustainable development through USAID programs. NOTE: In most cases, LPA will ask for a separate textual (ASCII) version of the final document for possible posting on USAID's Internet, which at present can support text only.

E. Design: Avoid expensive folds/paper cuts, inserts/foldouts, die cuts, embossing, foil stamps and other design elements that add additional expense.

II. Reports Required by Congress

Most reports should be in typewritten, xeroxed format and respond specifically to what is required by statute.

III. Use of metric units of measurement

Unless a waiver is granted, metric units are to be used in accordance with Executive Order 12770. Traditional units may be shown in parentheses after metric.

IV. Use of Agency logo

The USAID logo (or the name of the agency written out) should be displayed prominently, e.g., on the cover or title page.

V. Approval Form

LPA is developing a "request-for-approval" form that will be put on the agency wide computer network as a macro to simplify and streamline the approval process. Information that will be required is as follows: type and design/format of publication; justification for its need; clearly defined audience and distribution plans; print run; budget breakdown including costs for photographic services (if a contract photographer is used), writing, editing, design, layout and printing; whether OE or program funds are being used; and plans to evaluate the effectiveness of the product.

VI. Publications produced through USAID-funded grants and contracts are subject to these standards. STANDARDS FOR USAID-FUNDED VIDEO PRODUCTIONS

The following standards are intended as general guidelines for USAID-funded video productions that require LPA approval.

The purpose of establishing these basic standards is to enable LPA to work in cooperation with agency bureaus and field missions to produce informative, professional and cost-effective programs that meet the needs of the designated audience. The audience and distribution plans must be clearly defined. The purpose and production plans must be justified and must support a real need.

We are aware that USAID video productions generally fall into two categories--those produced for information/education of U.S. audiences, and those produced with program funds for largely foreign audiences. These guidelines will help missions decide which programs warrant video productions and how these should be produced.

We are also aware that certain situations will justify exceptions to these standards. Exceptions will be made by LPA on a case-by-case basis.

I. Basic Guidelines

A. Content: Videos intended for U.S. audiences, including Congress, should portray concrete results or chronicle a USAID success story. The video should not be a "promo" for a contractor or a specialized technical report aimed at a narrow audience of experts. Videos produced with program funds for foreign audiences would usually be training tapes or other instructional material.

Also, LPA will not approve video recordings of conference proceedings that can more appropriately be shared as written transcripts or audiocassette recordings.

B. Format: The program should be shot in a professional television format: BETA, BETA-SP, or 3/4". Only viewing copies should be made in VHS. Programs may be shot in American TV standard (NTSC) or in PAL or SECAM TV standard.

C. Producers: Direct contracts must comply with OFPP Letter No. 79-4 which establish a "Government-Wide Contracting System for Motion Picture and Videotape Productions" (as required by OFPP letter 79-4.) The designated production team must have a track record producing information/education programs or other professional broadcast products. A brief list of previously produced programs should be included.

D. Length: The video should be no more than 15 minutes, unless there is a strong justification.

E. Copies: The number should be determined by the bureau/mission and reflected in the production budget. Viewing copies for NGOs, PVOs and local officials should be in VHS. Copies for local TV placement must be in 3/4" or BETA. A copy of the master of the finished program must be sent to the LPA video archive.

II. Approval Form

To simplify the approval process, LPA is developing a macro for the "request-for-approval" form that will be put on the agency wide computer network. The following information will be required:

A. A general description of the subject of the video.

B. The intended audience and a detailed distribution plan.

C. Whether OE or program funds will be used.

D. Budget breakdown to include costs for the following items:

- Pre-production: research, script, shooting schedule (where the video will be shot);

- Production: how many shooting days (include travel days), how much per day for the crew plus equipment. Please note: where possible, a local crew should be used; and,

- Editing: how many hours, how much per hour, how much for graphics and titles.

E. Discussion of plans to evaluate the script and the "rough cut" for the effectiveness of the product.

III. Videos produced through USAID-funded grants and contracts are subject to these standards.

NOTE: All videos produced with USAID funds must be deposited in the LPA video archive. This includes all "source" tapes, plus a copy of the completed master program drafted.

Appendix 22: MEMORANDUM OF FOREIGN TRADE REGIME (MFTR)

The Memorandum of Foreign Trade Regime (MFTR) is a preliminary document that outlines the country's trade laws, practices, and key data according to the format specified by the WTO Secretariat. At the time of this solicitation, the MFTR remains in draft form. A draft copy of this document can be made available upon request with an email to: 306090506@usaid.gov.

[END OF SECTION J]

PART IV: - REPRESENTATIONS AND INSTRUCTIONS

SECTION K: REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS**K.1 NOTICE LISTING SOLICITATION PROVISIONS INCORPORATED BY REFERENCE**

The following solicitation provisions pertinent to this section are hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the FAR provision at FAR "52.252-1 SOLICITATION PROVISIONS INCORPORATED BY REFERENCE" in Section L of this solicitation. See FAR 52.252-1 for an internet address (if specified) for electronic access to the full text of a provision.

NUMBER	TITLE	DATE
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FEDERAL ACQUISITION REGULATION (48 CFR Chapter 1)

52.237-8	RESTRICTION ON SEVERANCE PAYMENTS TO FOREIGN NATIONALS	(AUG 2003)
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K.2 52.204-8 ANNUAL REPRESENTATIONS AND CERTIFICATIONS (JAN 2006)

- (a) (1) The North American Industry Classification System (NAICS) code for this acquisition is 541990.
- (2) The small business size standard is \$6.5 million.
- (3) The small business size standard for a concern which submits an offer in its own name, other than on a construction or service contract, but which proposes to furnish a product which it did not itself manufacture, is 500 employees.
- (b) (1) If the clause at 52.204-7, Central Contractor Registration, is included in this solicitation, paragraph (c) of this provision applies.
- (2) If the clause at 52.204-7 is not included in this solicitation, and the offeror is currently registered in CCR, and has completed the ORCA electronically, the offeror may choose to use paragraph (c) of this provision instead of completing the corresponding individual representations and certifications in the solicitation. The offeror shall indicate which option applies by checking one of the following boxes:
- [] (i) Paragraph (c) applies.
- [] (ii) Paragraph (c) does not apply and the offeror has completed the individual representations and certifications in the solicitation.
- (c) The offeror has completed the annual representations and certifications electronically via the Online Representations and Certifications Application (ORCA) website at <https://orca.bpn.gov>. After reviewing the ORCA database information, the offeror verifies by submission of the offer that the representations and certifications currently posted electronically have been entered or updated within the last 12 months, are current, accurate, complete, and applicable to this solicitation (including the business size standard applicable to the NAICS code referenced for this solicitation), as of the date of this offer and are incorporated in this offer by reference (see FAR 4.1201); except for the changes identified below [*offeror to insert changes, identifying change by clause number, title, date*]. These amended representation(s) and/or certification(s) are also incorporated in this offer and are current, accurate, and complete as of the date of this offer.

FAR CLAUSE #	TITLE	DATE	CHANGE
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Any changes provided by the offeror are applicable to this solicitation only, and do not result in an update to the representations and certifications posted on ORCA.

PART IV: - REPRESENTATIONS AND INSTRUCTIONS

K.3 52.230-1 COST ACCOUNTING STANDARDS NOTICES AND CERTIFICATION (JUNE 2000)

NOTE: This notice does not apply to small businesses or foreign governments. This notice is in three parts, identified by Roman numerals I through III.

Offerors shall examine each part and provide the requested information in order to determine Cost Accounting Standards (CAS) requirements applicable to any resultant contract.

If the offeror is an educational institution, Part II does not apply unless the contemplated contract will be subject to full or modified CAS coverage pursuant to 48 CFR 9903.201-2(c)(5) or 9903.201-2(c)(6), respectively.

I. DISCLOSURE STATEMENT-COST ACCOUNTING PRACTICES AND CERTIFICATION

(a) Any contract in excess of \$500,000 resulting from this solicitation will be subject to the requirements of the Cost Accounting Standards Board (48 CFR Chapter 99), except for those contracts which are exempt as specified in 48 CFR 9903.201-1.

(b) Any offeror submitting a proposal which, if accepted, will result in a contract subject to the requirements of 48 CFR, Chapter 99 must, as a condition of contracting, submit a Disclosure Statement as required by 48 CFR 9903.202. When required, the Disclosure Statement must be submitted as a part of the offeror's proposal under this solicitation unless the offeror has already submitted a Disclosure Statement disclosing the practices used in connection with the pricing of this proposal. If an applicable Disclosure Statement has already been submitted, the offeror may satisfy the requirement for submission by providing the information requested in paragraph (c) of Part I of this provision.

CAUTION: In the absence of specific regulations or agreement, a practice disclosed in a Disclosure Statement shall not, by virtue of such disclosure, be deemed to be a proper, approved, or agreed-to practice for pricing proposals or accumulating and reporting contract performance cost data.

(c) Check the appropriate box below:

(1) Certificate of Concurrent Submission of Disclosure statement. The offeror hereby certifies that, as a part of the offer, copies of the Disclosure Statement have been submitted as follows: (i) original and one copy to the cognizant Administrative contracting Officer (ACO) or cognizant Federal agency official authorized to act in that capacity (Federal official), as applicable, and (ii) one copy to the cognizant Federal auditor.

(Disclosure must be on Form No. CASB DS-1 or CASB DS-2, as applicable. Forms may be obtained from the cognizant ACO or Federal official and/or from the loose-leaf version of the Federal Acquisition Regulation.)

Date of Disclosure Statement:

Name and Address of Cognizant ACO or Federal Official Where Filed:

The offeror further certifies that: the practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the Disclosure Statement.

(2) Certificate of Previously Submitted Disclosure Statement.

PART IV: - REPRESENTATIONS AND INSTRUCTIONS

The offeror hereby certifies that the required Disclosure Statement was filed as follows:

Date of Disclosure Statement:

Name and Address of Cognizant ACO or Federal Official Where Filed:

The offeror further certifies that the practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the applicable Disclosure Statement.

(3) Certificate of Monetary Exemption.

The offeror hereby certifies that the offeror, together with all divisions, subsidiaries, and affiliates under common control, did not receive net awards of negotiated prime contracts and subcontracts subject to CAS totaling \$50 million or more in the cost accounting period immediately preceding the period in which this proposal was submitted. The offeror further certifies that if such status changes before an award resulting from this proposal, the offeror will advise the Contracting Officer immediately.

(4) Certificate of interim Exemption.

The offeror hereby certifies that (i) the offeror first exceeded the monetary exemption disclosure, as defined in (3) of this subsection, in the cost accounting period immediately preceding the period in which this offer was submitted and (ii) in accordance with 48 CFR 9903.202-1, the offeror is not yet required to submit a Disclosure Statement. The offeror further certifies that if an award resulting from this proposal has not been made within 90 days after the end of that period, the offeror will immediately submit a revised certificate to the Contracting officer, in the form specified under subparagraphs (c) (1) or (c) (2) of Part I of this provision, as appropriate, to verify submission of a completed Disclosure Statement.

CAUTION: Offerors currently required to disclose because they were awarded a CAS-covered prime contract or subcontract of \$50 million or more in the current cost accounting period may not claim this exemption (4). Further, the exemption applies only in connection with proposals submitted before expiration of the 90 day period following the cost accounting period in which the monetary exemption was exceeded.

II. COST ACCOUNTING STANDARDS--ELIGIBILITY FOR MODIFIED CONTRACT COVERAGE

If the offeror is eligible to use the modified provisions of 48 CFR subpart 9903.201-2(b) and elects to do so, the offeror shall indicate by checking the box below. Checking the box below shall mean that the resultant contract is subject to the Disclosure and Consistency of Cost Accounting Practices clause in lieu of the Cost Accounting Standards clause.

The offeror hereby claims an exemption from the Cost Accounting Standards clause under the provisions of 48 CFR 9903.201-2(b) and certifies that the offeror is eligible for use of the Disclosure and Consistency of Cost Accounting Practices clause because during the cost accounting period immediately preceding the period in which this proposal was submitted, the offeror received less than \$50 million in awards of CAS-covered prime contracts and subcontracts. The offeror further certifies that if such status changes before an award resulting from this proposal, the offeror will advise the Contracting Officer immediately.

CAUTION: An offeror may not claim the above eligibility for modified contract coverage if this proposal is expected to result in the award of a CAS-covered contract of \$50 million or more or if, during

PART IV: - REPRESENTATIONS AND INSTRUCTIONS

its current cost accounting period, the offeror has been awarded a single CAS-covered prime contract or subcontract of \$50 million or more.

III. ADDITIONAL COST ACCOUNTING STANDARDS APPLICABLE TO EXISTING CONTRACTS

The offeror shall indicate below whether award of the contemplated contract would, in accordance with subparagraph (a)(3) of the Cost Accounting Standards clause, require a change in established cost accounting practices affecting existing contracts and subcontracts.

YES NO

K.4 52.230-7 PROPOSAL DISCLOSURE--COST ACCOUNTING PRACTICE CHANGES (APR 2005)

The offeror shall check "yes" below if the contract award will result in a required or unilateral change in cost accounting practice, including unilateral changes requested to be desirable changes.

Yes No

If the offeror checked "Yes" above, the offeror shall—

(1) Prepare the price proposal in response to the solicitation using the changed practice for the period of performance for which the practice will be used; and

(2) Submit a description of the changed cost accounting practice to the Contracting Officer and the Cognizant Federal Agency Official as pricing support for the proposal.

K.5 INSURANCE - IMMUNITY FROM TORT LIABILITY

The offeror represents that it is, is not a State agency or charitable institution, and that it is not immune, is partially immune, is totally immune from tort liability to third persons.

K.6 SIGNATURE

By signature hereon, or on an offer incorporating these Representations, Certifications, and Other Statements of Offerors, the offeror certifies that they are accurate, current, and complete, and that the offeror is aware of the penalty prescribed in 18 U.S.C. 1001 for making false statements in offers.

Solicitation No. _____

Offer/Proposal No. _____

Date of Offer _____

Name of Offeror _____

Typed Name and Title _____

Signature _____ Date _____

[END OF SECTION K]

PART IV: - REPRESENTATIONS AND INSTRUCTIONS

SECTION L - INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFERORS**L.1 52.252-1 SOLICITATION PROVISIONS INCORPORATED BY REFERENCE (FEB 1998)**

This solicitation incorporates one or more solicitation provisions 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. The offeror is cautioned that the listed provisions may include blocks that must be completed by the offeror and submitted with its quotation or offer. In lieu of submitting the full text of those provisions, the offeror may identify the provision by paragraph identifier and provide the appropriate information with its quotation or offer. Also, the full text of a solicitation provision may be accessed electronically at this/these address (es): <http://arnet.gov/far/> (FAR) <http://www.usaid.gov/pubs/ads/300/aidar.pdf> (AIDAR); a Word version of the AIDAR is also available at <http://www.usaid.gov/pubs/ads/300>

NUMBER	TITLE	DATE
	FEDERAL ACQUISITION REGULATION (48 CFR Chapter 1)	
52.204-6	DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER	APR 2008
52.216-27	SINGLE OR MULTIPLE AWARDS	OCT 1995
52.222-24	PREAWARD ON-SITE EQUAL OPPORTUNITY COMPLIANCE EVALUATION	FEB 1999
52.222-46	EVALUATION OF COMPENSATION FOR PROFESSIONAL EMPLOYEES	FEB 1993

L.2 52.215-1 INSTRUCTIONS TO OFFERORS—COMPETITIVE ACQUISITION (JAN 2004)

(a) Definitions. As used in this provision--

“Discussions” are negotiations that occur after establishment of the competitive range that may, at the Contracting Officer's discretion, result in the offeror being allowed to revise its proposal.

In writing, writing, or written means any worded or numbered expression that can be read, reproduced, and later communicated, and includes electronically transmitted and stored information.

“Proposal modification” is a change made to a proposal before the solicitation's closing date and time, or made in response to an, or made to correct a mistake at any time before award.

“Proposal revision” is a change to a proposal made after the solicitation closing date, at the request of or as allowed by a Contracting Officer as the result of negotiations.

“Time,” if stated as a number of days, is calculated using calendar days otherwise specified, and will include Saturdays, Sundays, and legal holidays. If however the last day falls on a Saturday, Sunday, or legal holiday, then the period shall the next working day.

(b) Amendments to solicitations. If this solicitation is amended, all terms and conditions that are not amended remain unchanged. Offerors shall acknowledge receipt of any amendment to this solicitation by the date and time specified in the amendment(s).

(c) Submission, modification, revision, and withdrawal of proposals.

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(1) Unless other methods (e.g., electronic commerce or facsimile) are permitted in the solicitation, proposals and modifications to proposals shall be submitted in paper media in sealed envelopes or packages (i) addressed to the office specified in the solicitation, and (ii) showing the time and date specified for receipt, the solicitation number, and the name and address of the offeror. Offerors using commercial carriers should ensure that the proposal is marked on the outermost wrapper with the information in paragraphs (c)(1)(i) and (c)(1)(ii) of this provision.

(2) The first page of the proposal must show—

(i) The solicitation number;

(ii) The name, address, and telephone and facsimile numbers of the offeror (and electronic address if available);

(iii) A statement specifying the extent of agreement with all terms, conditions, and provisions included in the solicitation and agreement to furnish any or all items upon which prices are offered at the price set opposite each item;

(iv) Names, titles, and telephone and facsimile numbers (and electronic addresses if available) of persons authorized to negotiate on the offeror's behalf with the Government in connection with this solicitation; and

(v) Name, title, and signature of person authorized to sign the proposal. Proposals signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the issuing office.

(3) Submission, modification, revision, and withdrawal of proposals.

(i) Offerors are responsible for submitting proposals, and any modifications *or* revisions so as to reach the Government office designated in the solicitation by the time specified in the solicitation. If no time is specified in the solicitation, the time for receipt is 4:30 p.m., local time, for the designated Government office on the date that proposal. or revision is due.

(ii) (A) Any proposal, modification or revision received at the Government office designated in the solicitation after the exact time specified for receipt of offers is “late” and will not be considered unless it is received before award is made, the Contracting Officer determines that accepting the late offer would not unduly delay the acquisition; and—

(1) If it was transmitted through an electronic commerce method authorized by the solicitation, it was received at the initial point of entry to the Government infrastructure not later than 5:00 p.m. one working day prior to the date specified for receipt of proposals; or

(2) There is acceptable evidence to establish that it was received at the Government installation designated for receipt of offers and was under the Government's control prior to the time set for receipt of offers; or

(3) It is the only proposal received.

(B) However, a late modification of an otherwise successful proposal that makes its terms more favorable to the Government, will be considered at any time it is received and may be accepted.

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(iii) Acceptable evidence to establish the time of receipt at the Government installation includes the time/date stamp of that installation on the proposal wrapper, other documentary evidence of receipt maintained by the installation, or oral testimony or statements of Government personnel.

(iv) If an emergency or unanticipated event interrupts normal Government processes so that proposals cannot be received at the office designated for receipt of proposals by the exact time specified in the solicitation, and urgent Government requirements preclude amendment of the solicitation, the time specified for receipt of proposals will be deemed to be extended to the same time of day specified in the solicitation on the first work day on which normal Government processes resume.

(v) Proposals may be withdrawn by written notice received at any time before award. Oral proposals in response to oral solicitations may be withdrawn orally. If the solicitation authorizes facsimile proposals, proposals may be withdrawn via facsimile received at any time before award, subject to the conditions specified in the provision at 52.215-5, Facsimile Proposals. Proposals may be withdrawn in person by an offeror or an authorized representative, if the identity of the person requesting withdrawal is established and the person signs a receipt for the proposal before award.

(4) Unless otherwise specified in the solicitation, the offeror may propose to provide any item or combination of items.

(5) Offerors shall submit proposals in response to this solicitation in English, unless otherwise permitted by the solicitation, and in U.S. dollars, unless the provision at FAR 52.225- 17, Evaluation of Foreign Currency Offers, is included in the solicitation.

(6) Offerors may submit modifications to their proposals at any time before the solicitation closing date and time, and may submit modifications in response to an amendment, or to correct a mistake at any time before award.

(7) Offerors may submit revised proposals only if requested or allowed by the Contracting Officer.

(8) Proposals may be withdrawn at any time before award. Withdrawals are effective upon receipt of notice by the Contracting Officer.

(d) Offer expiration date. Proposals in response to this solicitation will be valid for the number of days specified on the solicitation cover sheet (unless a different period is proposed by the offeror).

(e) Restriction on disclosure and use of data. Offerors that include in their proposals data that they do not want disclosed to the public for any purpose, or used by the Government except for evaluation purposes, shall—

(1) Mark the title page with the following legend: This proposal includes data that shall not be disclosed outside the Government and shall not be duplicated, used, or disclosed--in whole or in part—for any purpose other than to evaluate this proposal. If, however, a contract is awarded to this offeror as a result of--or in connection with--the submission of this data, the Government shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting contract. This restriction does not limit the Government's right to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets [insert numbers or other identification of sheets]; and

(2) Mark each sheet of data it wishes to restrict with the following legend: Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this proposal.

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- (f) Contract award. (1) The Government intends to award a contract or contracts resulting from this solicitation to the responsible offeror(s) whose proposal(s) represents the best value after evaluation in accordance with the factors and sub-factors in the solicitation.
- (2) The Government may reject any or all proposals if such action is in the Government's interest.
- (3) The Government may waive informalities and minor irregularities in proposals received,
- (4) The Government intends to evaluate proposals and award a contract without discussions with offerors (except clarifications as described in FAR 15.306(a)). Therefore, the offeror's initial proposal should contain the offeror's best terms from a cost or price and technical standpoint. The Government reserves the right to conduct discussions if the Contracting Officer later determines them to be necessary. If the Contracting Officer determines that the number of proposals that would otherwise be in the competitive range exceeds the number at which an efficient competition can be conducted, the Contracting Officer may limit the number of proposals in the competitive range to the greatest number that will permit an efficient competition among the most highly rated proposals.
- (5) The Government reserves the right to make an award on any item for a quantity less than the quantity offered, at the unit cost or prices offered, unless the offeror specifies otherwise in the proposal.
- (6) The Government reserves the right to make multiple awards if, after considering the additional administrative costs, it is in the Government's best interest to do so.
- (7) Exchanges with offerors after receipt of a proposal do not constitute a rejection or counteroffer by the Government.
- (8) The Government may determine that a proposal is unacceptable if the prices proposed are materially unbalanced between line items or subline items. Unbalanced pricing exists when, despite an acceptable total evaluated price, the price of one or more contract line items is significantly overstated or understated as indicated by the application of cost or price analysis techniques. A proposal may be rejected if the Contracting officer determines that the lack of balance poses an unacceptable risk to the Government.
- (9) If a cost realism analysis is performed, cost realism may be considered by the source selection authority in evaluating performance or schedule risk.
- (10) A written award or acceptance of proposal mailed or otherwise furnished to the successful offeror within the time specified in the proposal shall result in a binding contract without further action by either party.
- (11) If a post-award debriefing is given to requesting offerors, the Government shall disclose the following information, if applicable:
- (i) The agency's evaluation of the significant weak or deficient factors in the debriefed offeror's offer.
 - (ii) The overall evaluated cost or price and technical rating of the successful and the debriefed offeror and past performance information on the debriefed offeror.
 - (iii) The overall ranking of all offerors, when any ranking was developed by the agency during source selection.

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(iv) A summary of the rationale for award.

(v) For acquisitions of commercial items, the make and model of the item to be delivered by the successful offeror.

(vi) Reasonable responses to relevant questions posed by the debriefed offeror as to whether source-selection procedures set forth in the solicitation, applicable regulations, and other applicable authorities were followed by the agency.

L.3 52.216-1 TYPE OF CONTRACT (APR 1984)

The Government contemplates award of a Cost-Plus-Fixed-Fee, completion type contract resulting from this solicitation.

L.4 52.233-2 SERVICE OF PROTEST (SEP 2006)

(a) Protests, as defined in section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the Government Accountability Office (GAO), shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from

Hand-Carried Address:

Office of Acquisition and Assistance
USAID/Afghanistan
Café Compound
U.S. Embassy
Great Masood Road
Kabul, Afghanistan
Attention: Mr. G.Michael Junge

Mailing Address:

Office of Acquisition and Assistance
Attn: Mr. G.Michael Junge
USAID/Afghanistan
American Embassy
APO AE 09806

Fax Number: U.S. number 202-216-6288, ext. 4739

(b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.

L.5 GENERAL INSTRUCTIONS TO OFFERORS

(a) Multiple Awards. The U. S. Government anticipates awarding approximately one contract including 0 small business set-aside(s) as a result of this Solicitation. The Agency reserves the right to award more or fewer awards than the anticipated number of contracts stated above.

(b) RFP Instructions. If an Offeror does not follow the instructions set forth herein, the Offeror's proposal may be eliminated from further consideration or the proposal may be down-graded and not receive full or

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partial credit under the applicable evaluation criteria. If an Offeror does not understand the instructions in this Solicitation, then it should write to the contracting officer for clarification sufficiently in advance of the deadline for the receipt of proposals in order to obtain an answer in time to meet that deadline.

(c) Accurate and Complete Information. Offerors must set forth full, accurate and complete information as required by this RFP. The penalty for making false statements to the Government is prescribed in 18 U.S.C. 1001.

(d) Pre-award Survey. USAID reserves the right to perform a pre-award survey which may include, but is not limited to: (1) interviews with individuals to establish their ability to perform contract duties under the project conditions; (2) a review of the prime contractor's financial condition, business and personnel procedures, etc.; and (3) site visits to the prime contractor's institution.

(e) Offer Acceptability. The Government may determine an offer to be unacceptable if the offer does not comply with all of the terms and conditions of the RFP and prospective contract:

(1) Completion of Standard Form 33, Blocks 12 through 18;

(2) Submission of proposed costs/prices and indirect cost information as required by Section B of this RFP;

(3) Completion of the "Representations, Certifications, and Other Statements of Offerors" in Section K; and

(4) Submission of information required by Section L or any other section of this RFP. The submission of these items in accordance with these instructions will, if the Government accepts the offer, contractually bind the Government and the successful offeror to the terms and conditions of the prospective contract. Offerors shall follow the instructions contained in this RFP and supply all information and signature/certifications, as required, including whether or not the offeror has a Secret level security clearance.

(f) Proposal Preparation Costs. The U.S. Government will not pay for any proposal preparation costs.

(g) Submission of Alternate Proposals. All offerors shall submit a proposal directly responsive to the terms and conditions of this RFP. If an offeror chooses to submit an alternative proposal, they must, at the same time, submit a proposal directly responsive hereto for any alternate to even be considered.

(h) As an annex, the offeror is also required to provide a draft first-year work plan showing how the activities proposed for each component will be carried out and how they will complement each other in support of achieving the expected result. A Performance Management Plan (PMP), a critical tool for planning, managing, and documenting performance against set indicators, shall also be included as an annex.

L.6 DELIVERY INSTRUCTIONS

(a) Proposals submitted in response to this RFP will be received the following manner:

DESIGNATED OFFICE:

Attn. G.Michael Junge or Shaperai Naziri
Office of Acquisition and Assistance
USAID/Afghanistan

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U.S. Embassy
APO AE 09806

Questions in response to this solicitation must be received in writing via e-mail only to 306090506@usaid.gov. NOTE: Each e-mail must contain subject line, which clearly indicates the name of the Offeror and the solicitation number. Sample subject line: "ABCD, Inc. – RFP No. 306-08-028, "Trade and Accession Facilitation in Afghanistan (TAFA)". All questions and requests for clarification must be received within **fifteen (15)** days from the date of issuance of the RFP by 4:00 PM local time. No questions will be accepted after this date.

(b) Closing Date and Time. All proposals in response to this RFP shall be due at the below address, not later than the date stated in Block 9. of the SF 33 cover of this Solicitation.

(c) The information requested below must be placed in sealed envelopes clearly marked on the outside with the following information:

RFP No.: 306-09-0506

(Title): "Trade and Accession Facilitation in Afghanistan (TAFA)"

Technical and Cost/Business Proposals must be kept separate from each other. Technical Proposals must not make reference to pricing data in order that the technical evaluation may be made strictly on the basis of technical merit.

(d) Number of copies. An original and **five (5)** copies of the Technical Proposal are required. An original and **three (3)** copies of the Cost/Business Proposal are required.

(e) Mailing Addresses.

Electronic submission:

Submission of proposals by email vice hardcopy is acceptable subject to the following understanding:

- The USAID email gateway accepts messages whose total size with attachments is 8 Mb (no zipped or compressed files);
- An email proposal must be submitted to 306090506@usaid.gov, the subject line of the email must contain the solicitation number RFP No. 306-09-0506, "Trade and Accession Facilitation in Afghanistan Project";
- Acceptable native file formats are Microsoft Office Suite applications (.DOC, .XLS, .MDB) or Adobe Acrobat (.PDF);
- Time of receipt of the email is the USAID email gateway time-stamp of the message header;

For proposals submitted by email, respondents are encouraged to request a return receipt. Please acknowledge receipt of this email.

If Sent via U.S. Postal Service:

Office of Acquisition and Assistance
USAID/Afghanistan
U.S. Embassy
APO AE 09806

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Attn: G.Michael Junge or Shaperai Naziri

Hand-Carried, or via Courier Service:

Office of Acquisition and Assistance
USAID/Afghanistan
Café Compound
U.S. Embassy
Great Masood Road
Kabul, Afghanistan
Attn: G.Michael Junge or Shaperai Naziri

NOTE: Offerors are responsible for ensuring timely delivery of proposals. Be advised that some delivery or courier services change the zip code from the official USAID zip code (20523) to the Washington, D.C. zip code that applies to USAID's physical location and proposals have been misdirected as a result.

If your firm utilizes the services of an independent agent in Kabul to deliver proposals, please be certain they understand that additional time may be needed to allow for security review of any packages and that the closing date and time are firm. USAID and the State Department accept no liability for late delivery, or non-delivery, attributable to the diplomatic pouch. Offerors should plan accordingly and are advised not to send their proposal via diplomatic pouch. Any proposal not received in the designated office listed above by the closing date and time will be processed as late. Delivery to the post office or air courier representative does not constitute meeting the statutory requirement that proposals are received timely at the designated office. For purposes of recording the official receipt of proposals, the date/time stamp by the Office of Acquisition and Assistance, USAID/Afghanistan will govern.

L.7 INSTRUCTIONS FOR THE PREPARATION OF THE TECHNICAL PROPOSAL

- (a) The technical proposal in response to this solicitation should describe the offer's technical approach and methodology for how the offer intends to carry out the component activities and achieve the results set forth in the Statement of Work (SOW), Section C of this RFP. It should demonstrate a sound knowledge of past and ongoing political and operational challenges and ways in which they may be addressed. The approach must be realistic, set forth meaningful milestones, seek to maximize results within budget resources, and ensure a prompt and effective launch of contract activities. The Contractor will be required to develop detailed annual work plans covering the specific activities in each area, for review and approval by the CTO. The technical proposal should be organized by the technical evaluation criteria listed in Section M.
- (b) The past performance references required by this section shall be included as an annex or attachment of the technical proposal.
- (c) Detailed information should be presented only when required by specific RFP instructions. Proposals are limited to 30 pages, over 30 pages will not be evaluated, and shall be prepared in English on standard 8 1/2" x 11" paper (216mm by 297mm paper), single-spaced, 10 characters per inch with each page numbered consecutively. Items such as graphs, charts, cover pages, dividers, table of contents, and attachments (i.e. key personnel resumes, table summarizing qualifications of proposed personnel, past performance summary table and past performance report forms) are not included in the 30 page limitation.
- (d) The technical proposal should, at a minimum, include the following:

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(1) TECHNICAL APPROACH

The Statement of Work (SOW) identifies the projects' goals and results as well as key areas in which expertise will be required. The technical approach shall reflect an understanding of the identified goal and results and the substance and sequence of needed reforms, and/or interventions in areas indicated in the SOW. Offers shall describe how each of their proposed activities contributes to achievement of the Project's goal and results. Proposals will be evaluated on their approach toward achieving the stated goal, results and requirements, the consistency of the proposed approach with the stated goal and results, and innovative approaches and activities, such as use of local partners, to achieve desired policy and institutional reform outcomes. A clear connection between the offeror's proposed approach and the proposed level of effort and staffing plan must be demonstrated. The proposal must convincingly demonstrate how the offeror will manage relationships with the host country government counterparts and key stakeholders, other donors and other elements of the US government present in Afghanistan; demonstrate a sound knowledge of past and ongoing political and operational challenges and ways in which they may be addressed. The approach must be realistic, set forth meaningful milestones, seek to maximize results within budget resources, and ensure a prompt and effective launch of contract activities.

The Technical Approach will include a Performance Management Plan (PMP), and a first year draft work plan, as separate annexes (no longer than 10 pages each), which is not included in the 30 page limitation. A PMP is a performance management tool to help plan and manage the process of assessing and reporting progress toward achieving the Project's goal. It is a critical tool for planning, managing, and documenting how performance data is collected and used. The draft PMP should contain targets, indicators and benchmarks – both quantitative and qualitative – that are suitable for tracking, documenting, monitoring, and reporting performance for all component activities and are linked to deliverables, results, and impacts. It shall include indicators as listed in the SOW, corresponding targets for each year (according to data availability) and any other indicators the offeror proposes as feasible indicators of measuring intermediate progress toward achievement of the project objectives. The PMP should demonstrate how this management system will help to clarify and focus project objectives; serve as an early warning system, forecasting, and reporting tool; promote on-going discussions pertaining to project scope and direction; and aid in effective management decision making. The PMP shall include an explanation of how baseline data and subsequent information will be collected, analyzed, and used to monitor performance and report on progress made. Since performance management is, by definition, a dynamic process, the PMP review process should be clearly articulated. It is the offeror's responsibility to show how costs associated with the implementation of the PMP are incorporated into the draft work plan. Proposed indicators shall meet USAID data quality standards for validity, integrity, precision, reliability and timeliness as described in ADS 203.3.5.1

Building host-country capacity is a priority concern for USAID. The technical approach will need to demonstrate realistic measures to be taken and a clear strategy over the life of the program for promoting sustainability through developing local technical capacity, appropriately tailored to Afghanistan's context. This will involve drawing upon the resources of local private sector and government partners involved in the trade and investment enabling environment; strengthening the institutional and human resource capacity of all relevant counterparts; and promoting the ability of such partners to pursue further improvement of the trade and investment enabling environment after the end of the project.

A strong rationale for the proposed technical approach that's clear and feasible to support implementation of reforms is critical. This can include describing the means for delivering technical assistance and on-site training, and supporting public education/outreach activities in Kabul and in various provinces of Afghanistan in order to achieve the expected results. The offeror should be aware that performance of the activities described in this RFP will require travel to various regions of Afghanistan and provision of on-

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site training and technical assistance in order to achieve the expected results. Some areas require a higher level of security, which could have an impact on how contractual requirements are fulfilled. The offeror should demonstrate understanding for the overall implications of security conditions and propose viable means to support project implementation in Kabul and the regions.

(2) PERSONNEL

This section shall define who will be employed under the contract, for what purposes, and the schedule of their deployment. Offerors shall describe the proposed management approach for carrying out the activities in the implementation plan and achieving the expected results. In particular, the management shall present a clear, complete and effective proposed organizational structure (with organizational chart), with related staffing plan and summary of proposed staffing resources that shows quantitatively the planned levels of long-term and short-term staff, for both local and international experts, for all project years.

Offerors shall propose what positions under the contract are key to achievement of the Project's goal and results. The number of proposed key personnel positions shall number not more than five. Full resumes for key personnel must be provided, with experience placed in chronological order starting with most recent information, so that the strengths of each key candidate's background and experience are presented. Employment information should include supervisory contact details. Each resume shall be accompanied by a SIGNED letter of commitment from each candidate indicating his/her: (a) availability to serve in the stated position, in terms of days after award; (b) intention to serve for the length of the contract or other term of service stated in the letter; (c) agreement to the compensation level which corresponds to the levels set forth in the cost proposal; and (d) prior work experience with the Prime contractor or subcontractor (if nominated by a subcontractor). Offerors shall also submit a minimum of three (3) references of professional contacts within the last three years; with complete contact information (current) preferably email addresses, for each proposed candidate.

A key objective is effective strengthening of sustainable capacity for trade policy, trade facilitation, and customs modernization. The offeror should demonstrate a clear strategy to promote sustainable local institutional and human capacity development. One priority is to make maximum use of qualified local staff and technical experts wherever and however they can be effectively utilized. Particular emphasis should be placed on mentoring local staff, with a view to advancing them to more senior positions over time.

Offeror shall propose a Chief of Party (COP) experienced in managing complex programs of similar scale, particularly in transitional, Islamic, and/or post-conflict countries; his/her technical expertise in trade and investment enabling environment issues; his/her experience in building and effectively supervising a diverse team of employees spread across an expansive region; demonstrated effective interpersonal skills, proactiveness, creative problem-solving and ethical management; prior experience in working with international donors and knowledge of USAID's policies and procedures. Presentation of credentials shall be in the same format as those provided of other key personnel mentioned in paragraph above.

(3) INSTITUTIONAL CAPACITY

Offerors shall demonstrate their institutional capacity. In particular, demonstrated organizational knowledge and capability of the offeror and proposed partners to effectively implement the proposed Technical Approach, including home office support, and their organizational experience in designing and managing trade and investment enabling environment development programs (including trade policy,

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trade facilitation, customs reform, and public outreach on trade-related issues and opportunities), and evidenced experience in successfully building sustainable host-country capacity.

If an offeror proposes a consortium approach, the formal relationships between/among firms with differing capabilities required to meet the requirements of this request shall be described. The offeror shall demonstrate the skills of the proposed organization(s) with regard to project management, implementation for results, and client relations. The offerors shall demonstrate the ability to build and maintain relationships with host country counterparts and its ability to collaborate with USAID and other donors. The institutional capability analysis will consider demonstrated organizational experience in managing large-scale projects, in transitional and conflict-prone countries. The offeror must detail: the institutional management structure; mobilization plan; logistics management; monitoring and reporting plans; management of subcontracts and public-private partnerships and financial management systems. The offeror should also use this section to describe its corporate management capacity: staffing, software, and equipment that the offeror will use to execute, support, control, monitor, and report on contract activities.

(4) PAST PERFORMANCE

Offerors are required to provide past performance references – general reference to relevant past performance should be included within the 30 page limit with more detailed information submitted as an annex. Past performances references will initially be reviewed to determine those that are relevant. Relevant past performance are contracts for similar services, preferably provided in countries with similar operational, socio-economic, political, and cultural characteristics. Those references determined to be relevant will be evaluated in accordance with the elements below. USAID prefers offerors to provide past performance information that has been reported and evaluated in either the National Institute for Health (NIH) or Past Performance Information Retrieval System (DOD) database.

As appendixes not counted toward the 30 page limit for the proposal, for the offeror and each major subcontractor, list the most recent and relevant contracts (5 are recommended) for efforts similar in magnitude and complexity which best illustrate the offeror's achievements in the Scope of Work. The list of five projects shall include for each referenced contract: (i) the name of the organization, (ii) the project name, (iii) a brief project description, (iv) the period of performance, (v) the contract amount, and (vi) the name and telephone number and e-mail address of at least two contacts at the organization for which the service was performed.

(5) COST PROPOSAL

The Cost/Business Application should contain the following components in the order set forth below.

(a) Part 1 - Standard Form (SF) 33

The offeror must submit the cover page (Section A) of this Solicitation [Standard Form (SF) 33, "Solicitation, Offer, and Award"], with blocks 12 through 18 completed, with an original signature of a person authorized on behalf of the offeror to sign the offer and place the form in the front of its Cost Proposal.

The estimated cost for the three-year plus two one-year option years period is \$50 to \$70 million, including fixed fee (if any). The fixed fee, if any, is to be determined.

(a) Each offeror shall provide an overall summary budget for entire contract period . In addition a detailed budget for each CLIN listed in Section B.4 (see below for items to be included). Supporting

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“Budget Notes”, an assumption narrative and spreadsheet(s) in sufficient detail to allow a complete analysis of each line item cost must be included. This is to include a complete breakdown of the cost elements associated with each CLIN and those costs associated with any proposed subcontract. The budgets should be specific for the line item for the entire period per CLIN and on an annual basis for each line item.

The Proposed budget shall include:

1. Clear explanation of budget narrative for all cost items/categories including staff, consultants, sub-contracting and material handling costs.
2. Based on the seven categories of activities listed above or based on other categories, offerors will submit budgets by proposed CLINs and normal cost line items.
3. How the proposal addresses the local support/logistical/office arrangements in an efficient manner.
4. How the proposal sets forth the rationale for optimal mix of personnel and the use of rates.
5. How the proposal addresses USAID reporting and audit requirements and demonstrated and effective use of computerized cost control and accounting systems.
6. Proposed rationale for number and duration of technical assistance trips during the contract.

(b) If the offeror is a joint venture or partnership, the business management proposal must include a copy of the legal agreement between the parties to the joint venture or partnership. The agreement will include a full discussion of the relationship between the firms including identification of the firm which will have responsibility for negotiation of the contract, which firm will have accounting responsibility, how work will be allocated, overhead calculated, and profit shared, and the express agreement of the principals thereto to be held jointly and severally liable for the acts or omissions of the other.

(c) Detail of the offeror's management structure as it relates to performance of services described in Section C.

(d) The representations and certifications, as set forth in Section K. of this solicitation, with the last page signed. This should be completed by subcontractors as well.

(e) The offeror and each subcontractor shall include a Statement of Contingent Fees (SF 119) if required by Section K.

(f) Small Business Subcontracting Plan

(g) The offerors shall submit Standard Form 1411 entitled "Contract Pricing Proposal Cover Sheet".

(h) Audited balance sheets and profit and loss statements or if not available, returns as submitted to Federal tax authorities for the offeror's last two complete fiscal years and for the current fiscal year as of 30 days prior to proposal submission. (The balance sheets and profit and loss statements for the current fiscal year may be unaudited.) The profit and loss statements should include details of the total cost of services sold, and be annotated by either the auditor or offeror to delineate the offeror's indirect expense pool(s) and customary indirect cost distribution base(s).

(i) A copy of the offeror's personnel policies in effect at the time the offer is submitted.

(j) A copy of the offeror's travel policies in effect at the time the offer is submitted.

(k) A copy of the current Negotiated Indirect Cost Rate Agreement (NICRA), if applicable.

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(1) Offerors must submit fully completed and signed USAID Biographical Data Sheets (AID Form 1420-17) for each key staff member proposed.

(2) The following is the minimum information required in the budget and budget narrative:

(A) Salary and Wages - Direct salaries and wages should be proposed in accordance with the offeror's personnel policies. Unit costs for each proposed position, key or not, should be expressed in an amount per work day with the corresponding level of effort required for the position (number of work days) and then calculated to a total cost for each cost period where the salary would be applicable. Biographical Data Sheets are required for all long term, short term expatriate personnel and all long term cooperating country personnel being proposed (forms may be obtained at http://www.usaid.gov/procurement_bus_opp/procurement/forms/). Narratives must provide a discussion of the estimated annual escalation of all salaries where applicable. Salaries proposed in excess of maximum annual salary rate described in "AAPD 06-03" must be explained thoroughly (see: http://www.usaid.gov/business/business_opportunities/cib/pdf/aapd06_03.pdf).

(B) Fringe Benefits - If the offeror has a fringe benefit rate that has been approved by an agency of the Government, such rate should be used and evidence of its approval should be provided. If a fringe benefit rate has not been so approved, the application should propose a rate and explain how the rate was determined. If the latter is used, the narrative should include a detailed breakdown comprised of all items of fringe benefits (e.g., unemployment insurance, workers compensation, health and life insurance, retirement, FICA, etc.) and the costs of each, expressed in dollars and as a percentage of salaries.

(C) Travel, Transportation, and Per Diem - The application should indicate the number of trips, domestic and international, and the estimated costs per trip. Specify the origin and destination for each proposed trip, duration of travel, and number of individuals traveling. Per diem should be based on the offeror's normal travel policies (offerors may choose to refer to the Federal Standardized Travel Regulations for cost estimates).

(D) Procurement - A list of proposed non-expendable property purchases. Specify all equipment to be purchased, including the type of equipment, the manufacturer, the unit cost, the number of units to be purchased and the expected geographic source. Goods and services provided by the offerors under this USAID-financed award are expected to be subject to the 935 Geographic Code.

(E) Equipment and Supplies - Specify all equipment, materials and supplies expected to be purchased, including type, unit cost, and units.

(F) Communications - Specific information regarding the type of communication cost at issue (i.e. mail, telephone, cellular phones, internet etc.) must be included in order to allow an assessment of the realism and reasonableness of these costs.

(G) Subcontracts/Consultants - Information sufficient to determine the reasonableness of the cost of each specific subcontract and consultant expected to be hired must be included. Similar information should be provided for all consultants as is provided under the category for personnel.

(H) Allowances - Allowances should be broken down by specific type and by person. Allowances should be in accordance with the offeror's policies and the applicable regulations and policies. The Independent Government Cost Estimate for these services includes allowance limits established by the U.S. Department of State. The allowance caps include the following:

Post Differential (35%)

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Danger Pay (35%)

(I) Direct Facilities Costs - Specific information regarding the cost of any facilities needed to perform program activities. The information provided should include the unit cost (rent), the time period the facilities are needed and the number of facilities. Only facilities that directly benefit the program activities should be included in this category; all other facility costs should be included in the indirect cost category.

(J) Other Direct Costs This includes report preparation costs, passports and visas fees, medical exams and inoculations, insurance (other than insurance included in the offeror's fringe benefits), as well as any other miscellaneous costs, which directly benefit the program proposed by the offeror. The narrative should provide a breakdown and support for all other direct costs. If seminars and conferences are included, the offeror should indicate the subject, venue and duration of proposed conferences and seminars, and their relationship to the objectives of the program, along with estimates of costs.

(K) Direct Program Expenditures: Offerors shall submit specific information regarding the direct expenditures on program activities. Direct program expenditures can be specifically identified with delivery of a particular project, service, or program activity undertaken by the offeror. Program activities / projects are defined as temporary endeavors undertaken to create a unique product or service which brings about beneficial change or added value. The goal of program activities is to achieve the intended outcomes per Section C. The Direct Program Expenditures shall be clearly presented so that USAID can evaluate these costs only and without burdens, activity administration or other costs. The proposed Direct Program Expenditures cost item should be presented with sufficient supporting information to allow a complete analysis for cost realism and reasonableness.

(L) Security: Offerors should include vehicles, labor for guard forces, barricades, security equipments, communications as well as other miscellaneous costs which directly benefit the program.

(M) Grants under Contract/GDAs: The expected amount for Grants under the Contract (GUC) and GDAs for this program is \$3,000,000 over the five years.

(N) Indirect Costs: The offeror should support the proposed indirect cost rate with a letter from a cognizant U.S. Government audit agency or with sufficient information for USAID to determine the reasonableness of the rates. (For example, a breakdown of labor bases and overhead pools, the method of determining the rate, a description of all costs in the pools, etc.)

(O) Fixed Fee: A written discussion justifying the proposed fixed fee is required.

(3) The following standard cost elements shall be included in the submission as applicable. Individual subcontractors should include the same cost element breakdowns in their budgets as applicable.

Cost Element:	CLIN 001	CLIN 002	CLIN 003
Total Direct Labor			
Salary and Wages	\$ _____	\$ _____	\$ _____
Fringe Benefits	\$ _____	\$ _____	\$ _____
Travel, Transportation, and Per Diem	\$ _____	\$ _____	\$ _____
Procurement	\$ _____	\$ _____	\$ _____
Equipment and Supplies	\$ _____	\$ _____	\$ _____
Communications	\$ _____	\$ _____	\$ _____
Subcontracts/Consultants	\$ _____	\$ _____	\$ _____
Allowances	\$ _____	\$ _____	\$ _____

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Direct Facilities Cost	\$ _____	\$ _____	\$ _____
Other Direct Cost	\$ _____	\$ _____	\$ _____
Direct Program Expenditures	\$ _____	\$ _____	\$ _____
Security	\$ _____	\$ _____	\$ _____
Grants under Contract	\$ _____	\$ _____	\$ _____
Indirect Costs	\$ _____	\$ _____	\$ _____
Total Estimated Cost	\$ _____	\$ _____	\$ _____
Fixed Fee	\$ _____	\$ _____	\$ _____
Total Est. Cost plus Fee	\$ _____	\$ _____	\$ _____

(4) Indirect Cost Information

(i) The offeror and each proposed major subcontractor shall include a complete copy of its most current Negotiated Indirect Cost Rate Agreement (NICRA) or other documentation from its cognizant Government Audit Agency, if any, stating the most recent final indirect cost rates.

(ii) If the offeror or any major subcontractor(s) does not have a cognizant Government Audit Agency, audited balance sheets and profit and loss statements for the last two complete years, and the current year-to-date statements (or such lesser period of time if the offeror is a newly-formed organization), must be included in the proposal. The profit and loss statements should include detail of the total cost of goods and services sold, including a listing of the various indirect administrative costs, and be supplemented by information on the prime contractor's customary indirect cost allocation method, together with supporting computations of the basis for the indirect cost rate(s) proposed.

(b) Part 2 - Evidence of Responsibility

The offeror must submit sufficient evidence of responsibility for the contracting officer to make an affirmative determination of responsibility pursuant to the requirements of FAR Subsection 9.104-1. However, in the case of a small business offeror, the contracting officer will comply with FAR 19.6. Accordingly, prime offerors should seriously address each element of responsibility. To be determined responsible, a prospective contractor must:

(1) Have adequate financial resources to perform the contract, or the ability to obtain them (see FAR 9.104-3(a));

(2) Be able to comply with the required or proposed delivery or performance schedule, taking into consideration all existing commercial and governmental commitments;

(3) Have a satisfactory performance record (See FAR 9.104-3(b) and Subpart 42.15). A prospective contractor shall not be determined responsible or non-responsible solely on the basis of a lack of relevant performance history, except as provided in FAR 9.104-2;

(4) Have a satisfactory record of integrity and business ethics;

(5) Have the necessary organization, experience, accounting and operational controls, and technical skills, or the ability to obtain them (including, as appropriate, such elements as production control procedures, property control systems, quality assurance measures, and safety programs applicable to materials to be produced or services to be performed by the prospective contractor and subcontractors). (See FAR 9.104-3(a));

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(6) Have the necessary production, construction, and technical equipment and facilities, or the ability to obtain them (See FAR 9.104- 3(a)); and

(7) Be otherwise qualified and eligible to receive an award under applicable laws and regulations (e.g., Equal Opportunity, Clean Air and Water, Small Business Subcontracting, etc.).

(h) Part 8 - Letters of Commitment (Subcontractors)

The Cost/Business Proposal must include a letter, on subcontractor letterhead, and signed by an authorized representative of each subcontractor, which specifically indicates the subcontractor's agreement to be included in the offeror's proposed teaming arrangement.

(i) Part 9 - Information to Support Consent to Subcontractors

The offeror must address each of the elements in FAR 44.202-2 in order for proposed subcontractors to be considered by the contracting officer for consent of subcontractors to be granted with the initial award.

(j) Part 10 - Information Concerning Work-Day, Work-Week, and Paid Absences

(1) The offeror and each proposed major subcontractor shall indicate the number of hours and days in its normal work-day and its normal work-week, both domestically and overseas, for employees and consultants. In addition, the offeror and each proposed major subcontractor shall indicate how paid absences (US holidays, local holidays, vacation and sick) shall be covered.

(2) A normal work-year, including paid absences (holidays, vacations, and sick leave) is 2,080 hours (260 days x 8 hours per day). However, some organizations do not have an 8-hour workday, and some accounting systems normally provide for direct recovery of paid absences by using a work-year of less than 2,080 hours to compute individuals' unburdened daily rates. The offeror and major subcontractors shall describe their core work day and work week policies.

(3) The work day and work week policies and the method of accounting for paid absences for the offeror and major subcontractors in effect at the time of award shall remain enforced throughout the period of the award.

L.8 52.225-19 Contractor Personnel in a Designated Operational Area or Supporting a Diplomatic or Consular Mission Outside the United States (Mar 2008)

1) This clause applies when Contractor personnel are required to perform outside the United States—

(i) In a designated operational area during—

(A) Contingency operations;

(B) Humanitarian or peacekeeping operations; or

(C) Other military operations; or military exercises, when designated by the Combatant

Commander; or

(ii) When supporting a diplomatic or consular mission—

(A) That has been designated by the Department of State as a danger pay post (see http://aoprals.state.gov/Web920/danger_pay_all.asp); or

(B) That the Contracting Officer has indicated is subject to this clause.

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(2) Contract performance may require work in dangerous or austere conditions. Except as otherwise provided in the contract, the Contractor accepts the risks associated with required contract performance in such operations.

(3) Contractor personnel are civilians.

(i) Except as provided in paragraph (b)(3)(ii) of this clause, and in accordance with paragraph (i)(3) of this clause, Contractor personnel are only authorized to use deadly force in self-defense.

(ii) Contractor personnel performing security functions are also authorized to use deadly force when use of such force reasonably appears necessary to execute their security mission to protect assets/persons, consistent with the terms and conditions contained in the contract or with their job description and terms of employment.

(4) Service performed by Contractor personnel subject to this clause is not active duty or service under 38 U.S.C. 106 note.

(c) *Support.* Unless specified elsewhere in the contract, the Contractor is responsible for all logistical and security support required for Contractor personnel engaged in this contract.

(d) *Compliance with laws and regulations.* The Contractor shall comply with, and shall ensure that its personnel in the designated operational area or supporting the diplomatic or consular mission are familiar with and comply with, all applicable—

(1) United States, host country, and third country national laws;

(2) Treaties and international agreements;

(3) United States regulations, directives, instructions, policies, and procedures; and

(4) Force protection, security, health, or safety orders, directives, and instructions issued by the Chief of Mission or the Combatant Commander; however, only the Contracting Officer is authorized to modify the terms and conditions of the contract.

(e) *Preliminary personnel requirements.*

(1) Specific requirements for paragraphs (e)(2)(i) through (e)(2)(vi) of this clause will be set forth in the statement of work, or elsewhere in the contract.

(2) Before Contractor personnel depart from the United States or a third country, and before Contractor personnel residing in the host country begin contract performance in the designated operational area or supporting the diplomatic or consular mission, the Contractor shall ensure the following:

(i) All required security and background checks are complete and acceptable.

(ii) All personnel are medically and physically fit and have received all required vaccinations.

(iii) All personnel have all necessary passports, visas, entry permits, and other documents required for Contractor personnel to enter and exit the foreign country, including those required for in-transit countries.

(iv) All personnel have received—

(A) A country clearance or special area clearance, if required by the chief of mission; and

(B) Theater clearance, if required by the Combatant Commander.

(v) All personnel have received personal security training. The training must at a minimum—

(A) Cover safety and security issues facing employees overseas;

(B) Identify safety and security contingency planning activities; and

(C) Identify ways to utilize safety and security personnel and other resources appropriately.

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(vi) All personnel have received isolated personnel training, if specified in the contract. Isolated personnel are military or civilian personnel separated from their unit or organization in an environment requiring them to survive, evade, or escape while awaiting rescue or recovery.

(vii) All personnel who are U.S. citizens are registered with the U.S. Embassy or Consulate with jurisdiction over the area of operations on-line at <http://www.travel.state.gov>.

(3) The Contractor shall notify all personnel who are not a host country national or ordinarily resident in the host country that—

(i) If this contract is with the Department of Defense, or the contract relates to supporting the mission of the Department of Defense outside the United States, such employees, and dependents residing with such employees, who engage in conduct outside the United States that would constitute an offense punishable by imprisonment for more than one year if the conduct had been engaged in within the special maritime and territorial jurisdiction of the United States, may potentially be subject to the criminal jurisdiction of the United States (see the Military Extraterritorial Jurisdiction Act of 2000 (18 U.S.C. 3261 *et seq.*);

(ii) Pursuant to the War Crimes Act, 18 U.S.C. 2441, Federal criminal jurisdiction also extends to conduct that is determined to constitute a war crime when committed by a civilian national of the United States; and

(iii) Other laws may provide for prosecution of U.S. nationals who commit offenses on the premises of United States diplomatic, consular, military or other United States Government missions outside the United States (18 U.S.C. 7(9)).

(f) *Processing and departure points.* The Contractor shall require its personnel who are arriving from outside the area of performance to perform in the designated operational area or supporting the diplomatic or consular mission to—

(1) Process through the departure center designated in the contract or complete another process as directed by the Contracting Officer;

(2) Use a specific point of departure and transportation mode as directed by the Contracting Officer; and

(3) Process through a reception center as designated by the Contracting Officer upon arrival at the place of performance.

(g) *Personnel data.*

(1) Unless personnel data requirements are otherwise specified in the contract, the Contractor shall establish and maintain with the designated Government official a current list of all Contractor personnel in the areas of performance. The Contracting Officer will inform the Contractor of the Government official designated to receive this data and the appropriate system to use for this effort.

(2) The Contractor shall ensure that all employees on this list have a current record of emergency data, for notification of next of kin, on file with both the Contractor and the designated Government official.

(h) *Contractor personnel.* The Contracting Officer may direct the Contractor, at its own expense, to remove and replace any Contractor personnel who fail to comply with or violate applicable requirements of this contract. Such action may be taken at the Government's discretion without prejudice to its rights under any other provision of this contract, including termination for default or cause.

(i) *Weapons.*

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(1) If the Contracting Officer, subject to the approval of the Combatant Commander or the Chief of Mission, authorizes the carrying of weapons—

(i) The Contracting Officer may authorize an approved Contractor to issue Contractor-owned weapons and ammunition to specified employees; or

(ii) The _____ [*Contracting Officer to specify individual, e.g., Contracting Officer Representative, Regional Security Officer, etc.*] may issue Government-furnished weapons and ammunition to the Contractor for issuance to specified Contractor employees.

(2) The Contractor shall provide to the Contracting Officer a specific list of personnel for whom authorization to carry a weapon is requested.

(3) The Contractor shall ensure that its personnel who are authorized to carry weapons—

(i) Are adequately trained to carry and use them—

(A) Safely;

(B) With full understanding of, and adherence to, the rules of the use of force issued by the Combatant Commander or the Chief of Mission; and

(C) In compliance with applicable agency policies, agreements, rules, regulations, and other applicable law;

(ii) Are not barred from possession of a firearm by 18 U.S.C. 922; and

(iii) Adhere to all guidance and orders issued by the Combatant Commander or the Chief of Mission regarding possession, use, safety, and accountability of weapons and ammunition.

(4) Upon revocation by the Contracting Officer of the Contractor's authorization to possess weapons, the Contractor shall ensure that all Government-furnished weapons and unexpended ammunition are returned as directed by the Contracting Officer.

(5) Whether or not weapons are Government-furnished, all liability for the use of any weapon by Contractor personnel rests solely with the Contractor and the Contractor employee using such weapon.

(j) *Vehicle or equipment licenses.* Contractor personnel shall possess the required licenses to operate all vehicles or equipment necessary to perform the contract in the area of performance.

(k) *Military clothing and protective equipment.*

(1) Contractor personnel are prohibited from wearing military clothing unless specifically authorized by the Combatant Commander. If authorized to wear military clothing, Contractor personnel must wear distinctive patches, armbands, nametags, or headgear, in order to be distinguishable from military personnel, consistent with force protection measures.

(2) Contractor personnel may wear specific items required for safety and security, such as ballistic, nuclear, biological, or chemical protective equipment.

(l) *Evacuation.*

(1) If the Chief of Mission or Combatant Commander orders a mandatory evacuation of some or all personnel, the Government will provide to United States and third country national Contractor personnel the level of assistance provided to private United States citizens.

(2) In the event of a non-mandatory evacuation order, the Contractor shall maintain personnel on location sufficient to meet contractual obligations unless instructed to evacuate by the Contracting Officer.

(m) *Personnel recovery.*

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(1) In the case of isolated, missing, detained, captured or abducted Contractor personnel, the Government will assist in personnel recovery actions.

(2) Personnel recovery may occur through military action, action by non-governmental organizations, other Government-approved action, diplomatic initiatives, or through any combination of these options.

(3) The Department of Defense has primary responsibility for recovering DoD contract service employees and, when requested, will provide personnel recovery support to other agencies in accordance with DoD Directive 2310.2, Personnel Recovery.

(n) *Notification and return of personal effects.*

(1) The Contractor shall be responsible for notification of the employee-designated next of kin, and notification as soon as possible to the U.S. Consul responsible for the area in which the event occurred, if the employee—

(i) Dies;

(ii) Requires evacuation due to an injury; or

(iii) Is isolated, missing, detained, captured, or abducted.

(2) The Contractor shall also be responsible for the return of all personal effects of deceased or missing Contractor personnel, if appropriate, to next of kin.

(o) *Mortuary affairs.* Mortuary affairs for Contractor personnel who die in the area of performance will be handled as follows:

(1) If this contract was awarded by DoD, the remains of Contractor personnel will be handled in accordance with DoD Directive 1300.22, Mortuary Affairs Policy.

(2)(i) If this contract was awarded by an agency other than DoD, the Contractor is responsible for the return of the remains of Contractor personnel from the point of identification of the remains to the location specified by the employee or next of kin, as applicable, except as provided in paragraph (o)(2)(ii) of this clause.

(ii) In accordance with [10 U.S.C. 1486](#), the Department of Defense may provide, on a reimbursable basis, mortuary support for the disposition of remains and personal effects of all U.S. citizens upon the request of the Department of State.

(p) *Changes.* In addition to the changes otherwise authorized by the Changes clause of this contract, the Contracting Officer may, at any time, by written order identified as a change order, make changes in place of performance or Government-furnished facilities, equipment, material, services, or site. Any change order issued in accordance with this paragraph shall be subject to the provisions of the Changes clause of this contract.

(q) *Subcontracts.* The Contractor shall incorporate the substance of this clause, including this paragraph (q), in all subcontracts that require subcontractor personnel to perform outside the United States—

(1) In a designated operational area during—

(i) Contingency operations;

(ii) Humanitarian or peacekeeping operations; or

(iii) Other military operations; or military exercises, when designated by the Combatant

Commander; or

(2) When supporting a diplomatic or consular mission—

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(i) That has been designated by the Department of State as a danger pay post (see http://aoprals.state.gov/Web920/danger_pay_all.asp); or

(ii) That the Contracting Officer has indicated is subject to this clause.

(End of clause)

**L.9 52.225-20 Prohibition on Conducting Restricted Business Operations in Sudan—
Certification.**

As prescribed at 25.1103(d), insert the following provision:

PROHIBITION ON CONDUCTING RESTRICTED BUSINESS OPERATIONS IN SUDAN—CERTIFICATION (JUNE 2008)

(a) *Definitions.* As used in this provision—

“Business operations” means engaging in commerce in any form, including by acquiring, developing, maintaining, owning, selling, possessing, leasing, or operating equipment, facilities, personnel, products, services, personal property, real property, or any other apparatus of business or commerce.

“Marginalized populations of Sudan” means—

(1) Adversely affected groups in regions authorized to receive assistance under section 8(c) of the Darfur Peace and Accountability Act (Pub. L. 109-344) (50 U.S.C. 1701 note); and

(2) Marginalized areas in Northern Sudan described in section 4(9) of such Act.

“Person” means—

(1) A natural person, corporation, company, business association, partnership, society, trust, any other nongovernmental entity, organization, or group;

(2) Any governmental entity or instrumentality of a government, including a multilateral development institution (as defined in section 1701(c)(3) of the International Financial Institutions Act (22 U.S.C. 262r(c)(3)); and

(3) Any successor, subunit, parent company or subsidiary of any entity described in paragraphs (1) or (2) of this definition.

“Restricted business operations” means business operations in Sudan that include power production activities, mineral extraction activities, oil-related activities, or the production of military equipment, as those terms are defined in the Sudan Accountability and Divestment Act of 2007 (Pub. L. 110-174). Restricted business operations do not include business operations that the person conducting the business can demonstrate—

(1) Are conducted under contract directly and exclusively with the regional government of southern Sudan;

(2) Are conducted pursuant to specific authorization from the Office of Foreign Assets Control in the Department of the Treasury, or are expressly exempted under Federal law from the requirement to be conducted under such authorization;

(3) Consist of providing goods or services to marginalized populations of Sudan;

(4) Consist of providing goods or services to an internationally recognized peacekeeping force or humanitarian organization;

(5) Consist of providing goods or services that are used only to promote health or education; or

(6) Have been voluntarily suspended.

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(b) *Certification*. By submission of its offer, the offeror certifies that it does not conduct any restricted business operations in Sudan.

L.10 INSTRUCTIONS FOR THE PREPARATION OF BRANDING AND MARKING PLANS:

In accordance with Section D of this solicitation, the apparent successful Offeror, upon request of the Contracting Officer, will submit and negotiate a Branding Implementation Plan (BIP) and a Marking Plan (MP). The BIP will be included in and made a part of the resultant contract. The BIP will be negotiated within the time that the Contracting Officer specifies. Failure to submit and negotiate a BIP will make the offeror ineligible for award of a contract. The apparent successful offeror must include all estimated costs associated with the Branding Implementation Plan and the Marking plan of the IDEA/S program.

Offeror(s) should submit a preliminary BIP and MP (not to exceed two pages) as a separate annex to the cost proposal. The BIP and MP will not be a part of the technical evaluation. Offerors will be required to submit formal and detailed Branding Implementation Plan and Marking plans for final review before award, or in the competitive range.

Branding Implementation Plan (BIP):

A Branding Implementation Plan must be developed by the successful offerors. It shall describe how the program will be communicated to the beneficiaries and promoted to host-country citizens. It will outline the events and materials the contractor will use to deliver the message that the assistance is from the American people.

More specifically, Branding Implementation Plan must address the following:

How to incorporate the message, "This assistance is from the American people jointly sponsored by USAID and the Government of Islamic Republic of Afghanistan," in communications and materials directed to beneficiaries, or provide an explanation if his message is not appropriate or possible.

How to publicize the program, project, or activity in Afghanistan and a description of the communications tools to be used. Such tools may include the following: press releases, press conferences, media interviews, site visits, success stories, beneficiary testimonials, professional photography, PSAs, videos, web casts, e-invitations, or other e-mails sent to group lists, such as participants for a training session blast e-mails or other Internet activities, etc.

The key milestones or opportunities anticipated to generate awareness that the program, project, or activity is from the American people jointly sponsored by USAID and the Government of the Islamic Republic of Afghanistan, or an explanation if this is not appropriate or possible. Such milestones may be linked to specific points in time, such as the beginning or end of a program, or to an opportunity to showcase publications or other materials, research findings, or program success. These include, but are not limited to, the following: launching the program, announcing research findings, publishing reports or studies, spotlighting trends, highlighting success stories, featuring beneficiaries as spokespeople, securing endorsements from partner municipalities, ministry or local organizations, promoting final or interim reports, and communicating program impact/overall results.

Marking Plan (MP):

USAID's policy is that programs, projects, activities, public communications, or commodities implemented or delivered under contracts and subcontracts exclusively funded by USAID are marked exclusively with the USAID Identity. Marking Plan shall be developed to enumerate the public

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communications, commodities, and program materials and other items that visibly bear or will be marked with the USAID Standard Graphic identity. Where applicable, a host-country government or ministry symbol may be added.

Except for the manufacturer's trademark on a commercial item, the corporate identities or logos of contractors or subcontractors are not permitted on USAID-funded program materials and communications. Please refer to ADS section 320.3.2.4 that describes what the Marking Plan must address. Note that marking is not required for Contractors' offices, vehicles, and other non-deliverable items.

[END OF SECTION L]

SECTION M: EVALUATION FACTORS FOR AWARD

GENERAL INFORMATION

After the final evaluation of the proposals, the Contracting Officer will make the award to the offeror whose proposal provides the best value to the Government, considering both technical and cost factors. Technical and cost factors will be evaluated relative to each other, as described herein. The technical evaluation factors, taken as a whole, are of greater importance than cost or price in determining best value.

- (a) The technical proposal will be scored by a technical evaluation committee using the criteria shown in this Section.
- (b) The cost proposal will be evaluated by the method described in this Section.
- (c) The technical evaluation criteria below are presented by major category and sub-category, with points indicating relative importance. These criteria reflect the requirements of this particular solicitation. Sub-categories within each category are of equal importance unless otherwise stated.

Offerors should note that these criteria: (1) serve as the standard against which all proposals will be evaluated, and (2) serve to identify the significant matters which offerors should address in their proposals.

A. Technical Proposal (100 points)

I. Technical Approach (40 points) (sub-factors in descending order of importance)

- A. Extent to which the proposed approach is well-conceived, technically sound, innovative, and feasible to achieve the Project's goals and specific results set out in Section C of this RFP; extent to which proposal addresses the cross-cutting issues and aid effectiveness concerns identified, demonstrates balance between activities in the center and the regions, exhibits understanding of the issues, opportunities and challenges in the context of Afghanistan's trade and investment enabling environment, evidences ability to coordinate with countries in the region, builds on lessons learned from similar programs in the region, conflict-prone and/or Islamic countries, and incorporates ability to respond to PRTs and leverage CERP funding. (15 points)
- B. Extent to which the proposed Performance Management Plan (PMP) identifies clear, sound, appropriate and feasible targets, indicators and benchmarks – both quantitative and qualitative – for all component activities; and includes a comprehensive plan for collecting baseline and follow-on data sufficient to monitor and report on progress – both overall and by province – toward improving the environment for trade and investment and achieving the expected results. Extent to which draft first-year work plan is ambitious and realistic in advancing goals of the program. (10 points)

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- C. Extent to which offeror proposes a clear strategy over the life of the program for promoting sustainability through developing local technical capacity, and drawing upon the resources of local private sector and government partners involved in the trade and investment enabling environment; strengthening the institutional and human resource capacity of all relevant counterparts, promoting the ability of such partners to pursue further improvement of the trade and investment enabling environment after the end of the project. (10 points)
- D. Extent to which the offeror proposes a clear and feasible plan for supporting implementation of reforms, provision of technical assistance and on-site training, and public education/outreach activities in Kabul and in various provinces of Afghanistan in order to achieve the expected results. Offeror must demonstrate understanding for overall implications of security conditions and propose viable means to support project implementation in Kabul and the regions. (5 points)

II. Personnel (30 points): (sub-factors in descending order of importance)

- A. Appropriateness of the composition and organizational structure of the project team. Qualifications, technical expertise and experience of the proposed team in relation to the requirements of the proposed positions including specific experience in similar positions and with similar programs in transition, conflict-prone and/or least developed, and/or Islamic countries. Extent to which the proposal demonstrates an appropriate and reasonable balance between long-term and short-term advisors and between expatriate and local experts; and an effective approach to utilization and development of local Afghan human resources and advancement of Afghans to higher positions in the organizational structure. (20 points)
- B. Experience of the proposed Chief of Party (COP) in managing complex programs of similar scale, particularly in transitional, Islamic, and/or post-conflict countries; his/her technical expertise in trade and investment enabling environment issues; his/her experience in building and effectively supervising a diverse team of employees spread across an expansive region; demonstrated effective interpersonal skills, proactiveness, creative problem-solving and ethical management; prior experience in working with international donors and knowledge of USAID's policies and procedures. (10 points)

III. Institutional Capacity (15 points)

- A. Demonstrated organizational knowledge and capability of the offeror and proposed partners to effectively implement the proposed Technical Approach, including home office technical support, and their organizational experience in designing and managing trade and investment enabling environment development programs (including technical areas of trade policy, trade facilitation, customs reform, and public outreach on trade-related issues and opportunities), and evidences effective plans for building local capacity.
- B. Demonstrated skills of the proposed organization(s) with regard to project management, implementation for results, mobilization plan, logistics management, monitoring and reporting, management of subcontracts and public-private partnerships, financial management systems, accurate and timely communication and client relations, and effective

PART IV: - REPRESENTATIONS AND INSTRUCTIONS

and efficient control of resources. Demonstrated ability to mobilize personnel and commence program implementation rapidly and effectively after the contract is awarded, and proven capability to implement programs in a conflict-prone environments.

IV. Past Performance (15 Points)

- A. Quality of product or service, including: consistency in meeting goals and targets; satisfactory business relationships with clients; ability to initiate and manage several complex activities simultaneously and to adapt to changing conditions; effectiveness of coordination among Prime, subcontractors and host-country partners; prompt and satisfactory correction of problems, and cooperative attitude in addressing problems.
- B. Timeliness of performance, including adherence to contract schedules and other time-sensitive project conditions, and effectiveness of home and field office management to make prompt decisions and ensure efficient operation of tasks.
- C. Cost control, including forecasting costs as well as accuracy and timeliness in financial reporting.
- D. Effectiveness of personnel management including: effectiveness in recruitment of appropriate and qualified personnel; personnel retention; and prompt and satisfactory changes in personnel when problems are identified.
- E. Record of actual and proposed use of small business concerns as subcontractors in USG contracts. Offers from small business concerns will not be evaluated against this factor.

B. Cost Proposal

Offeror cost proposals shall include, at a minimum, the following categories: direct labor costs, home office staff, local staff, non-professional staff, office running costs, IT hardware/software, vehicles, domestic travel, international travel, consultants' fees, subcontracts, and training. Alternatively, should the offeror choose to propose some innovative approaches that do not fit with these categories, the offeror should price those separately. The contractor should structure the proposal so as to provide the best value and greatest assurance of results at the lowest cost. Each offeror's cost proposal for the contract period shall be evaluated in terms of reasonableness and realism to determine the appropriate cost for the work, the offeror's understanding of the work, and the offeror's ability to perform the work.

Price has not been assigned a numerical weight. Offerors are reminded that the U.S. Government is not obligated to award a negotiated contract on the basis of the lowest proposed cost (see FAR 15.101-1) or to the offerors with the highest technical evaluation score. After the final evaluation of the proposals, the Contracting Officer will make the award to the offeror whose proposal offers the best value to the Government, considering both technical and cost factors. It should be noted that estimated cost is an important factor and its importance as an evaluation factor will increase to the degree that proposals receive similar ratings on the technical criteria.

C. Contract Award and BEST Value

Tradeoff Analysis and best value Determination

- (a) In accordance with Section M of this solicitation, award will be made by the Contracting Officer to the responsible Offeror(s) whose proposal(s), conforming to the Solicitation and considering the below evaluation criteria, represent(s) the best overall values to the U.S. Government. The evaluation criteria will be used by the Contracting Officer as a guide in determining which proposals will present the best value to the Government. The tradeoff method will be utilized under this procurement.
- (b) The Government may reject any or all proposals if such action is in the Government's interest.
- (c) The Government may waive informalities and minor irregularities in proposals received.
- (d) The government intends to evaluate proposals and award a contract without discussions with offerors (except clarifications as described in FAR 15.306(a)). Therefore, the offeror's initial proposal should contain the offeror's best terms from a cost or price and technical standpoint. The Government reserves the right to conduct discussion if the Contracting Officer later determines them to be necessary.
- (e) Although technical evaluation rankings are significantly more important than cost factors, the closer the technical evaluations of the various proposals are to one another, the more important the cost considerations become. The Contracting Officer may determine what a higher evaluation based on technical criteria might mean in performance and what it would cost the U.S Government to take advantage of it. Conversely, if the Contracting Officer determines that competing cost proposals are essentially equal, technical rankings may become a determining factor in offeror selection.