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SUBJECT: USAID/LAC Cuba Program Request for Applications (RFA)  
Civil Society Program: Creating Networks Empowering Communities (CNECT)  
RFA number: USAID-W-OAA-GRO-LMA-10-00061

Dear Sir/Madam:

The United States Agency for International Development (USAID), represented by the Bureau of Latin America USAID/LAC, is seeking applications for a Cooperative Agreement for funding a three-year Civil Society program entitled “Creating Networks Empowering Communities (CNECT).” The authority for this activity is found in the Foreign Assistance Act of 1961, as amended. The Recipient will be responsible for ensuring achievement of the program objectives. Please refer to the Program Description for a complete statement of goals and expected results.

Pursuant to 22 CFR 226.81, it is USAID policy not to award profit under assistance instruments. However, all reasonable, allocable, and allowable expenses, both direct and indirect, which are related to the cooperative agreement program and are in accordance with applicable cost standards (22 CFR 226, OMB Circular A-122 for non-profit organizations, OMB Circular A-21 for universities, and Federal Acquisition Regulation (FAR) Part 31 for-profit organizations,) may be paid under the cooperative agreement.

Applicants under consideration for an award that have never received funding from USAID will be subject to a pre-award audit to determine fiscal responsibility, ensure adequacy of financial controls, and establish an indirect cost rate.

Subject to the availability of funds, USAID intends to award up to two Cooperative Agreements and provide up to \$3 million in total USAID funding per award to be allocated over the three-year period. USAID reserves the right to fund any or none of the applications submitted. Award will be made to the responsible applicant whose application offers the greatest value to the U.S. Government.

For the purposes of this program, this RFA is being issued and consists of this cover letter and the following:

1. Section A – Grant Application Format;
2. Section B – Program Description;
3. Section C – Evaluation Criteria;
4. Section D – Certifications, Assurances, and Other Statements of Applicant/Grantee.

If you decide to submit an application, it should be received by the closing date and time indicated at the top of this cover letter. If it is not, the application will not be considered for

award. All applications must be submitted in electronic format through the grants.gov web site at <http://www.grants.gov/>.

Issuance of this RFA does not constitute an award commitment on the part of the U.S. Government, nor does it commit the U.S. Government to pay for costs incurred in the preparation and submission of an application. In addition, final award of any resultant cooperative agreement cannot be made until funds have been fully appropriated, allocated, and committed through internal USAID procedures. While it is anticipated that these procedures will be successfully completed, potential applicants are hereby notified of these requirements and conditions for award. Applications are submitted at the risk of the applicant; should circumstances prevent award of a cooperative agreement, all preparation and submission costs are at the applicant's expense.

In the event of an inconsistency between the documents comprising this RFA, it shall be resolved by the following descending order of precedence.

- a) Section C – Evaluation Criteria
- b) Section A – Grant Application Format
- c) Section B – Program Description
- d) This Cover Letter

The method of distribution of USAID procurement information is via the Internet. This RFA and any future amendments can be downloaded from the grants.gov web site at <http://www.grants.gov/>. It is the responsibility of the recipient of the application document to ensure that it has been received from the internet in its entirety and USAID bears no responsibility for data errors resulting from transmission or conversion processes.

Any questions concerning this RFA should be submitted in writing to Paul Burford, Agreements Specialist, at [pburford@usaid.gov](mailto:pburford@usaid.gov), with a copy to Georgia Fuller, Agreements Officer, at [gfuller@usaid.gov](mailto:gfuller@usaid.gov). All questions shall be submitted by Thursday, July 1, 2010. If there are problems downloading or submitting the RFA on [www.grants.gov](http://www.grants.gov), please contact the [www.grants.gov](http://www.grants.gov) help desk, whose information can be found on their website. Applicants should retain for their records one copy of all enclosures which accompany their application.

Sincerely,

Georgia Fuller  
Agreement Officer  
M/OAA/GRO/LMA  
USAID

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## SECTION A - GRANT APPLICATION FORMAT

### 1. PREPARATION GUIDELINES

- a. All applications received by the deadline will be reviewed for responsiveness to the specifications outlined in these guidelines and the application format. Section C addresses the technical evaluation procedures for the applications. Applications shall be submitted in two separate parts: (1) technical and (2) cost or business application. Applicants are required to submit their applications via email as described in the cover letter of this RFA.
- b. The application shall be prepared according to the structural format set forth below. Applications must be submitted no later than the date and time indicated on the cover page of this RFA to the location indicated in the cover letter accompanying this RFA. Applications that are received late or incomplete may not be considered in the review process. Late applications will only be considered for award if the Agreement Officer determines it is in the Government's interest.
- c. Technical applications should be specific, complete, and presented concisely. A lengthy application may not in and of itself constitute a well thought-out application. Applications shall demonstrate the applicant's capabilities and expertise with respect to achieving the goals of this program. The application should take into account the technical evaluation criteria found in Section C.
- d. Page Limitation and Unnecessarily Elaborate Applications: Technical applications must be limited to 20 pages and unnecessarily elaborate brochures or other presentations beyond those sufficient to present a complete and effective application in response to this RFA are not desired and may be construed as a lack of cost consciousness. Elaborate art work, expensive paper and bindings, and expensive visual and other presentational aids are neither necessary nor wanted.
- e. Explanations to Prospective Applicants: Any prospective applicant who would like an explanation or interpretation of this RFA must request it in writing to the Agreement Officer set forth in the RFA cover letter. Oral explanations or instructions given before award of a Cooperative Agreement will not be binding. Any information given to a prospective applicant concerning this RFA will be furnished promptly to all other prospective applicants as an amendment to this RFA if the information is necessary for the submission of applications or if the lack of information would prejudice other prospective applicants.
- f. Applicants should retain one copy of the application and all enclosures which accompany their application for their own records.
- g. Preparation of Applications:
  1. Applicants are expected to review, understand, and comply with all aspects of this RFA. Failure to do so will be at the applicant's risk.

2. Applicants which include data that they do not want disclosed to the public for any purpose or used by the U.S. Government except for evaluation purposes should:
  - a) Mark the title page with the following legend: "This application includes data that shall not be disclosed outside the U.S. Government and shall not be duplicated, used, or disclosed - in whole or in part - for any purpose other than to evaluate this application. If, however, a grant is awarded to this applicant as a result of - or in connection with - the submission of this data, the U.S. Government shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting grant. This restriction does not limit the U.S. 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 pages\_\_\_."; and
  - b) 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 application."

## 2. TECHNICAL APPLICATION

The technical application will be the most important component for consideration in the evaluation and awarding process. It should demonstrate the applicant's capabilities and expertise with respect to achieving the goals of this program. Therefore, it should be specific, complete, and presented concisely. *It should take into account the detailed "Instructions" (set forth below) and the technical evaluation criteria specified in Section C.* It should also be arranged in the order of the technical evaluation criteria.

**Application Contents:** The technical application may contain the following sections: (a) Cover Page, (b) Table of Contents, (c) Executive Summary, (d) Program Description, (e) Implementation Plan, (f) Performance Management Plan (formerly the Monitoring and Evaluation Plan), and (g) Annexes (Curriculum Vitae/Past Performance References, biodata sheets, and Letters of Commitment from implementing partners, if any). The technical application **may not exceed 20 pages in length, Times New Roman, 12 pt font**, exclusive of the annexes.

## 3. INSTRUCTIONS

The Technical Approach specified in paragraph a. below will be evaluated on the overall merit and feasibility of the program approach and strategy proposed to achieve the program's results. The Management Plan/Key Personnel, Organizational Capability, and Past Performance components of the technical proposal should include the information specified in paragraphs b. through d. below.

**a. Technical Approach:** In this section, the application should:

1. State the proposed program concept, strategy, and techniques for accomplishing the objectives outlined in this RFA.

2. Explain the possible challenges when working to strengthen Civil Society Groups (CSGs) in Cuba. Similarly, explain the likely challenges in establishing a network of Savings and Credit Groups to serve marginalized populations throughout the island;
3. Discuss the strategies and activities that have proven successful at strengthening CSGs and establishing Savings and Credit Groups in Cuba or in other closed societies or similar environments.
4. Explain how the proposed activities will achieve the expected results of this program;
5. Explain how leadership skills will be developed in existing and emerging leaders. Discuss how people-to-people exchanges will be used to enhance the results and outcomes of the program;
6. Discuss how Savings and Credit Groups will be used as a platform for the practice of democratic principles and the delivery of needed training and technical assistance;
7. Discuss whether the proposed approaches will have a sustainable impact that will continue after the program has ended;
8. Explain how to maximize the total amount spent on the island;
9. Provide an Implementation Plan for the first year; and
10. Include a draft Performance Management Plan (PMP) with a results framework to effectively track and report performance. *Note: that USAID does not encourage the funding of external companies or organizations for the monitoring and evaluation of the recipient's program activities.*

**b. Management Plan/Key Personnel:** This section focuses on the management plan that the applicant will be using to implement the proposed program. Applicants should explain the staffing pattern, including the key personnel, who will implement the management plan. In this section, the application should:

1. Specify the composition and organizational structure of the entire implementation team (including home office support) and describe each staff member's role, technical expertise, and estimated amount of time (level of effort) each will devote to the project. Proposed personnel not yet identified may be shown as "TBD" (to be determined);
2. Provide the names and proposed roles and responsibilities of the three key personnel allowed under this cooperative agreement; these are the positions deemed essential for the successful implementation of the award. The Chief of Party (COP) is considered key personnel and should have at least ten years managing and implementing development programs that are similar to that proposed in this RFA;
3. Include the curriculum vitae for all key personnel and all staff who will work on the project and include other supporting documentation such as biodata sheets and letters of commitment for the key personnel.
4. When applicable, include an illustrative or actual list of short-term technical consultants that the applicant plans to hire for program implementation. A description of the consultants' planned roles and responsibilities and an estimated level of effort should also be included. When an applicant knows the actual individuals to be hired, USAID would like their names, salary requirements, and anticipated level of effort with the necessary documentation (curriculum vitae and biodata sheets) attached. All related costs should be identified in the budget narrative and cost proposal.

**c. Organizational Capability:** This section focuses on the applicant's internal capabilities/resources and relevant work experience/history to demonstrate its capacity to successfully manage the proposed program. In this section, the application should include:

1. An explanation of the available, core technical capacities/resources and home office support that the applicant has to offer;
2. A brief description of the applicant's work experience/history/areas of expertise;
3. An explanation of pertinent work experience and representative accomplishments in developing and implementing programs similar to that outlined in this RFA;
4. Sub-recipient capabilities and expertise, if applicable; and
5. Proposed field management structure and financial controls.

**d. Past Performance:** This section offers general evidence of the applicant's ability to successfully implement contracts, grants, and cooperative agreements. Here, the applicant should present a list of up to 10 U.S. Government and/or privately funded contracts, grants, and cooperative agreements that it has implemented in the three years prior to this application. The contracts and awards need not be similar to that proposed in this RFA. Demonstrating past performance *relevant to this RFA* should be handled in section c, Organizational Capability, above. In this section, however, please include the following for each award listed:

1. Name of awarding organization or agency
2. Address of awarding organization or agency
3. Location of program implementation
4. Award number
5. Amount of award
6. Term of award (begin and end dates of services/program)
7. Name, current telephone number, current fax number, and email address (if one is available) of a responsible technical representative of that organization or agency, and
8. Brief description of the program.

## **1. COST APPLICATION FORMAT**

a. The Cost Application should be submitted under separate cover from the technical application. For an Agreement Officer to make a determination of responsibility, certain documents are required for submission. However, it is USAID policy not to burden applicants with undue reporting requirements if that information is readily available through other sources.

b. The following sections describe the documentation that applicants for an Assistance award must submit to USAID prior to award. While there is no page limit for this portion, applicants are encouraged to be as concise as possible, and still provide the necessary detail, including:

1. A budget with an accompanying budget narrative which provides in detail the total costs for implementation of the proposed program. The budget must be submitted using the attached Standard Form 424 and 424A, which can be downloaded from the USAID web site [http://www.usaid.gov/procurement\\_bus\\_opp/procurement/forms/SF-424/](http://www.usaid.gov/procurement_bus_opp/procurement/forms/SF-424/);
2. The breakdown of all costs associated with the program according to costs of the headquarters, regional and/or country offices (if applicable);
3. The breakdown of all costs according to each partner organization (or sub-awardee) involved in the program;
4. The costs associated with external, expatriate technical assistance and those associated with local in-country technical assistance;
5. The breakdown of the financial and in-kind contributions (if any) of all organizations involved in implementing this Cooperative Agreement;

6. Your procurement plan for commodities;
7. A current Negotiated Indirect Cost Rate Agreement; and
8. Required certifications and representations (as attached).

c. Applicants who do not currently have a Negotiated Indirect Cost Rate Agreement (NICRA) from USAID or another agency of the U.S. Federal Government shall also submit the following information:

1. copies of the applicant's financial reports for the previous 3-year period, which have been audited by a certified public accountant or other auditor satisfactory to USAID;
2. projected budget, cash flow and organizational chart; and
3. A copy of the organization's accounting manual.

d. Applicants should submit any additional evidence of responsibility deemed necessary for the Agreement Officer to make a determination of responsibility. The information submitted should substantiate that the applicant:

1. Has adequate financial resources, or the ability to obtain such resources as required during the performance of the award;
2. Has the ability to comply with the award conditions, taking into account all existing and currently prospective commitments of the applicant, nongovernmental and governmental;
3. Has a satisfactory record of performance. Past relevant unsatisfactory performance is ordinarily sufficient to justify a finding of non-responsibility, unless there is clear evidence of subsequent satisfactory performance;
4. Has a satisfactory record of integrity and business ethics; and
5. Is otherwise qualified and eligible to receive a grant under applicable laws and regulations (e.g., EEO).

e. Applicants that have never received a grant, cooperative agreement, or contract from the U.S. Government are required to submit a copy of their accounting manual. If a copy has already been submitted to the U.S. Government, the applicant should advise which Federal Office has a copy.

f. Certificate of Compliance: Please submit a copy of your Certificate of Compliance if your organization's systems have been certified by the USAID/Washington's Acquisition & Assistance Office.

## **2. COOPERATIVE AGREEMENT AWARD**

1. For this RFA, the Government will award up to two cooperative agreements, which will go to the responsible applicants whose application conforms to this RFA and offers the greatest value (see Section B, Program Description). The Government may (a) reject any or all applications, or (b) accept an application for reasons other than the lowest cost.

2. The Government may award cooperative agreements on the basis of initial applications received, without discussion. Therefore, each initial application should contain the applicant's best terms from a cost and technical standpoint. As part of its evaluation process, however, USAID may elect to discuss technical, cost, or other preaward issues with one or more applicants. Alternatively, USAID may proceed

3. A written award mailed or otherwise furnished to the successful applicant(s) within the time for acceptance specified either in the application(s) or in this RFA (whichever is later) shall result in a binding cooperative agreement without further action by either party. Before the application's specified expiration time, if any, the Government may accept an application, whether or not there are negotiations after its receipt, unless a written notice of withdrawal is received before award. Negotiations or discussions conducted after receipt of an application do not constitute a rejection or counteroffer by the Government.

4. Neither financial data submitted with an application nor representations concerning facilities or financing will form a part of the resulting cooperative agreement unless explicitly stated otherwise in the agreement.

5. To be eligible for award of a cooperative agreement, in addition to other conditions of this RFA, organizations must have a politically neutral humanitarian mandate, a commitment to non-discrimination with respect to beneficiaries and adherence to equal opportunity employment practices. Non-discrimination includes equal treatment without regard to race, religion, ethnicity, gender, and political affiliation.

6. Applicants are 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 recipient to ensure compliance with these Executive Orders and laws. This provision must be included in all subcontracts/subawards issued under this contract/agreement.

7. Foreign Government Delegations to International Conferences - Funds in this prospective agreement 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 303 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 Agreement Officer.

8. USAID Disability Policy - Assistance (December 2004)

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>.

USAID therefore requires that the recipient not discriminate against people with disabilities in the implementation of USAID funded programs and that it make every effort to comply with the objectives of the USAID Disability Policy in performing the program under this grant or cooperative agreement. To that end and to the extent it can accomplish this goal within the scope of the program objectives, the recipient should demonstrate a comprehensive and consistent approach for including men, women and children with disabilities.

## **6. AUTHORITY TO OBLIGATE THE GOVERNMENT**

The Agreement Officer is the only individual who may legally commit the Government to the expenditure of public funds. No costs chargeable to the proposed cooperative agreement may be incurred before receipt of either a fully executed cooperative agreement or a specific, written authorization from the Agreement Officer.

## **SECTION B - PROGRAM DESCRIPTION**

### **BACKGROUND**

Cuba today remains the only non-democratically elected government in the Western Hemisphere. Current Cuban law prevents the right to assemble, limits political freedoms, restricts freedom of expression and labor rights, and enforces a state monopoly over mass media. In addition, approximately 200 political prisoners sit in Cuban jails. The average Cuban's salary is less than \$20 a month and shortages of basic staples are common. The day-to-day life of Cubans is hampered by the dual currency system, housing and food shortages, and a lack of sufficient transportation.

The United States Government (USG) is concerned with the plight of the Cuban people and has taken action to improve conditions on the ground. For example, USG regulatory changes in 2009 lifted restrictions on remittances to Cuba, allowed unlimited family visits to the island, and opened opportunities in telecommunications. USAID would like to continue this positive support to the Cuban people and seeks to improve human rights conditions on the island and to increase respect for fundamental freedoms – with the hope that Cuba's citizens will one day freely exercise their right to self-determination.

For this program, the President is authorized to furnish assistance and provide other support for individuals and independent NGOs to support democracy-building efforts for Cuba. The program will be implemented according to Section 109(a) of the Libertad Act (1996).

The USG has successfully maintained a non-presence assistance program for Cuba since 1996. USAID's Cuba Program falls under the Governing Justly and Democratically objective in the USG's Foreign Assistance Framework and currently focuses on increasing the ability of Cubans to participate in civic affairs and on improving human rights conditions on the island.

Specifically, USAID programs:

- Provide humanitarian assistance to political prisoners and their families to meet their basic needs for nutrition and medicine;
- Increase Cubans' awareness of human rights and fundamental freedoms;
- Strengthen civil society networks and social capital through capacity building and material support to local organizations;
- Increase the free flow of uncensored information to, from, and within the island; and
- Increase grassroots participation in community development.

For a full review of USAID's program and achievements, please refer to the link:  
[http://www.usaid.gov/locations/latin\\_america\\_caribbean/country/cuba](http://www.usaid.gov/locations/latin_america_caribbean/country/cuba).

### **PURPOSE**

The intent of this project is to foster the development of Civil Society Groups (CSGs), especially those focused on promoting self-employment and entrepreneurial initiatives, and to pilot the establishment of Savings and Credit Groups among marginalized segments of the population.

## **INTRODUCTION**

Because traditionally understood *independent* Civil Society Organizations (CSOs) are not permitted under Cuban law, this new program will work with Civil Society Groups (CSGs) on the island. For purposes of this RFA, a CSG is defined as two or more persons who organize a social space outside state authority to collectively discuss and debate (and possibly take action on) a particular topic of shared interests, values, or purpose.

Despite the restrictive environment on the island, Cubans are working to improve their lives and are forming independent CSGs, organizing around common professions, social issues, or community concerns. As a result, such groups have been able to provide valuable support services. They have shared professional resources and solved industry problems and improved the quality of life in neglected communities. These CSGs can also demonstrate the value of working together to bring about positive change in their communities. While the number of CSGs in Cuba is slowly growing, these groups often lack the technical, networking, and core administrative capacities to function effectively and have little-to-no access to resources or relevant information. Through this Civil Society award and consistent with Section 109(a) of the Libertad Act (1996), USAID seeks to advance the capacity of Cuba's CSGs giving them the management, technical tools, and resources needed to function effectively. In turn, this increased capacity is intended to help build social capital and improve the quality of Cuban citizens' lives while lowering their dependence on the state.

Under this award and subject to the availability of funds, USAID/LAC/Office of Cuban Affairs intends to support this program with approximately \$3 million over a 36-month period. With these funds, USAID seeks to increase the technical, networking, and core administrative capacities of Cuba's nascent independent CSGs, especially those that promote self-employment and entrepreneurial initiatives. It will also pilot the establishment of Savings and Credit Groups that will benefit Cuba's marginalized (disadvantaged) populations.

## **PROGRAM COMPONENTS**

Two components form the basis of this program and are designed to empower independent CSGs, while helping Cuban citizens affect positive change in their personal and professional lives.

### ***Partnering***

To best achieve the objectives of this program, USAID encourages the Prime Recipient of this award to form partnerships through sub-awards with organizations explicitly named in the Prime Recipient's application. Given the two varied components of this award, it is unlikely that any single organization will have the skills and experience required to achieve all the intended results. Moreover, USAID believes that a strong partnership will take advantage of the strengths of each partner and the natural synergies and flexibility that arise from joining forces and

complementary skill sets. Such partnerships also provide a learning opportunity for lesser-experienced organizations and create an opening for local or community-based organizations to participate in the project.

While each member of the partnership should have a defined role under the agreement, the Prime Recipient will be named in the agreement and will be responsible to USAID for all administrative, management, and reporting requirements. Applicants should describe their proposed partnership(s), each partner organization, its strengths and experiences, its proposed role and responsibilities, and associated costs. The application should also explain how the Prime Recipient will assure the effective implementation of all program activities set forth in its proposal (including those carried out through sub-awards) and the delivery of timely and accurate reports among partner organizations. References for the past performance of each partner organization should also be provided.

### ***Cash Grants***

If USAID is able to confirm that appropriate disbursement and monitoring mechanisms exist among all award partners, the use of cash grants is an implementation option. However, USAID's Agreement Officer will need to approve this option and interested applicants should clearly articulate the role of cash grants in the proposal. The application should include: a concrete plan that presents the goals and objectives of a cash grants program; which activities will be undertaken using the grants; how those activities will be implemented; how the activities will expand the impact of the overall Cuba program; and why cash grants are the better choice over other approaches. Disbursement and monitoring protocols should also be provided and programmatic need and mitigation measures for identified risks are among the criteria for approval. The partner must also demonstrate that it has the management capability to administer a cash grants program. Implementing partner monitoring protocols should include financial and administrative systems that require, to the maximum extent possible, supporting documentation on the use of cash grants and end-use verification.

### ***Component 1: Build the technical, networking, and core administrative capacities of nascent on-island Civil Society Groups (CSGs), especially those focused on promoting self-employment and entrepreneurial initiatives, to increase their ability to provide information to their members, to network, and to identify and resolve issues of common concern***

Because "independent" CSOs do not exist in Cuba and government supervisory agencies preside over state-recognized CSOs, Cuban citizens are not encouraged to coalesce around shared interests or issues of common concern and have limited experience effectively managing a CSG. Therefore, USAID is interested in increasing the capacity of CSGs. As previously stated, for purposes of this RFA, a CSG is defined as two or more persons who organize a social space outside state authority to collectively discuss and debate (and possibly take action on) a particular topic of shared interests, values, or purpose.

Given the legalization of *cuenta propistas* (self-employed workers) in 1993, USAID believes there is an opportunity for fostering CSGs that promote self-employment and entrepreneurial activities. Cuban citizens have the opportunity to earn income as entrepreneurs and would

benefit from associations where members can share interests, exchange ideas, pool resources, and resolve issues of common concern. Through such membership, Cuba's entrepreneurs may find the added support and information they need to manage and expand their businesses. CSGs that organize around the *casas particulares* (privately run bed and breakfasts), for example, might prove beneficial, or that organize around other small enterprises, such as barber shops, beauty salons, and watch repair shops. Additional business opportunities are appearing in the agricultural sector with land lease programs. The Cuban Government is also piloting a market-based taxi system in certain locations, allowing drivers to lease cabs from *Cubataxi*, the government-run taxi company and to keep the taxi fares. Cubans who provide basic business support services, such as bookkeeping, also may benefit from membership in a CSG.

In Component 1, assistance should include all aspects of organizing and managing CSGs, including networking, human resources, financial management (including accounting, procurement and recordkeeping), public outreach and the media, and information exchanges when relevant. Training to develop the technical (subject matter) capacity of an organization will also be important. The aim of providing a comprehensive package of technical assistance will be to create viable, effective groups that offer valuable support and services to their constituents.

In addition to helping these CSGs build their core administrative capacities and increase their technical expertise, proposals are encouraged to provide mentoring in organizational development. This includes activities such as improving monitoring and evaluation, strengthening research capabilities, improving communication with other organizations, strategic planning, diversifying sources of financial support, and ensuring accountability and transparency.

Leadership development is another key aspect to be supported under this project. The project should include activities to enhance Cuba's current civil society leadership, promote new leaders, and expand networking capabilities among peers.

*Expected Results:*

- Increased capacity of existing and nascent independent CSGs (especially those focused on promoting self-employment and entrepreneurial initiatives) to effectively manage their organizations, develop solutions, and implement programs that respond to the most pressing needs of their constituents
- Improved internal self-governance, transparency, and accountability of targeted CSGs
- CSG leaders or emerging leaders who are supported under this project enhance their skills to effectively manage and improve the capacity of their organizations
- Increased technical capacity through exchanges with experts
- Improved management and technical capabilities of the constituents of the targeted CSGs

***Component 2: Pilot the establishment of Savings and Credit Groups that target Cuba's marginalized populations – especially those living in rural areas***

In this second component of the award, USAID is interested in launching a pilot project to establish Savings and Credit Groups to target Cuba's marginalized populations, which may include those living in rural areas, ethnic and religious minorities, orphans and vulnerable children, rural women, and people with disabilities. Promoting the economic rights of individuals

through Savings and Credit Groups<sup>1</sup> is a unique approach in the development of civil society on the island. However, Savings and Credit Groups have long existed throughout Latin America and in other parts of the world.

Typically, a Savings and Credit Groups is a group of five to ten individuals who pool small amounts of thrift savings into a common fund. Grant funds may be used to provide a match to the group's capital. Group members are then issued loans at a low interest rate for small business or personal use from this common fund. In addition to providing much-needed economic assistance to jump-start micro and small businesses, the group-lending structure itself requires participants to develop critical participatory skills such as leadership, conflict resolution, and consensus building. Savings and Credit Groups also help create social capital and trust among group members.

Savings and Credit Groups also provide a platform for the provision of a wide spectrum of training of development services such as rural and agricultural development, training to promote income-generating activities, and financial management skills. A Savings and Credit Group can be organized around a specific sector, such as agriculture-based production, or multi-purpose groups can work across several sectors. To the extent possible and as appropriate, applicants should propose potential ways for increasing Cuban's access to markets and supply chains.

Given Latin America's rich history with Savings and Credit Groups, USAID anticipates that recipients will draw on these regional examples in piloting the initiative in Cuba. Experience from other countries has also demonstrated that groups initially trained under donor-supported programs have organically promoted and formed new groups with no financial support from outside sources. The process of institution building through Savings and Credit Groups is not nearly as costly as other traditional approaches for providing financial services to the poor, and such groups can provide flexible loan terms and repayment schedules. These terms are often better suited for agricultural activities where cash flow tends to be intermittent and seasonal.

For purposes of this award, Savings and Credit Groups are not meant to be long-term lending institutions. Rather, USAID sees this component functioning as a grassroots initiative serving the needs of marginalized populations. One of the main goals of this component is to begin developing the concept and practice of repayment and individual accountability among targeted communities in Cuba. As participants gain a degree of economic independence and learn how to better meet their immediate needs, USAID believes they will be able to effectively participate in some of the key economic and social decisions that impact their lives.

*Expected Results:*

- Savings and Credit Groups are organized in various provinces of Cuba and provide opportunities for the island's marginalized populations in rural areas
- Savings and Credit Group members gain democracy-building skills through fund management, and social capital is developed among group members

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<sup>1</sup> Savings and Credit Groups have many alternatives, including, but not limited to, Village Savings and Loans (VS&Ls), merry-go-rounds, Self Help Groups (SHGs), Savings and Credit Organizations (SCOs), and Accumulating Savings and Credit Association (ASCAs).

- The professional and personal lives of marginalized Cuban citizens are improved through access to and use of Savings and Credit Group funds

## **RELATIONSHIP TO OTHER ACTIVITIES**

Through various activities implemented by USAID/LAC/Office of Cuban Affairs and USAID/Office of Transition Initiatives (OTI) as well as the State Department's Bureau of Democracy, Human Rights, and Labor (DRL), the USG provides ongoing material support to targeted beneficiaries throughout the island to support the USG's foreign policy goals. This activity will support and complement these ongoing initiatives. USAID/LAC/Office of Cuban Affairs coordinates closely with these offices and will be in frequent communication with the U.S. Interests Section, in Havana, in both soliciting and sharing information during the programmatic analysis and subsequent design of this activity.

## **SUBSTANTIAL INVOLVEMENT**

During the implementation of this Agreement substantial involvement shall be limited to USAID approval as follows:

- a. Approval of Recipient work plan, Performance Management Plan (PMP) (formerly, the monitoring and evaluation plan) within 30 days after award and involvement in monitoring progress towards the achievement of program objectives during the course of the Cooperative Agreement.
- b. Approval of specified key personnel.
- c. Agreement Officer Approval for all subawards and the transfer or contracting of any work under an award to an individual contractor and for all subawards not named in the proposal.

## SECTION C - EVALUATION CRITERIA

### A. Overview

USAID plans to award a cooperative agreement to the applicant that best meets all technical evaluation criteria and cost considerations, with emphasis on the applicant's technical proposal. Shortly after the submission deadline, USAID will review the applications according to the evaluation criteria set forth below. While applicants should be certain to address the evaluation criteria to receive the highest possible score, they should also be sure to provide the detailed information requested in the "Instructions" found in Section A, the "Grant Application Format."

The evaluation criteria with assigned points have been tailored to this particular solicitation and identify the attributes required to implement the proposed program. These criteria serve to: a) identify the key areas of importance and programmatic emphasis which applicants should address in their applications; and b) set the standard against which all applications will be evaluated. To facilitate the review of applications, applicants should organize the narrative sections of their application in the same order as the selection criteria.

In the application review, first USAID will evaluate the technical proposals to determine the top-scoring applicants. Then USAID will consider these applicants' cost estimates, looking for general reasonableness, allowability, and allocability. Unless stated otherwise, subsections will be evaluated equally.

### B. Technical Evaluation Criteria (100 points total)

1. **Technical Approach (40 points):** Under this evaluation criterion, USAID will be considering the following:
  - a. Does the technical application set forth the overall strategy, conceptual approach, methodology, sustainability, and techniques for the accomplishment of the stated objectives? Does it include assumptions and risks and demonstrate an in-depth knowledge and understanding of the challenges facing and working with independent Civil Society Groups (CSGs) in Cuba? Does it grasp the complexities of establishing Savings and Credit Groups on the island?
  - b. On Component 1 – Building the core administrative and technical capacities of CSGs: To what extent do the proposed activities effectively build the core administrative capacities of CSGs and increase their ability to effectively serve their constituents? How will the CSGs and their members be identified and selected?
  - c. On Component 2 – Piloting the establishment of Savings and Credit Groups: How will the applicant form these groups and how will it identify and attract group members? To what extent does the applicant focus on marginalized populations? How will the Savings and Credit Groups effectively function?
  - d. On the implementation plan and Performance Management Plan (PMP): Does the implementation plan clearly define the proposed activities and include a realistic timeline

**2. Management Plan/Key Personnel (35 points):** Under this evaluation criterion, USAID will be considering the following:

- a. Does the application include a well-organized management plan that includes a staffing structure and division of responsibilities to effectively administer program activities and achieve program objectives?
- b. Will the three, proposed Key Personnel create a dynamic and highly qualified core team?
- c. Does the Chief of Party have at least ten years experience managing and implementing similar development programs and demonstrated professional excellence, proven leadership, and management skills? Does s/he possess strong inter-personal skills with experience working in cross-cultural settings? Does s/he have prior experience working in closed countries and non-secure environments?
- d. Does the application include a roster of short-term technical consultants who add value to the management plan? Do the proposed consultants, when known, have the technical and managerial experience and skills necessary to augment the existing staff? Do they have experience working in closed countries and non-secure environments similar to that in Cuba?

**3. Organizational Capability (15 points):** Under this evaluation criterion, USAID will be considering the following:

- a. Does the applicant have a strong, internal organizational structure and readily available core technical resources to provide the necessary administrative, professional, and logistical support for field operations?
- b. Does the applicant have experience (as the prime- or the sub-recipient) implementing activities that are directly related to or similar in scope, magnitude, sensitivity, and complexity to that detailed in this RFA?
- c. Does the applicant have a demonstrated ability to monitor and evaluate program implementation and to effectively report results and impact?

**4. Past Performance (10 points):** Under this evaluation criterion, USAID will be considering whether the applicant has sufficient experience successfully implementing U.S. Government and/or privately funded contracts, grants, and cooperative agreements in the three years prior to this application.

**5. Marking Waiver under USAID-Funded Assistance Instruments**

USAID marking requirements have been waived for all LAC Cuba program activities in accordance with Approved Memorandum, "Marking Requirement Waiver for All Cuba Program activities", dated December 19, 2006. This Memorandum is on file with the LAC/Office of Cuban Affairs as well as with the Agreement Officer.

**C. Cost Evaluation Criteria**

**Cost Effectiveness and Realism:** Proposed costs shall be analyzed for cost realism, reasonableness, completeness, and allowability. In its analysis, USAID will be considering the following:

- a. Whether the identified costs are realistic for the proposed effort?
- b. Do the proposed costs demonstrate the applicant's understanding of the RFA requirements? and
- c. Are the identified costs consistent with the applicant's technical application?

#### **D. Technical Versus Cost Considerations**

For this RFA, paramount consideration shall be given to the evaluation of the technical proposal rather than the cost/price proposal.

## **SECTION D – REQUIRED CERTIFICATIONS AND REPRESENTATIONS**

### **CERTIFICATIONS, ASSURANCES, AND OTHER STATEMENTS OF THE RECIPIENT (MAY 2006)**

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NOTE: When these Certifications, Assurances, and Other Statements of Recipient are used for cooperative agreements, the term "Grant" means "Cooperative Agreement".

#### **PART I - CERTIFICATIONS AND ASSURANCES**

##### **1. ASSURANCE OF COMPLIANCE WITH LAWS AND REGULATIONS GOVERNING NON-DISCRIMINATION IN FEDERALLY ASSISTED PROGRAMS**

*Note: This certification applies to Non-U.S. organizations if any part of the program will be undertaken in the United States.*

(a) The recipient hereby assures that no person in the United States shall, on the bases set forth below, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under, any program or activity receiving financial assistance from USAID, and that with respect to the Cooperative Agreement for which application is being made, it will comply with the requirements of:

(1) Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352, 42 U.S.C. 2000-d), which prohibits discrimination on the basis of race, color or national origin, in programs and activities receiving Federal financial assistance;

(2) Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination on the basis of handicap in programs and activities receiving Federal financial assistance;

(3) The Age Discrimination Act of 1975, as amended (Pub. L. 95-478), which prohibits discrimination based on age in the delivery of services and benefits supported with Federal funds;

(4) Title IX of the Education Amendments of 1972 (20 U.S.C. 1681, et seq.), which prohibits discrimination on the basis of sex in education programs and activities receiving Federal financial assistance (whether or not the programs or activities are offered or sponsored by an educational institution); and

(5) USAID regulations implementing the above nondiscrimination laws, set forth in Chapter II of Title 22 of the Code of Federal Regulations.

(b) If the recipient is an institution of higher education, the Assurances given herein extend to admission practices and to all other practices relating to the treatment of students or clients of the institution, or relating to the opportunity to participate in the provision of services or other benefits to such individuals, and shall be applicable to the entire institution unless the recipient establishes to the satisfaction of the USAID Administrator that the institution's practices in designated parts or programs of the institution will in no way affect its practices in the program of the institution for which financial assistance is sought, or the beneficiaries of, or participants in, such programs.

(c) This assurance is given in consideration of and for the purpose of obtaining any and all Federal grants,

loans, contracts, property, discounts, or other Federal financial assistance extended after the date hereof to the recipient by the Agency, including installment payments after such date on account of applications for Federal financial assistance which was approved before such date. The recipient recognizes and agrees that such Federal financial assistance will be extended in reliance on the representations and agreements made in this Assurance, and that the United States shall have the right to seek judicial enforcement of this Assurance. This Assurance is binding on the recipient, its successors, transferees, and assignees, and the person or persons whose signatures appear below are authorized to sign this Assurance on behalf of the recipient.

## **2. CERTIFICATION REGARDING LOBBYING**

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person 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 the awarding of any Federal contract, the making of any Federal Cooperative Agreement, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person 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 this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, United States Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that: If any funds have been paid or will be paid to any person 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 this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

## **3. PROHIBITION ON ASSISTANCE TO DRUG TRAFFICKERS FOR COVERED COUNTRIES AND INDIVIDUALS (ADS 206)**

USAID reserves the right to terminate this Agreement, to demand a refund or take other appropriate measures if the Grantee is found to have been convicted of a narcotics offense or to have been engaged in drug trafficking as defined in 22 CFR Part 140. The undersigned shall review USAID ADS 206 to determine if any certifications are required for Key Individuals or Covered Participants.

If there are COVERED PARTICIPANTS: USAID reserves the right to terminate assistance to or take other appropriate measures with respect to, any participant approved by USAID who is found to have been convicted of a narcotics offense or to have been engaged in drug trafficking as defined in 22 CFR Part 140.

#### **4. CERTIFICATION REGARDING TERRORIST FINANCING IMPLEMENTING EXECUTIVE ORDER 13224**

By signing and submitting this application, the prospective recipient provides the certification set out below:

1. The Recipient, to the best of its current knowledge, did not provide, within the previous ten years, and will take all reasonable steps to ensure that it does not and will not knowingly provide, material support or resources to any individual or entity that commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has committed, attempted to commit, facilitated, or participated in terrorist acts, as that term is defined in paragraph 3.
2. The following steps may enable the Recipient to comply with its obligations under paragraph 1:
  - a. Before providing any material support or resources to an individual or entity, the Recipient will verify that the individual or entity does not (i) appear on the master list of Specially Designated Nationals and Blocked Persons, which list is maintained by the U.S. Treasury's Office of Foreign Assets Control (OFAC) and is available online at OFAC's website : <http://www.treas.gov/offices/eotffc/ofac/sdn/t11sdn.pdf>, or (ii) is not included in any supplementary information concerning prohibited individuals or entities that may be provided by USAID to the Recipient.
  - b. Before providing any material support or resources to an individual or entity, the Recipient also will verify that the individual or entity has not been designated by the United Nations Security (UNSC) sanctions committee established under UNSC Resolution 1267 (1999) (the "1267 Committee") [individuals and entities linked to the Taliban, Osama bin Laden, or the Al Qaida Organization]. To determine whether there has been a published designation of an individual or entity by the 1267 Committee, the Recipient should refer to the consolidated list available online at the Committee's website: <http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm>.
  - c. Before providing any material support or resources to an individual or entity, the Recipient will consider all information about that individual or entity of which it is aware and all public information that is reasonably available to it or of which it should be aware.
  - d. The Recipient also will implement reasonable monitoring and oversight procedures to safeguard against assistance being diverted to support terrorist activity.

### 3. For purposes of this Certification-

a. “Material support and resources” means currency or monetary instruments or financial securities, financial services, lodging, training, expert advice or assistance, safehouses, false documentation or identification, communications equipment, facilities, weapons, lethal substances, explosives, personnel, transportation, and other physical assets, except medicine or religious materials.”

b. “Terrorist act” means-

(i) an act prohibited pursuant to one of the 12 United Nations Conventions and Protocols related to terrorism (see UN terrorism conventions Internet site: <http://untreaty.un.org/English/Terrorism.asp>); or

(ii) an act of premeditated, politically motivated violence perpetrated against noncombatant targets by subnational groups or clandestine agents; or

(iii) any other act intended to cause death or serious bodily injury to a civilian, or to any other person not taking an active part in hostilities in a situation of armed conflict, when the purpose of such act, by its nature or context, is to intimidate a population, or to compel a government or an international organization to do or to abstain from doing any act.

c. “Entity” means a partnership, association, corporation, or other organization, group or subgroup.

d. References in this Certification to the provision of material support and resources shall not be deemed to include the furnishing of USAID funds or USAID-financed commodities to the ultimate beneficiaries of USAID assistance, such as recipients of food, medical care, micro-enterprise loans, shelter, etc., unless the Recipient has reason to believe that one or more of these beneficiaries commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has committed, attempted to commit, facilitated or participated in terrorist acts.

e. The Recipient’s obligations under paragraph 1 are not applicable to the procurement of goods and/or services by the Recipient that are acquired in the ordinary course of business through contract or purchase, e.g., utilities, rents, office supplies, gasoline, etc., unless the Recipient has reason to believe that a vendor or supplier of such goods and services commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has committed, attempted to commit, facilitated or participated in terrorist acts.

This Certification is an express term and condition of any agreement issued as a result of this application, and any violation of it shall be grounds for unilateral termination of the agreement by USAID prior to the end of its term.

## 5. CERTIFICATION OF RECIPIENT

By signing below the recipient provides certifications and assurances for (1) the Assurance of Compliance with Laws and Regulations Governing Non-Discrimination in Federally Assisted Programs, (2) the Certification Regarding Lobbying, (3) the Prohibition on Assistance to Drug Traffickers for Covered Countries and Individuals (ADS 206) and (4) the Certification Regarding Terrorist Financing Implementing Executive Order 13224 above.

RFA/APS No. \_\_\_\_\_

Application No. \_\_\_\_\_

Date of Application \_\_\_\_\_

Name of Recipient \_\_\_\_\_

Typed Name and Title \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_

**PART II - KEY INDIVIDUAL CERTIFICATION NARCOTICS OFFENSES AND DRUG TRAFFICKING**

I hereby certify that within the last ten years:

1. I have not been convicted of a violation of, or a conspiracy to violate, any law or regulation of the United States or any other country concerning narcotic or psychotropic drugs or other controlled substances.
2. I am not and have not been an illicit trafficker in any such drug or controlled substance.
3. I am not and have not been a knowing assistor, abettor, conspirator, or colluder with others in the illicit trafficking in any such drug or substance.

Signature: \_\_\_\_\_

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

Name: \_\_\_\_\_

Title/Position: \_\_\_\_\_

Organization: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Date of Birth: \_\_\_\_\_

NOTICE:

1. You are required to sign this Certification under the provisions of 22 CFR Part 140, Prohibition on Assistance to Drug Traffickers. These regulations were issued by the Department of State and require that certain key individuals of organizations must sign this Certification.
2. If you make a false Certification you are subject to U.S. criminal prosecution under 18 U.S.C. 1001.

**PART III - PARTICIPANT CERTIFICATION NARCOTICS OFFENSES AND DRUG TRAFFICKING**

1. I hereby certify that within the last ten years:

- a. I have not been convicted of a violation of, or a conspiracy to violate, any law or regulation of the United States or any other country concerning narcotic or psychotropic drugs or other controlled substances.
- b. I am not and have not been an illicit trafficker in any such drug or controlled substance.
- c. I am not or have not been a knowing assistor, abettor, conspirator, or colluder with others in the illicit trafficking in any such drug or substance.

2. I understand that USAID may terminate my training if it is determined that I engaged in the above conduct during the last ten years or during my USAID training.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

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

Address: \_\_\_\_\_

\_\_\_\_\_

Date of Birth: \_\_\_\_\_

NOTICE:

1. You are required to sign this Certification under the provisions of 22 CFR Part 140, Prohibition on Assistance to Drug Traffickers. These regulations were issued by the Department of State and require that certain participants must sign this Certification.
2. If you make a false Certification you are subject to U.S. criminal prosecution under 18 U.S.C. 1001.

**PART VI - OTHER STATEMENTS OF RECIPIENT**

**1. AUTHORIZED INDIVIDUALS**

The recipient represents that the following persons are authorized to negotiate on its behalf with the

Government and to bind the recipient in connection with this application or grant:

Name                      Title                      Telephone No.                      Facsimile No.

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**2. TAXPAYER IDENTIFICATION NUMBER (TIN)**

If the recipient is a U.S. organization, or a foreign organization which has income effectively connected with the conduct of activities in the U.S. or has an office or a place of business or a fiscal paying agent in the U.S., please indicate the recipient's TIN:

TIN: \_\_\_\_\_

**3. DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER**

(a) In the space provided at the end of this provision, the recipient should supply the Data Universal Numbering System (DUNS) number applicable to that name and address. Recipients should take care to report the number that identifies the recipient's name and address exactly as stated in the proposal.

(b) The DUNS is a 9-digit number assigned by Dun and Bradstreet Information Services. If the recipient does not have a DUNS number, the recipient should call Dun and Bradstreet directly at 1-800-333-0505. A DUNS number will be provided immediately by telephone at no charge to the recipient. The recipient should be prepared to provide the following information:

- (1) Recipient's name.
- (2) Recipient's address.
- (3) Recipient's telephone number.
- (4) Line of business.
- (5) Chief executive officer/key manager.
- (6) Date the organization was started.
- (7) Number of people employed by the recipient.
- (8) Company affiliation.

(c) Recipients located outside the United States may obtain the location and phone number of the local Dun and Bradstreet Information Services office from the Internet Home Page at <http://www.dbisna.com/dbis/customer/custlist.htm>. If an offeror is unable to locate a local service center, it may send an e-mail to Dun and Bradstreet at [globalinfo@dbisma.com](mailto:globalinfo@dbisma.com).

The DUNS system is distinct from the Federal Taxpayer Identification Number (TIN) system.

DUNS: \_\_\_\_\_

**4. LETTER OF CREDIT (LOC) NUMBER**

If the recipient has an existing Letter of Credit (LOC) with USAID, please indicate the LOC number:

LOC: \_\_\_\_\_

## 5. PROCUREMENT INFORMATION

(a) Applicability. This applies to the procurement of goods and services planned by the recipient (i.e., contracts, purchase orders, etc.) from a supplier of goods or services for the direct use or benefit of the recipient in conducting the program supported by the grant, and not to assistance provided by the recipient (i.e., a subgrant or subagreement) to a subgrantee or subrecipient in support of the subgrantee's or subrecipient's program. Provision by the recipient of the requested information does not, in and of itself, constitute USAID approval.

(b) Amount of Procurement. Please indicate the total estimated dollar amount of goods and services which the recipient plans to purchase under the grant:

\$ \_\_\_\_\_

(c) Nonexpendable Property. If the recipient plans to purchase nonexpendable equipment which would require the approval of the Agreement Officer, please indicate below (using a continuation page, as necessary) the types, quantities of each, and estimated unit costs. Nonexpendable equipment for which the Agreement Officer's approval to purchase is required is any article of nonexpendable tangible personal property charged directly to the grant, having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

TYPE/DESCRIPTION(Generic)	QUANTITY	ESTIMATED UNIT COST
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(d) Source, Origin, and Componentry of Goods. If the recipient plans to purchase any goods/commodities which are not of U.S. source and/or U.S. origin, and/or does not contain at least 50% componentry, which are not at least 50% U.S. source and origin, please indicate below (using a continuation page, as necessary) the types and quantities of each, estimated unit costs of each, and probable source and/or origin, to include the probable source and/or origin of the components if less than 50% U.S. components will be contained in the commodity. "Source" means the country from which a commodity is shipped to the cooperating country or the cooperating country itself if the commodity is located therein at the time of purchase. However, where a commodity is shipped from a free port or bonded warehouse in the form in which received therein, "source" means the country from which the commodity was shipped to the free port or bonded warehouse. Any commodity whose source is a non-Free World country is ineligible for USAID financing. The "origin" of a commodity is the country or area in which a commodity is mined, grown, or produced. A commodity is produced when, through manufacturing, processing, or substantial and major assembling of components, a commercially recognized new commodity results, which is substantially different in basic characteristics or in purpose or utility from its components. Merely packaging various items together for a particular procurement or relabeling items do not constitute production of a commodity. Any commodity whose origin is a non-Free World country is ineligible for USAID financing. "Components" are the goods, which go directly into the production of a produced commodity. Any component from a non-Free World country makes the commodity ineligible for USAID financing.

TYPE/DESCRIPTION PROBABLE (Generic)	QUANTITY	ESTIMATED UNIT COST	GOODS COMPONENTS SOURCE	PROBABLE GOODS COMPONENTS ORIGIN
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(e) Restricted Goods. If the recipient plans to purchase any restricted goods, please indicate below (using a continuation page, as necessary) the types and quantities of each, estimated unit costs of each, intended use, and probable source and/or origin. Restricted goods are Agricultural Commodities, Motor Vehicles, Pharmaceuticals, Pesticides, Rubber Compounding Chemicals and Plasticizers, Used Equipment, U.S. Government-Owned Excess Property, and Fertilizer.

TYPE/DESCRIPTION (Generic)	QUANTITY	ESTIMATED UNIT COST	PROBABLE SOURCE	INTENDED ORIGIN	USE
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(f) Supplier Nationality. If the recipient plans to purchase any goods or services from suppliers of goods and services whose nationality is not in the U.S., please indicate below (using a continuation page, as necessary) the types and quantities of each good or service, estimated costs of each, probable nationality of each non-U.S. supplier of each good or service, and the rationale for purchasing from a non-U.S. supplier. Any supplier whose nationality is a non-Free World country is ineligible for USAID financing.

TYPE/DESCRIPTION RATIONALE (Generic)	QUANTITY	ESTIMATED UNIT COST	PROBABLE SLUPPIER (Non-US Only)	NATIONALITY for NON-US
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(g) Proposed Disposition. If the recipient plans to purchase any nonexpendable equipment with a unit acquisition cost of \$5,000 or more, please indicate below (using a continuation page, as necessary) the proposed disposition of each such item. Generally, the recipient may either retain the property for other uses and make compensation to USAID (computed by applying the percentage of federal participation in the cost of the original program to the current fair market value of the property), or sell the property and reimburse USAID an amount computed by applying to the sales proceeds the percentage of federal participation in the cost of the original program (except that the recipient may deduct from the federal share \$500 or 10% of the proceeds, whichever is greater, for selling and handling expenses), or donate the property to a host country institution, or otherwise dispose of the property as instructed by USAID.

TYPE/DESCRIPTION DISPOSITION (Generic)	QUANTITY	ESTIMATED UNIT COST	PROPOSED
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## 6. PAST PERFORMANCE REFERENCES

On a continuation page, please provide past performance information requested in the RFA.

## 7. TYPE OF ORGANIZATION

The recipient, by checking the applicable box, represents that -

(a) If the recipient is a U.S. entity, it operates as  a corporation incorporated under the laws of the State of,  an individual,  a partnership,  a nongovernmental nonprofit organization,  a state or local governmental organization,  a private college or university,  a public college or university,  an international organization, or  a joint venture; or

(b) If the recipient is a non-U.S. entity, it operates as  a corporation organized under the laws of \_\_\_\_\_ (country),  an individual,  a partnership,  a nongovernmental nonprofit organization,  a nongovernmental educational institution,  a governmental organization,  an international organization, or  a joint venture.

## **8. ESTIMATED COSTS OF COMMUNICATIONS PRODUCTS**

The following are the estimate(s) of the cost of each separate communications product (i.e., any printed material [other than non-color photocopy material], photographic services, or video production services) which is anticipated under the grant. Each estimate must include all the costs associated with preparation and execution of the product. Use a continuation page as necessary.

## SECTION E - SPECIAL PROVISIONS, LICENSING REQUIREMENTS FOR CUBA

### 1. LICENSING REQUIREMENTS FOR CUBA

(a) The Cuban Democracy Act and the Libertad Act, under which the activities financed under this Cooperative Agreement are authorized, provide authority to carry out activities through individuals and nongovernmental organizations to promote a peaceful transition to democracy in Cuba. The Treasury and Commerce Departments regulate trade and traffic in Cuba. The Treasury Department maintains and enforces licensing requirements for travel to Cuba, expenditures of funds on the Island and remittances of cash in Cuba. The Commerce Department maintains and enforces licensing requirements of all U.S.-origin goods to Cuba.

(b) The Department of Treasury has provided USAID with a general license to cover USAID recipients/grantees traveling to Cuba under this program and expenses they may incur while carrying out grant activities on the Island. The US Treasury Department has issued USAID License No. C-18212 and Amendment No. C-18212-A (attached thereto), authorizing the Agency to carry out the full range of activities under this Agreement. USAID recipients/grantees must comply with the term of this license and Department of Treasury, Office of Foreign Assets Control, rules and procedures.

(c) All USAID Grantees/Recipients intending to provide certain equipment and supplies to recipients in Cuba are responsible for meeting licensing requirements as set forth in the Export Administration Regulations (EAR) (15 C.F.R. Part 730 et seq.). Part 734 defines the scope of items subject to the EAR.

Certain transactions to Cuba may be eligible for a license exception if the transaction meets all terms and conditions listed in the EAR. Part 740 describes the terms and conditions for license exceptions. USAID draws your attention to Section 746.2 of the EAR which states the licensing policy for Cuba and lists license exceptions. See also Section 740.19, which lists certain license exceptions for Consumer Communications Devices (commodities and software), Section 740.12 on gift parcels and humanitarian donations, and Supplement No. 2 to Part 740, which lists items that may be donated under the humanitarian license exception. Note that while a transaction may be excepted from licensing, certain excepted transactions still require detailed documentation under the EAR. USAID Grantees/Recipients are responsible for meeting all documentation requirements.

A Grantee/recipient's Commerce license is *not* transferable to its sub-recipients. Each sub-recipient under this award is individually responsible for meeting all licensing requirements under the EAR. The initial penalty for failure to comply with licensing requirements is \$250,000. A standard penalty includes four related violations totaling approximately \$100,000 in fines.

For general information concerning the license application process and licensing policy, please consult the Bureau of Industry and Security's (BIS) website at [www.bis.doc.gov](http://www.bis.doc.gov) which includes a link to the EAR. USAID Grantees/Recipients are encouraged to attend a BIS training workshop to better understand the licensing process and requirements. Check the BIS website for the training schedule. If you need assistance with filing a license application, please call the

Outreach and Educational Services Division at (202) 482-4811. If you have questions concerning licensing policy, please call the Foreign Policy Division at (202) 482 - 4252.

(d) If the Recipient contemplates sending private (non-Federal) funds to Cuba to further the objectives of this Agreement and such funds would constitute the Recipient's "counterpart funds" under the Agreement, the Treasury Department's License No. C-18212-A Section 1(b) should permit the Recipient to send such funds to Cuba to carry out activities authorized under the Cuban Democracy Act. However, it is recommended that all Recipients intending to introduce funds into Cuba seek confirmation from Treasury (Office of Foreign Assets Control) that the use of private Recipient funds is covered by the existing license.

(e) If the non-Federal funds are covered by an appropriate license and such use of counterpart funds is contemplated under the scope of the Agreement, cash contributions would count toward any cost-sharing requirements that the Recipient may have, assuming that the other cost-sharing criteria found in 22 CFR 226.23(a) have been met.

## 2. CUBAN DEMOCRACY ACT and LIBERTAD ACT

(a) This Cooperative Agreement is made pursuant to the authorities of the Cuban Democracy Act, 22 U.S.C. 6001 et. Seq., Sec. 6004, ("CDA") and the Cuban Liberty and Democratic Solidarity (Libertad) Act of 1996, 22 U.S.C. Sec. 6021 et. Seq., Sec.6039,("Libertad Act"). Activities authorized and financed under this Cooperative Agreement are governed and limited by the terms of the CDA and the Libertad Act.

(b) The CDA and the Libertad Act authorize assistance through nongovernmental organizations to support individuals and independent nongovernmental organizations to promote peaceful, nonviolent democratic change in Cuba through various types of democracy-building efforts for Cuba. The Recipient agrees that funds made available under this Cooperative Agreement will only be utilized for peaceful, nonviolent activities, in accordance with the CDA and the Libertad Act.

(c) No funds or assistance under this Cooperative Agreement may be provided to the Cuban Government, as stated in the Libertad Act. The Libertad Act, 22 U.S.C. Sec. 6023(1) and (5), defines "Cuban Government" as including the government of any political subdivision of Cuba, and also any "agency or instrumentality" of the Government of Cuba, as these terms are further defined in 28 U.S.C. Sec. 1603(b). Section 1603(b) states that an organization which is either a) an "organ of a foreign state or political subdivision thereof" (here an organ of the Cuban Government), or b) "a majority of whose shares or other ownership interest is owned by a foreign state or political subdivision thereof" is an "agency or instrumentality of a foreign state," thus ineligible for funding under this Cooperative Agreement. Employees of the Government of Cuba, as defined above, are also ineligible for assistance under this Cooperative Agreement while working in their official capacities. However, such persons, while not working in their official capacities as employees of the Cuban Government, are considered as individuals and are eligible for assistance. Furthermore, merely providing information on transitions to democracy, human rights, and market economies to individuals who are Cuban Government employees is not

considered assistance to the Cuban Government, because the information is offered to these persons as individuals, and does not benefit the current Government of Cuba.

(d) Conference Report to the Libertad Act, H.R. 104-468, page 50, clarifies that “incidental payments or indirect benefits to commercial or regulatory entities of the Cuban Government, e.g., payments for hotels, car rental travel or transportation to or within the island, purchases of other goods or services in the local economy, customs fees, migration fees, or other comparable government charges” are not considered to be assistance to the Cuban Government which is prohibited by the Libertad Act. Other than these types of payments, no USAID funds may be used for cash assistance or procurement on the island unless prior permission is granted by the Agreement Officer.

(e) The Recipient shall take all reasonable steps necessary to ensure that the above special provisions (a)-(d) are followed. Violation of special provision No.(b) above is grounds for termination of this Cooperative Agreement for cause and disallowance of costs incurred. Violation of special provision No.(c) may lead to disallowance of costs incurred.

(f) However, no USAID funding made available under this grant or cooperative agreement will be used for cash assistance to individuals or groups residing in Cuba unless approved by the Agreement Officer.

(g) Due to the political sensitivity of the USAID Cuba Program, USAID does not require any attribution to USAID or to the U.S. Government in any materials that will be distributed on the island.

(h) Given the nature of the Cuban regime and the political sensitivity of the USAID Program, USAID cannot be held responsible for any injury or inconvenience suffered by individuals traveling to the island under USAID grant funding.

### 3. RESTRICTIONS ON PHARMACEUTICALS

The definition of “Pharmaceutical” in the USAID ADS Glossary reads as follows:

“Any substance intended for use in the diagnosis, cure, mitigation, treatment or prevention of diseases in humans or animals; any substances (other than food) intended to affect the structure or any function of the body of humans or animals; and, any substance intended for use as a component in the above. The term includes drugs, vitamins, oral rehydration salts, biologicals, and some in-vitro diagnostic reagents/test kits; but does not include devices or their components, parts, or accessories. (Chapter 312)”

This definition includes over-the-counter items, such as aspirin and even iodine. The Recipient must comply with the requirements that pharmaceuticals be U.S. produced and FDA approved and obtain prior approval from USAID in accordance with ADS 312.5.3c and Standard Provision C.9. USAID ELIGIBILITY RULES FOR GOODS AND SERVICES subsection (a)(3).

### 4. COMPLIANCE WITH U.S. LAWS AND REGULATIONS

All USAID Cuba Program grantees are reminded that they are expected to comply with all terms of their grant agreements as well as with all U.S. laws and USG regulations. This includes but is not limited to the following:

(a) Grantees must observe U.S. laws that protect copyrights and other intellectual property. Without advance written permission from holders of copyrights, grantees may not copy books, videos, audio cassettes, CDs, computer software and other informational materials for dissemination in the U.S. or elsewhere, or for distribution inside Cuba.

(b) Because of the First Amendment to the Constitution, grantees may not use USG funds to purchase, copy, mail, or distribute religious or anti-religious materials.

(c) Grantees and their sub-recipients may not send any equipment to Cuba without first meeting Commerce licensing requirements as set forth in the Export Administration Regulations (EAR) (15 C.F.R. Part 730 et seq), no matter who requests the equipment or how it is sent. Refer to Section E(1)(c) above.

## 5. NON-FEDERAL AUDITS

In accordance with 22 CFR 226.26, the Recipient and its sub-recipients are subject to the audit requirements contained in the Single Audit Act Amendments of 1996 (31 U.S.C. 7501–7507) and OMB Circular A–133. The Recipient and its sub-recipients must use an independent, non-Federal auditor or audit organization which meets the general standards specified in generally accepted government auditing standards (GAGAS) to fulfill these requirements.

## 6. FINANCIAL REVIEWS AND AUDITS

Under the USAID/Cuba program additional financial reviews and audits may be required.