GENERAL AGREEMENT
BETWEEN
THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT
AND
THE DEPARTMENT OF ARMY,
U.S. ARMY CORPS OF ENGINEERS

A. PURPOSE OF AGREEMENT

This General Agreement (Agreement) between the United States Agency for International Development (USAID) and the Department of Army, U.S. Army Corps of Engineers (USACE), establishes a framework under which USACE will provide Requested Services (as defined below) to USAID and its partners as USAID may request from time to time.

B. AUTHORITY

This Agreement is entered into under section 632(b) of the Foreign Assistance Act of 1961, as amended, 22. U.S.C. Sec. 2392(b) and 10 U.S.C. Sec. 3036(d)(2).

C. TERM OF AGREEMENT

Except as USAID and USACE (individually, Party; collectively, the Parties) may otherwise agree in writing, this Agreement will be in effect indefinitely.

D. SCOPE

USACE will furnish technical services to USAID or its partners as USAID may request and USACE agrees to perform. Such services may include but are not limited to: integrated water resources management studies (navigation and shore protection, port facilities, flood damage reduction, environmental restoration, water supply, recreation, water quality, hydropower); sedimentation studies; dam safety analyses and recommendations for national dam safety programs; planning methods and tools for water resources managers; participatory and consensus building methods for water resources management; institutional and organizational arrangements for water resources management; environmental assessments; environmental planning and mitigation; socioeconomic impact and risk assessments; flood hydrology and forecasting and floodplain management recommendations; ecosystem restoration; toxic and hazardous waste remediation; disaster planning and response; preparation of hurricane and typhoon evacuation plans; remote sensing and geographic information systems (GIS); control of nuisance aquatic vegetation; infrastructure analysis; and design and construction management services. USAID shall describe the specific services it wishes USACE to perform (Requested Services) in an interagency agreement substantially in the form attached hereto as Attachment 1 (Interagency Agreement or IAA), which USAID will submit to USACE. USACE shall commit to perform the Requested Services by signing the proposed IAA and returning it to USAID for signature and obligation of funds.

E. FISCAL TERMS

1. This Agreement does not constitute an obligation of funds by USAID or USACE. Upon signature by USAID and USACE, the IAA will constitute a binding agreement between the Parties and an obligation by USAID of the funds specified as the Total Obligated Funding (as defined below) in the IAA. USACE will furnish the Requested Services in accordance with the IAA.

2. Each IAA will set forth a detailed schedule whereby USAID will reimburse USACE for furnishing the Requested Services. Each IAA will contain a detailed budget and will set forth the total amount to be obligated under such IAA which shall include all reasonably estimated costs associated with USACE's provision of Requested Services under the IAA ("Total Obligated Funding" or "TOF"). In lieu of reimbursement, the Parties may agree to an advance of funds for Requested Services to the extent set forth in the IAA.

3. Unless USAID otherwise agrees in writing, funds obligated under the IAA are available only for expenditures under the IAA from the effective date of the IAA through the IAA Completion Date. "Completion Date" means the estimated date by which all USAID-financed Requested Services are projected to have been performed and all USAID-financed goods are projected to have been furnished as contemplated in the IAA. The Completion Date for an IAA shall be the date stated on the face sheet of the IAA, or such other date as the Parties may agree in writing.

4. Annex B of an IAA will set forth the budget for implementation of the IAA. Except as the Parties may otherwise agree in the IAA, within the total budget amount for the IAA, USACE may adjust individual line items, provided that (1) any adjusted line item does not change by more than 25 percent of the amount shown for that line item without prior notice sent to USAID and (2) USACE gives USAID written notice of all adjustments. Adjustments to the budget that exceed the agreed limit for any one line item for the IAA shall require the prior written notice sent to USAID.

5. USACE shall use the funds made available to it under an IAA for no purpose other than to cover costs incurred in carrying out the IAA under the terms and conditions of this Agreement. USACE shall be accountable to USAID for all funds made available to it under each IAA.

6. It is estimated that the total cost to USAID for the performance under an IAA shall not exceed the TOF set forth in the IAA and USACE agrees to perform the work specified in the IAA and all obligations under the IAA within such TOF. If at any time USACE has reason to believe that the costs that will accrue in performing the IAA in the next succeeding 30 days, if added to all other payments and costs previously accrued, will exceed 75 percent of the TOF in the IAA, USACE shall notify the USAID giving a revised estimate of the total price to USAID for performing the IAA with supporting reasons and documentation. When USACE makes this determination, USAID will determine whether (1) to devote additional funds to the project beyond the TOF in the IAA or (2) begin winding down the project so that it may be completed

within the TOF. When and to the extent that the TOF set forth in the IAA has been increased and such funds obligated, any costs incurred by USACE in excess of the TOF before the increase shall be allowable to the same extent as if the costs had been incurred after the increase in the TOF.

7. Upon receipt of notice pursuant to Paragraph 6 above regarding cost overrun notification, USAID may: (i) require the IAA to be amended to increase the TOF within 30 days or such other time as may be mutually agreed upon; (ii) require that the scope of the Requested Services under the IAA be amended to keep costs within the scope of the TOF; or (iii) terminate the IAA and require USACE to assign any Implementing Agreements under the affected IAA to USAID.

8. USACE will begin to formally close out an IAA after the physical completion of the IAA or the Completion Date, whichever occurs first. USACE will cooperate with USAID to expeditiously and properly document the close-out of the IAA. Except as USAID may otherwise agree in writing, USACE shall, not later than nine months following the Completion Date, submit to USAID requests for reimbursement or liquidation of outstanding advances under the IAA. Funds which have not been disbursed and for which reimbursement requests, with supporting documentation, have not been received by USAID as of nine months following the Completion Date of the IAA may be unilaterally deobligated by USAID.

9. USACE shall ensure that all statutory or other restrictions on expenditures of the funds obligated pursuant to an IAA are fully complied with.

10. If after execution of an IAA, either party determines it no longer requires or cannot perform the Requested Services based on financial, policy or legal reasons, such Party shall promptly notify the other Party.

11. USAID will pay actual project costs incurred by USACE under each IAA up to the TOF. In the event such costs incurred by USACE exceed the TOF, USAID agrees to pay such costs from legally and programmatically available funds, provided that USACE has materially complied with notification requirements set forth in Paragraph 6 of this Article relating to cost overruns and Paragraph 5. If, in such case, USAID has no funds legally and programmatically available funds to pay such costs, USAID will use reasonable efforts to request from the relevant USAID appropriations committees in Congress additional appropriations to pay for such costs that remain unpaid.

12. In the event actual project costs incurred by USACE exceed the TOF, and USACE has failed to comply materially with the requirements in Paragraph 5 of this Article or the notification requirements set forth in Paragraph 6 of this Article relating to cost overruns, responsibility for payment of such costs will be determined in accordance with applicable law.

F. PAYMENT

1. USACE shall bill USAID through the Intra-governmental Payment and Collection system or by submitting a Standard Form 1081 (SF-1081) addressed to the USAID paying office identified in the IAA.

2. USACE will submit a financial report to the paying office with each billing to itemize expenditures to the level of detail specified in the budget of the IAA and at the interval specified in the IAA.

3. USACE shall bill USAID as provided in each IAA. The amount billed will be determined by USACE and will be billed for an expenditure transfer into an account administered by USACE and for which USACE provides fiscal reports to OMB and/or the Department of Treasury. This amount will be treated by USAID as an advance and will be expended based on the periodic financial reports, described below, detailing the implementation of the IAA.

4. The financial reports submitted for liquidation of advances or requests for reimbursement shall, as provided in the IAA, contain current period and cumulative amounts as follows:

Budget Line Item	Budget Amount	Current Period Disbursements	Cumulative Disbursements	Remaining Budget Balance

5. USACE shall use the categories of obligations and expenditures set forth in Annex B of the IAA. USACE shall provide this information both in summary form for the entire IAA and separately by country, if appropriate.

6. The financial reports will be used to liquidate the advance authorized by this Agreement. USACE shall submit its periodic financial report within 30 days after the end of the applicable reporting period. The original report must be signed by an authorized official of USACE billing office.

G. REPORTS

USACE shall prepare and submit detailed periodic progress, technical and financial and other reports as required under this MOA, including as specified in each IAA. Financial reports shall include information on all funds received, obligated and expended and on forecast obligations and expenditures.

1. The title page of all reports submitted pursuant to this Agreement and relevant IAA shall include a descriptive title, the author's name(s), Award Number, activity number and title, USACE's name, name of the USAID Cognizant Technical Office, and the publication or issuance date of the report.

2. When preparing reports, USACE shall refrain from using elaborate artwork, multicolor printing and expensive paper/binding, unless it is specifically authorized to do so in this Agreement or an IAA.

3. The metric system of measurements shall be used for specifications that are contained in reports unless USAID determines in writing that such use is impractical or is likely to cause significant inefficiencies or the loss of markets to United States firms.

4. Unless otherwise provided in the IAA, USACE shall prepare and submit the indicated number of copies of the following reports to the persons and offices as stated:

a. Quarterly Report: Within 45 days following the end of the quarterly period being covered, USACE shall submit a report which shall address status of the work under an IAA, indicating progress made with respect to the goals set forth in an IAA and setting forth plans for the ensuing period, including recommendations covering the current needs in the fields of activity that are covered under the terms of this Agreement. Expenditure status should include actual (or estimated, if actual expenditures are not available) expenditures during the quarter and anticipated expenditures for the next quarter. Actual expenditures should be accompanied by copies of corresponding billing notices and vouchers.

Distribution:
USAID IAA Agreement Officer -- 2 copy
USAID IAA Cognizant Technical Officer -- 2 copies
PPC/CDIE/DIO -- 2 copies

b. Notice of Personnel Action: Not later than 15 days after the effective date of personnel action(s) that will substantially affect the budget or the implementation of an IAA, USACE shall notify USAID of the personnel action(s), including the identity of the person involved and the effects USACE believes the personnel action(s) will have.

Distribution:
USAID IAA Agreement Officer – 1 copy
USAID IAA Cognizant Technical Officer -- 1 copy

c. Final Report: Within 60 days following the Completion Date, USACE shall submit a final report that summarizes USACE's accomplishments under the IAA and recommendations, if any, for subsequent activities.

Distribution:
USAID IAA Agreement Officer -- 1 copy
USAID IAA Cognizant Technical Officer -- 2 copies
PPC/CDIE/DIO -- 2 copies

When PPC/CDIE/DIO is indicated above as a recipient in the distribution of reports, its copies should be sent to the following address or such other address as USAID may indicate in writing:

PPC/CDIE/DIO
United States Agency for International Development
1300 Pennsylvania Avenue, NW
Washington, D.C. 20523-6802

5. USACE shall provide USAID with copies of all evaluation or other reports generated by Federal or outside sources.

H. COMMUNICATIONS

The principal representative ("Principal Representative") of each Party will serve as its central point of contact on matters relating to this Agreement. The Principal Representative will be the person serving in the capacity as set forth below:

USAID
Environmental and Natural
Resources Advisor
EGAT/NRM
3.07.034 RRB
1300 Pennsylvania Avenue, NW
Washington, DC 20523

USACE
Interagency Services Coordinator
Interagency and International
Services Division
Military Programs Directorate
Headquarters, USACE
441 G Street, NW
Washington, DC 20414-1000

I. PERSONNEL

1. USACE Responsibilities - USACE has full responsibility for performing the Requested Services, including staffing, supervision, backstopping, promotion, and reporting, subject to general guidance from USAID. USACE personnel remain on USACE's employment rolls, and subject to USACE's position ceilings and regular promotion procedures. USACE personnel assigned in the United States operate under the rules and regulations of USACE unless otherwise required by law or USAID regulations. USACE is responsible to perform all administrative and supervisory duties required for its employees. USACE personnel assigned overseas shall be subject to Department of Defense personnel regulations. They shall also use their best efforts to comply with all pertinent USAID regulations and policies. USAID Automated Directive System (ADS) Chapter 306 applies to USACE personnel providing the Requested Services. Before USACE personnel may undertake an overseas assignment, USACE shall make the necessary administrative arrangements, including all predeparture clearances (e.g., health (including medical waivers), security, language training and testing, and orientation).

2. Limitations - Except as specifically provided in writing by USAID, USACE personnel shall not officially represent USAID at any function; approve policy documents; supervise USAID employees; negotiate, review, or sign contracts on behalf of USAID; certify vouchers; select or recruit USAID employees; or prepare USAID funding or budget documents. Unless USAID agrees otherwise in writing, USACE personnel will not work primarily in USAID offices.

3. Post of Assignment – All USACE United States citizen direct-hire employees and/or military personnel stationed overseas and funded by an IAA are entitled to the same types of support and privileges and immunities as equivalent USAID United States citizen direct-hire employees at the same post. If there is no agreement providing for privileges and immunities between the United States and the host country, USAID will use its best efforts in helping USACE personnel to obtain adequate privileges and immunities. However, support for such USACE employees may not come from the same source as support for USAID direct-hire staff. For example, in some instances, housing for USACE employees may be provided by a host-country institution rather than by USAID or the Embassy as for USAID employees. In any event, USACE employees' housing and facilities are to be equivalent to those provided to comparable USAID United States citizen direct-hire employees. USACE employees stationed overseas will receive the same APO, Commissary, PX, and club privileges as USAID United States citizen direct-hire employees when allowed by the regulations of the organization to which the facility is attached. USACE employees and their dependents are entitled to the same health benefits as USAID direct-hire employees.

4. Time and Attendance Records – Unless USAID otherwise agrees, USACE personnel serving overseas are responsible for forwarding their time and attendance records to USACE for record keeping and for the processing of salary payments. If requested by USAID, USACE shall provide to USAID a copy of the time and attendance records for personnel named in the request.

5. Standards of Conduct – USACE personnel and their dependents are required to maintain high standards of personal conduct expected of United States Government officials representing the United States overseas. Failure to do so may lead to disciplinary action.

6. Termination - If for any reason, USAID curtails, revises or terminates programs or strategic objectives for which Requested Services are being performed, USAID may unilaterally determine which categories of USACE personnel are to be retained. If USAID no longer needs the services of USACE personnel, USAID will notify USACE in writing at least 45 days in advance.

J. CONTRACTING UNDER THIS AGREEMENT

USACE may provide the Requested Services itself or through one or more contracts, grants or other agreements with third parties (Implementing Agreements). Unless the Parties agree otherwise in the IAA, all Implementing Agreements and the choice of the implementers for Implementing Agreements shall be subject to USAID prior written approval.

K. DISPOSITION OF RECORDS AND PROPERTY WHEN A USAID-FUNDED ACTIVITY TERMINATES

1. Records (Other Than Property Records) - Responsibility for maintenance of records and their final disposition rests with USACE.

2. Property -

a. Outside the United States: All USAID-funded property under the control of USACE on termination of an IAA shall be turned over to the host government, the USAID Mission or a third party in furtherance of this Agreement as determined by USAID pursuant to agency policy.

b. In the United States: When USAID no longer needs property financed under an IAA, USACE, subject to USAID agreement, will:

-- credit USAID the depreciated value of the property,

-- return it to USAID, or

-- otherwise dispose of it.

3. Disposition of Property Records - Aside from any specific record keeping policies of USACE, USACE shall maintain itemized property records on all nonexpendable items purchased pursuant to this Agreement costing more than $500 each. The records will include, at a minimum, the description, date acquired, from whom, cost, present location and condition.

L. COMMUNICATIONS PRODUCTS

Unless USAID approves otherwise in writing, the following requirements shall apply to any printed material (other than noncolor photocopy material), photographic services or video production services ("Communications Products") prepared pursuant to this Agreement:

1. USACE shall follow USAID-established standards for Communications Products financed by USAID. A copy of the USAID standards may be obtained from USAID on request.

2. The following Communications Products shall be eligible for USAID financing under this Agreement only if they are approved in writing by the USAID Bureau for Legislative and Public Affairs:

a. Any Communications 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.)

b. Any Communications Products that will be sent directly to, or are likely to be seen by, a Member of Congress or Congressional staffer.

c. Any Communications Products of which more than 50 percent of the copies will be distributed in the United States (excluding copies provided to USAID/PPC/CDIE and other USAID/Washington offices for internal use).

M. PROCUREMENT

USACE will administer the funds provided under an IAA (including procurement and monitoring actions) in accordance with its own procedures, except as provided in this Agreement or as USAID may otherwise agree in writing.

N. BOOKS AND RECORDS

USACE shall keep full and complete records and accounts with respect to the funds made available to it under this Agreement in accordance with generally accepted U.S. Government accounting principles. USACE shall require that all contractors or grantees financed under an IAA maintain books and records related to the IAA in accordance with generally accepted accounting principles as formally prescribed by the United States, the host country, or the International Accounting Standards Committee (an affiliate of the International Federation of Accountants). USACE shall ensure that all such books and records of all contractors and grantees financed under an IAA may be audited by USACE, USAID, or other authorized U.S. Government official for a period of three (3) years from the expiration of the contract or grant.

O. INSPECTOR GENERAL ACT OF 1978

Audit and inspection requirements as set forth in the Inspector General Act of 1978, as amended, (the "Act") shall apply with respect to the funds transferred under an IAA, and to the books and records of any contractor or grantee financed with such funds. The Office of the Inspector General for USAID shall ensure full compliance with all applicable provisions of the Act in coordination with the Office of the Inspector General for USACE, or other appropriate office, which shall provide all appropriate assistance or other support.

P. AMENDMENTS AND TERMINATIONS

This Agreement may be amended upon the mutual, written agreement of the Parties. This Agreement may be terminated by either Party upon 30 days written notice to the other Party.

Q. ORDER OF PRECEDENCE

In the event of conflicts between this Agreement and an IAA, the terms of this Agreement shall prevail, except as the Parties may otherwise agree explicitly in writing.

R. STANDARD PROVISIONS

1. Training of Cooperating Country Personnel - Except as USAID may otherwise agree in writing, the planning and implementation of all training of personnel of a cooperating country financed under this Agreement shall comply with USAID Automated Directives System chapter 253.

2. National Security - In accordance with National Security Decision Directive 38 of June 2, 1982, all agencies with staffs operating under the authority of Chiefs of Mission will ensure that, in coordination with the Department of State, the Chiefs of Missions' approval is sought on any proposed changes in the size, composition, or mandate of such staff elements. Departments and agencies wishing to initiate changes should transmit their proposals to Chiefs of Missions in consultation with the Department of State. Accordingly, USACE shall be responsible for complying with all requirements of National Security Decision Directive 38, as instructed by the Department of State and the chiefs of mission in each cooperating country. USACE shall ensure that all of its employees assigned or hired overseas and all of its personnel (both employees and contractors) traveling overseas on temporary duty have the requisite security clearance and otherwise comply with the requirements of 12 Foreign Affairs Manual (FAM) 443.

3. Use of Goods and Services - Except as USAID may otherwise agree in writing, all goods and services financed under an IAA will be used for the purposes of the IAA until the completion or termination of the IAA, and thereafter will be used as USAID may direct in writing.

4. Marking - Unless USAID agrees otherwise,

a. All USAID-financed equipment and materials must be marked with the USAID red, white and blue emblem, and their shipping containers must be marked with the emblem and the USAID financing document number.

b. All construction sites and other locations receiving USAID financing must display signs marked with the USAID red, white and blue emblem and indicating participation by the United States of America. These signs should be erected at an early date in the construction or implementation phase and be replaced by permanent signs, plates or plaques, marked with the USAID red, white and blue emblem, at the end of this phase.

5. Investment Promotion –

a. No funds or other support provided under an IAA may be used in a project or activity reasonably likely to involve the relocation or expansion outside of the United States of an enterprise located in the United States if non-U.S. production in such relocation or expansion replaces some or all of the production of, and reduces the number of employees at, said enterprise in the United States.

b. No funds or other support provided under an IAA may be used in a project or activity the purpose of which is the establishment or development in a foreign country of any export processing zone or designated area where the labor, environmental, tax, tariff, and safety laws of the country would not apply, without the prior written approval of USAID.

c. No funds or other support provided under an IAA may be used in an activity which contributes to the violation of internationally recognized rights of workers in the cooperating country, including those in any designated zone or area in that country.

6. Commerce and Trade -

a. No funds or other support provided under an IAA may be used for any testing or breeding feasibility study, variety improvement or introduction, publication, conference, or training in connection with the growth or production in a foreign country of an agricultural commodity for export which would compete with a similar commodity grown or produced in the United States: provided that this shall not prohibit: (a) activities designed to increase food security in developing countries where such activities will not have a significant impact in the export of agricultural commodities of the United States; or (b) research activities intended primarily to benefit United States producers.

b. No funds or other support provided under an IAA may be used to:

(i) procure directly feasibility studies or prefeasibility studies for, or project profiles of potential investment in, the manufacture, for export to the United States or to third country markets in direct competition with United States exports, of import-sensitive articles as defined by 19 U.S.C. 2463 (b) (1) (A) and (E); or

(ii) assist directly in the establishment of facilities specifically designed for the manufacture, for export to the United States or to third-country markets in direct competition with United States exports, of import-sensitive articles as defined by 19 U.S.C. 2463 (b) (1) (A) and (E).

7. Eligible Countries - Except as USAID may otherwise agree in writing, funds provided under an IAA will only be expended for assistance to countries eligible for assistance under the Foreign Assistance Act of 1961, as amended, or under acts appropriating funds for foreign assistance.

8. Audit and Inspection Rights –

a. USACE shall ensure that grants with non-U.S., nongovernmental organizations include an audit clause which requires that if a grantee receives $300,000 or more per year in grant awards, the grantee agrees that it shall have an independent financial audit of the funds provided under such grants. The financial audit of the funds disbursed to the grantee shall determine whether the receipt and expenditure of the funds provided under the grant are in accordance with generally accepted accounting principles and whether the grantee has complied with the terms of the agreement. An audit shall be conducted for each fiscal year of the grantee. The audits shall usually be performed annually, but not less frequently than every two years. The audits shall be performed in accordance with generally accepted government auditing standards issued by the Comptroller General of the United States. Non-U.S., nongovernmental organizations receiving less than $300,000 per year are exempt from the financial audit requirements, but are subject to the requirement to make records available upon request for review by authorized U.S. Government officials.

b. USACE shall ensure that contracts with non-U.S. contractors include the appropriate audit and examination of records clauses as specified in the Federal Acquisition Regulation.

c. USACE shall ensure, by appropriate written arrangements with aid recipients, that such USAID-financed assistance shall be subject to audit and inspection by authorized U.S. Government officials.

9. Other Agreements –

a. In each Cooperating Country in which a framework economic assistance bilateral agreement governing privileges, immunities and tax exemptions of USAID-financed personnel, entities and commodities is not in effect, USACE, with the assistance of USAID and, if necessary, the United States Embassy in the Cooperating Country, shall seek to obtain for its personnel, contractors, and grantees as well as for any commodities financed under an IAA, exemptions from taxes, duties and fees which may be imposed by the Cooperating Country with respect to activities or transactions financed under this Agreement.

b. USACE shall ensure, with the assistance of USAID, and if necessary, the United States Embassy in the Cooperating Country, through written arrangements which USACE and/or grantees or contractors financed under this Agreement shall enter into with recipients of USAID-financed assistance that: (1) such assistance shall only be used for the purposes stated therein and, (2) that if such assistance is no longer needed for such purposes, that such assistance may be used for other purposes as may be agreed upon by USACE in consultation with USAID.

10. International Travel - Except as USAID may otherwise agree in writing, all travel financed under this Agreement shall be subject to the Federal Travel Regulation. Except as USAID may otherwise agree in writing, travel financed under this Agreement to all international

destinations shall be subject to United States Embassy or USAID Mission clearance in accordance with guidance issued from time to time by USAID. USACE is hereby advised that in some instances, several weeks' advance notice may be required in order to obtain the necessary approvals for certain international destinations. Accordingly, USACE shall advise USAID in Washington of proposed international travel at least three weeks in advance, if possible.

11. Environmental Regulations - USACE shall comply with USAID environmental regulations (Code of Federal Regulations (CFR), Title 22, Part 216, "Regulation 16") in carrying out the Requested Services. In general, USAID will grant a categorical exclusion for the Requested Services under the terms of Regulation 16, and upon request, will furnish a copy of the categorical exclusion to USACE. USAID expects that no further action under Regulation 16 is required for the Requested Services unless USACE undertakes activities other than those described in the categorical exclusion. However, if further action becomes necessary or if USAID does not initially grant a categorical exclusion, USAID will, upon request, provide further guidance to help USACE comply with Regulation 16.

12. Source and Origin of Commodities; Nationality of Suppliers of Commodities and Services - The following provisions shall apply to this Agreement except as USAID may otherwise agree in writing:

a. Except as this Agreement provides otherwise, USACE shall comply with 22 CFR Part 228 and USAID Automated Directives System (ADS) chapters 310 and 311. The terms "source," "origin," "nationality," "foreign policy-restricted countries" and "Geographic Code," as used in this Agreement, shall have the definitions set forth in 22 CFR 228.

b. The USAID Authorized Geographic Code for the source and origin of commodities financed under this Agreement and for the nationality of the suppliers of commodities and services financed under this Agreement shall be determined in the IAA.

c. If funds are from sources other than Development Fund for Africa, then commodities financed under an IAA shall have their source and origin in a country or area included in the USAID Authorized Geographic Code applicable to the relevant IAA or in the cooperating country. Suppliers of commodities or services shall have a country or area included in the USAID Authorized Geographic Code or the cooperating country as their place of nationality.

d. Commodities and services financed under an IAA with funds from Development Fund for Africa shall be governed by the following:

(i) To the maximum extent possible, commodities financed under the IAA shall have the United States as their source and origin, and suppliers of commodities and services shall have the United States as their country of nationality;

(ii) Agricultural commodities financed under the IAA shall have the United States as their source and origin when the domestic price of such commodities is less than

parity, unless USAID concurs that the commodity cannot reasonably be procured in the United States to fulfill the objectives of the IAA;

(iii) Where adequate competition among qualified United States firms exists for construction activities in excess of $5,000,000 or for engineering services procurement, the supplier of such construction services shall have the United States as its country of nationality;

(iv) Suppliers of pharmaceuticals financed under the IAA shall have United States as their country of nationality;

(v) Only USAID-approved pesticides shall be procured;

(vi) Fertilizers financed under the IAA shall have the United States as their source and origin, unless USAID determines that there are significant price differentials between United States and foreign sources or that there would be an adverse impact on price or domestic availability in the United States;

(vii) While participant training may be financed in USAID Geographic Code 899 countries, all long-term training shall take place in the United States or the cooperating country;

(viii) The Cargo Preference Act of 1954, 46 U.S.C., Sec. 1242(b)(1) shall apply to ocean shipping under the IAA;

(ix) Air travel and transportation to and from the United States shall be procured from United States-flag carriers; and

(x) The non-United States portion of any procurement transaction under the IAA shall not exceed $5,000,000.

e. If funds from other sources are transferred to USACE under the IAA, USAID will give USACE additional written advice regarding the source, origin and nationality rules applicable to such other funds. USACE may authorize the source, origin and nationality of a procurement in a country other than as specified in the IAA, only if

(i) the procurement is of commodities or services of a type that is not produced in and available for purchase in any country authorized under the IAA; or

(ii) the Authorized Representative of USACE determines in writing on a case-by-case basis that procurement in such other country is necessary (a) to meet unforeseen circumstances, such as emergency situations, or (b) to promote efficiency in the use of United States foreign assistance resources, including to avoid impairment of foreign assistance objectives.

The authorization for procurement under this paragraph shall be in writing and shall set forth the basis for the authorization. USACE shall provide USAID a copy of the authorization.

f. If the Requested Services are financed under the FREEDOM Support Act and the authorized cooperating countries as approved by USAID do not include the entire former Soviet Union, then, for purposes only of determining the authorized source and origin of commodities and the nationality of suppliers of commodities and services, the term "cooperating country" shall include the independent states of the former Soviet Union.

13. Section 487 - Under Section 487 of the Foreign Assistance Act of 1961 (FAA) (Section 487), as amended, no assistance may be provided under this Agreement to or through any individual or entity where the United States Government has reason to believe that the individual, the entity or a "key individual" of the entity is or has been involved in "drug trafficking activities" (including "money laundering")(all quoted terms in this clause having the meanings given them in Section 487 and USAID Automated Directives System (ADS) 206). If assistance under this Agreement is to be provided by USACE to an individual or entity in or from a "covered country," or if USACE knows or has a reasonable suspicion that the proposed individual, entity, or "key individual" of the entity is or has been involved in "drug trafficking activities," then USACE shall be responsible for ensuring that the assistance is provided in a manner consistent with the provisions of Section 487 and ADS 206, including, as applicable:

a. submitting the names of each "key individual" and "covered participant" to the Country Narcotics Coordinator at the relevant United States Embassy for clearance;

b. obtaining certifications in the forms of the "Key Individual Certification – Narcotics Offenses and Drug Trafficking" and the "Participant Certification - Narcotics Offenses and Drug Trafficking," as set forth ADS 206, from each "key individual" and "covered participant"; and

c. including in any agreement that USACE may enter into with a "first-tier recipient" or "covered participant" the appropriate clause(s) described in ADS 206.3.12.

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

Through

JACQUELINE E. SCHAFER
Deputy Assistant Administrator
Bureau for Economic Growth, Agriculture and Trade

Date: 5/7/03

TIM BEANS
Director
Office of Procurement

Date: May 7, 2003.

DEPARTMENT OF ARMY

GEORGE S. DUNLOP
Deputy Assistant Secretary of the Army

Date: May 7, 2003

Attachment 1

INTERAGENCY AGREEMENT
BETWEEN
THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT
AND THE DEPARTMENT OF ARMY
U.S. ARMY CORPS OF ENGINEERS (USACE)

Award Number:	Modification Number:	
1. Activity Title:	2. Strategic Objective Title and Number:	
3. Appropriation Symbol:	4. Fund Code:	
5. A&A Request Number/MAARD Number:	6. Initial Fiscal Year:	
7. Start Date:	8. Completion Date:	
9A. Prior Funding $0	9B.Funds Obligated this Document $0	9C. Total Obligated Funding $0

10. Authority: Section 632(b) of the Foreign Assistance Act of 1961, as amended (FAA), 22 U.S.C. Sec. 2392(b); 10 U.S.C Sec. 3036(d)(2) [FAA Sections 496 and 497, 22 U.S.C. 2293, 2294;][Section 2 of the Support for East European Democracy (SEED) Act of 1989, 22 U.S.C. 5401;][FAA Sec. 498, 22 U.S.C. 2295; FAA Sec. 498C, 22 U.S.C. 2295c;][Foreign Operations, Export Financing, and Related Programs Appropriations Act, 20xx, Public Law xxx-yyy].

11A. Services to be Provided: USACE agrees to provide the services summarized below and more fully described in Annex A. [Unless otherwise authorized by USAID, all Requested Services shall be of United States origin.] This Agreement shall be subject to the terms and conditions of the General Agreement Between the United States Agency for International Development and USACE, dated _____, 20__. The Requested Services shall *[give summary description]*.

11B. Place of Performance:

12. Liaison Offices/Additional Representatives

12A. Department of Army, U.S. Army Corps of Engineers	12B. United States Agency for International Development
[Name] [Address]	[Name] [Address]
Date: _____	Date: _____

13A. Signature by Authorized Representative	13B. Signature by Agreement Officer
Department of Army, U.S. Army Corps of Engineers _____ [Name] [Title] Date: _____	**United States Agency for International Development** _____ [Name] [Title] Date: _____

14. This Agreement consists of this face sheet and the following items (if checked):
X Annex A – Statement of Work X Annex B - Budget

INTERAGENCY AGREEMENT

Annex A

A. REQUESTED SERVICES

[Describe Requested Services]

B. METHOD OF PAYMENT

The parties agree to use [reimbursement/advance] method of payment.

USACE shall bill USAID through the Intra-governmental Payment and Collection system or by submitting a Standard Form 1081 (SF-1081) addressed to:

United States Agency for International Development
M/FM/CMP/IBU
Inter-Agency Billing Unit
1300 Pennsylvania Avenue, N.W.
Room 7.07-064
Washington, D.C. 20523-0208

The USAID financial contact person is the Office Chief, M/FM/CMP/IBU, at 202-712-0519 (telephone) and 202-216-3543 (fax). The USAID Agency Location Code (ALC) for billings is 72-000001.]

[or]

[The USAID Paying Office and corresponding address for this Agreement is:

_____
_____
_____
_____
_____

The USAID financial contact person is _____, at (___) ___-____. The USAID Agency Location Code (ALC) for billings is __-_____.]

The Intra-governmental Payment and Collection system is USAID's preferred method of being billed. However, USACE may also bill USAID using Standard Form 1081, or another form, mutually agreed upon by USAID and USACE.

C. ENVIRONMENTAL DETERMINATION

[State that categorical exclusion applies or steps to be taken for environmental compliance]

D. GEOGRAPHIC CODE

[State which geographic code applies for procurement purposes]

INTERAGENCY AGREEMENT

Annex B

Budget

A. [State categories of obligations and expenditures]:

B. Financial Reports:

Budget Line Item	Budget Amount	Current Period Disbursements	Cumulative Disbursements	Remaining Budget Balance

[Give details and intervals]