



USAID
FROM THE AMERICAN PEOPLE

FIXED OBLIGATION GRANT TO:

Sanergy, Inc.
for
"Sustainable Sanitation in Urban Slums of Kenya"

Mr. Anirudh Vallabhaneni
CEO, Sanergy, Inc.
P.O. Box 550288
Atlanta, Georgia 30354
United States
Email: ani@saner.gy

April 5, 2013

SUBJECT: Grant No. AID-OAA-F-13-00021

Dear Mr. Vallabhaneni:

Pursuant to the authority contained in the U. S. Foreign Assistance Act of 1961, as amended, the U.S. Agency for International Development (hereinafter referred to as "USAID"), hereby awards to Sanergy, Inc. (hereinafter referred to as "Recipient"), the sum of U.S. Dollars **\$1,499,984** payable in U.S. Dollars for U.S. recipients and local currency for NonU.S. recipients, according to the Milestone Budget shown in the Schedule, Attachment 1, to support the subject award, as more fully described in the Program Description, Attachment 2.

The Grant Period is as provided in the Schedule. USAID is not liable for reimbursing the Recipient for any amount in excess of the obligated amount.

This FOG is subject to the terms and conditions as set forth in the attachments listed following the signature below, which together constitute the entire Grant Agreement and have been agreed to by your organization.

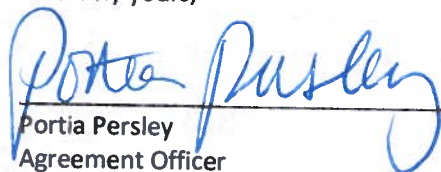
By signing this Grant Agreement, Recipient agrees to:

1. Maintain records of transactions related to the Grant Agreement for at least three years after payment of the final milestone. After the end of the agreement, USAID retains the right, at its discretion, to examine all or a sample of the recipient's records or elated to the Grant Agreement where concerns of implementation irregularities arise.

2. Unless otherwise provided in the Schedule, title to any equipment or personal property purchased to accomplish any milestones under this Agreement vests in the recipient upon acquisition, with the condition that the recipient must use the equipment or property for the grant as long as it is needed for such.
3. The USAID Agreement Officer must provide prior written approval for any changes to: 1) the activities being supported by this Grant; 2) the fixed amount of this grant; 3) the milestones; or 4) change in the Grant Agreement completion date.
4. USAID will conduct monitoring of the grant program, including site visits as appropriate.
5. On submission of the voucher for payment for the final milestone, the Recipient must certify that the grant is completed and the Recipient will make no further financial claim against the grantor after final payment.

Please sign the original and each copy of this letter to acknowledge receipt and confirmation acceptance of the Grant Agreement, and return the original and all but one copy to the Agreement Officer.


Sincerely yours,


Portia Persley
Agreement Officer

Attachments:

1. Schedule
2. Program Description
3. Branding Strategy and Marking Plan
4. Standard Provisions
5. Voucher Format

ACKNOWLEDGED by Recipient's duly authorized representative:

Signature: 
Name: Anirudh Vallabhaneni Title: CEO
Phone: 224-627-7000
Email: ani@saner.gy
Date: April 6, 2013

1. Accounting & Appropriation Data:

SPECIFIC

BBFY:	2012
EBFY:	2013
Fund Account:	DV
Operating Unit:	IDEA/DIV
Program Area:	A17
Distribution:	IDEA/DIV
Program Element:	A069
BGA:	000
SOC:	4100201
Obligated Amount:	\$1,249,984
Fixed Obligated Amount:	\$1,249,984
Requisition Number	REQ-ODP-13-000063

BBFY:	2012
EBFY:	2013
Fund Account:	DV
Operating Unit:	EGAT/IE
Program Area:	A11
Distribution:	ENV010
Program Element:	A054
BGA:	997
SOC:	4100201
Obligated Amount:	\$250,000
Fixed Obligated Amount:	\$250,000
Requisition Number	REQ-EGEE-13-000127

ATTACHMENT 1

SCHEDULE

A. PURPOSE OF GRANT

The purpose of this grant is to provide support for the program described in Attachment 2, Program Description.

B. GRANT PERIOD

The effective date of this grant is **May 1, 2013**. The completion date of the grant is **May 1, 2015** or upon submission of the final milestone whichever occurs first.

C. AMOUNT OF AWARD AND PAYMENT

1. USAID hereby awards the amount of US **\$1,499,984** for purposes of this grant. See complete Milestone table included in Attachment 1.
2. Payment will be made to the Grantee upon presentation to the USAID Controller at USAID/ W an original and two copies of a properly prepared invoice, with a certification that the Milestone being billed has been completed and providing any other documentation required by USAID specified in the Milestone table in Attachment 1. A voucher format may be provided upon award of the Grant Agreement (Attachment 5). Each voucher will be identified by the award number, specify the Milestone that is being billed, and the fixed amount associated with that Milestone. Payment shall be within 30 days after receipt of a proper invoice. The Recipient is encouraged to submit the above referenced payment documentation as e-mail attachments to the e-mail address provided for the Payment Office. Payment documentation may also be submitted in hard copy paper form to the Payment Office.

D. GRANT AGREEMENT MILESTONES

1. Following is the Schedule of Milestones associated with the program which has been agreed upon between the USAID and the Recipient, for funding under this Grant Agreement.
2. The accomplishment of each Milestone will be based on the successful submittal or completion of the tasks or deliverables delineated for that Milestone. For purposes of this Agreement, "successful" shall be defined as Recipient's completion of each milestone listed in the Milestone table in Attachment 1, and shall not be based upon USAID's agreement with the findings, recommendations, or opinions of the Recipient.

MILESTONES

Milestone	Estimated Completion Day	Deliverable	Amount
1	Award date + 1 month	<p>This milestone requirement is considered fulfilled when the following actions have occurred and the deliverables and/or associate narrative have been submitted to the AOR for review/concurrence:</p> <ul style="list-style-type: none"> • Updated project design, implementation plan, and monitoring and evaluation strategy. The monitoring and evaluation strategy must demonstrate the responsibility of each indicator that will be tracked/measured during the project implementation. • Updated list of indicators, including how they will be tracked/measured, and reporting frequency. The indicators must include, but need not be limited to: <ul style="list-style-type: none"> ○ Number of toilets deployed, broken down by Sanergy's four sales models (commercial, residential, civic institutions and individual households) ○ New local owners and operators of toilets, disaggregated by gender ○ Number of people using Sanergy services, disaggregated by gender ○ Quantity of fecal sludge removed from target area ○ Quantity of fecal sludge processed into saleable by-products ○ Profits or losses for Sanergy ○ Profits or losses for franchises ○ Cost to build facilities, and cost of facilities charged to franchisees ○ Operating and maintenance costs ○ Total amount of funding, broken down by earned revenue, donor funding, and commercial funding ○ Relevant implementation lessons from the intervention ○ Cost-effectiveness of the intervention ○ Social impacts of the intervention <p>Additional details about format may be provided by the AOR.</p>	\$374,996
2	Award date + 2 months	<p>This milestone requirement is considered fulfilled when the following actions have occurred and the deliverables and/or associate narrative have been submitted to the AOR for review/concurrence:</p>	\$224,997.60

Milestone	Estimated Completion Day	Deliverable	Amount
		<ul style="list-style-type: none"> • Baseline survey written, tested, and ready to be administered. Deliverable to include the survey. • Baseline assessment of competitor's profiles and areas' demographics and sanitation behaviors. • Baseline cost-effectiveness assessment of the intervention versus competing alternatives. • Baseline social impact assessment of the intervention • Baseline assessment of relevant implementation lessons • Update on project implementation. This includes a discussion of hygiene promotion, manufacturing, waste removal, waste treatment and conversion activities • Updated scaling plan. This should discuss financial viability and also discuss plans to share successful practices with other partners. This should include, but need not be limited to, plans to franchise and license Sanergy's four models (commercial, residential, civic institutions and individual households) to other organizations from the private, civil and governmental sectors in other developing countries. 	
3	Award date + 3 months	<p>This milestone requirement is considered fulfilled when the following actions have occurred and the deliverables and/or associate narrative have been submitted to the AOR for review/concurrence:</p> <ul style="list-style-type: none"> • Update on project implementation. This includes a discussion of hygiene promotion, manufacturing, waste removal, waste treatment and conversion activities. Updates on the quarterly indicators listed in Milestone 1 should be provided, using the methods approved in Milestone 1. • Update on monitoring and evaluation process. 	\$149,998.40
4	Award date + 6 months	<p>This milestone requirement is considered fulfilled when the following actions have occurred and the deliverables and/or associate narrative have been submitted to the AOR for review/concurrence:</p> <ul style="list-style-type: none"> • Update on project implementation. This includes a discussion of hygiene promotion, manufacturing, waste removal, waste treatment and conversion activities. Updates on the quarterly indicators listed in Milestone 1 should be provided, using the methods approved in Milestone 1. • Status of official fertilizer certification from the Kenya Bureau of Standards. • Cumulative number of toilets built, based on baseline 	\$74,999.20

Milestone	Estimated Completion Day	Deliverable	Amount
		<p>assessment.</p> <ul style="list-style-type: none"> Cumulative amount of fecal sludge removed from the target community and processed into saleable buy-products, based on baseline assessment. Update on monitoring and evaluation process. 	
5	Award date + 9 months	<p>This milestone requirement is considered fulfilled when the following actions have occurred and the deliverables and/or associate narrative have been submitted to the AOR for review/concurrence:</p> <ul style="list-style-type: none"> Update on project implementation. This includes a discussion of hygiene promotion, manufacturing, waste removal, waste treatment and conversion activities. Updates on the quarterly indicators listed in Milestone 1 should be provided, using the methods approved in Milestone 1. Update on what proportion of local owners and operators are female. Update on what proportion of Sanergy customers are female. Cumulative number of toilets built, based on baseline assessment. Cumulative amount of fecal sludge removed from the target community and processed into saleable buy-products, based on baseline assessment. Update on monitoring and evaluation process. 	\$74,999.20
6	Award date + 12 months	<p>This milestone requirement is considered fulfilled when the following actions have occurred and the deliverables and/or associate narrative have been submitted to the AOR for review/concurrence:</p> <ul style="list-style-type: none"> Update on project implementation. This includes a discussion of hygiene promotion, manufacturing, waste removal, waste treatment and conversion activities. Updates on the quarterly indicators listed in Milestone 1 should be provided, using the methods approved in Milestone 1. Update on progress towards achieving biogas production, including what sales volume will be necessary to achieve this. Cumulative number of toilets built, based on baseline assessment. Cumulative amount of fecal sludge removed from the target community and processed into saleable buy-products, based on baseline assessment. 	\$149,998.40

Milestone	Estimated Completion Day	Deliverable	Amount
		<ul style="list-style-type: none"> • Mid-term cost-effectiveness assessment of the intervention versus competing alternatives. • Mid-term social impact assessment of the intervention • Mid-term assessment of relevant implementation lessons • Submit updated Environment Mitigation and Monitoring Report (EMMR) 	
7	Award date + 15 months	<p>This milestone requirement is considered fulfilled when the following actions have occurred and the deliverables and/or associate narrative have been submitted to the AOR for review/concurrence:</p> <ul style="list-style-type: none"> • Update on project implementation. This includes a discussion of hygiene promotion, manufacturing, waste removal, waste treatment and conversion activities. Updates on the quarterly indicators listed in Milestone 1 should be provided, using the methods approved in Milestone 1. • Updated scaling plan. This should discuss financial viability for each of Sanergy's four models (commercial, residential, civic institutions and individual households) and also discuss plans to share successful practices with other partners. This should include, but need not be limited to, plans to franchise and license Sanergy's four models (commercial, residential, civic institutions and individual households) to other organizations from the private, civil and governmental sectors in other developing countries. • Update on monitoring and evaluation process. 	\$74,999.20
8	Award date + 18 months	<p>This milestone requirement is considered fulfilled when the following actions have occurred and the deliverables and/or associate narrative have been submitted to the AOR for review/concurrence:</p> <ul style="list-style-type: none"> • Update on project implementation. This includes a discussion of hygiene promotion, manufacturing, waste removal, waste treatment and conversion activities. Updates on the quarterly indicators listed in Milestone 1 should be provided, using the methods approved in Milestone 1. • Update on what proportion of local owners and operators are female. • Update on what proportion of Sanergy customers are female. • Cumulative number of toilets built, based on baseline 	\$74,999.20

Milestone	Estimated Completion Day	Deliverable	Amount
		<p>assessment.</p> <ul style="list-style-type: none"> Cumulative amount of fecal sludge removed from the target community and processed into saleable buy-products, based on baseline assessment. Update on monitoring and evaluation process. 	
9	Award date + 21 months	<p>This milestone requirement is considered fulfilled when the following actions have occurred and the deliverables and/or associate narrative have been submitted to the AOR for review/concurrence:</p> <ul style="list-style-type: none"> Update on project implementation. This includes a discussion of hygiene promotion, manufacturing, waste removal, waste treatment and conversion activities. Updates on the quarterly indicators listed in Milestone 1 should be provided, using the methods approved in Milestone 1. Update on what proportion of local owners and operators are female. Update on what proportion of Sanergy customers are female. Cumulative number of toilets built, based on baseline assessment. <p>Cumulative amount of fecal sludge removed from the target community and processed into saleable buy-products, based on baseline assessment.</p> <ul style="list-style-type: none"> Update on monitoring and evaluation process. 	\$149,998.40
10	Award date + 24 months (closeout)	<p>This milestone requirement is considered fulfilled when the following actions have occurred and the deliverables and/or associate narrative have been submitted to the AOR for review/concurrence:</p> <ul style="list-style-type: none"> Update on progress towards achieving biogas production, including what sales volume will be necessary to achieve this. Cumulative number of toilets built, based on baseline assessment. Cumulative amount of fecal sludge removed from the target community and processed into saleable buy-products, based on baseline assessment. Final scaling plan. This should discuss financial viability for each of Sanergy's four models (commercial, residential, civic institutions and individual households) and also discuss plans to share successful practices with other partners. This should include, but need not be limited to, plans to franchise and license Sanergy's four 	\$149,998.40

Milestone	Estimated Completion Day	Deliverable	Amount
		<p>models (commercial, residential, civic institutions and individual households) to other organizations from the private, civil and governmental sectors in other developing countries.</p> <ul style="list-style-type: none"> • End-line cost-effectiveness assessment of the intervention versus competing alternatives. • End-line social impact assessment of the intervention • End-line assessment of relevant implementation lessons • Submit updated Environment Mitigation and Monitoring Report (EMMR) 	
11	90 days following closeout of award	<p>This award requirement is considered fulfilled when the following actions have occurred and the deliverables and/or associated narrative have been submitted to the AOR for review/concurrence:</p> <p>Final Impact Assessment Report that, at a minimum, includes the following details:</p> <ul style="list-style-type: none"> ○ Restatement of the project's purpose and objectives ○ Summary of project implementation process, including sequence of activities and monitoring and evaluation plan ○ Project team and partner organizations ○ Challenges and risks encountered during implementation ○ Relevant implementation lessons ○ Overall cost-effectiveness assessment of the intervention ○ Overall social impact assessment of the project ○ Results, conclusions, and implications ○ Future recommendations (if any) ○ Future scale up plans/pathways (if any) <p>Additional details about format may be provided by the AOR.</p>	
		Total Fixed Obligation	\$1,499,984

Recommended Determinations and Conditions for Implementation

A. A Negative Determination with Conditions pursuant to 22CFR 216.3(a)(2)(iii) is recommended for this activity for the installation of the additional toilets. An Environmental Assessment was completed for phase 1 of the project on August 9, 2011. This IEE is an amendment to the Environmental Assessment.

B. Conditions and Mitigation Measures:

1. The implementing partner must complete an Environmental Mitigation and Monitoring Report (EMMR) on an annual basis that summarizes compliance with mitigation requirements.
2. The AOR, in consultation with the mission activity managers and implementing partners, Mission Environmental Officer (MEO), Regional Environmental Officer (REO), and/or Bureau Environmental Officers as appropriate, will actively monitor and evaluate whether environmental consequences unforeseen under activities covered by this IEE arise during implementation, and modify or end activities as appropriate. If additional activities are added at the primary award level that are not described in this document, an amended IEE must be prepared.
3. The AOR and on-site managers of activities or their representative under this IEE will undertake field visits and consultations with implementing partners to jointly assess the environmental impacts of ongoing activities, and associated mitigation and monitoring conditions.
4. The implementers' periodic reports to USAID will include a brief update on mitigation and monitoring measures being implemented, results of environmental monitoring, and any other major modifications/revisions in the development activities, and mitigation and monitoring procedures.
5. Implementation will in all cases adhere to applicable host country environmental laws and policies.

C. Mandatory Inclusion of Environmental Compliance Requirements in Solicitations, Awards, Budgets, and Work plans:

1. Appropriate environmental compliance language shall be included in the award for this activity with an appropriate level of funding and staffing to satisfy the environmental compliance requirements set forth in this IEE.
2. Adherence to the conditions set forth in this IEE shall be included in project indicator(s).
3. The Implementer will incorporate conditions set forth in this IEE into its work plan.

D. Revisions:

Pursuant to 22 CFR 216.3(a)(9), if new information becomes available that indicates that activities covered by the IEE might be considered "major" and their effect "significant," or if additional activities are proposed that might be considered "major" and their effect "significant," this recommendation Negative Determination with Conditions will be reviewed and, if necessary, revised by the IDEA program office with concurrence by the IDEA EO. It is the responsibility of the USAID AOR to keep the BEO informed of any new information or changes in the activity that might require revision of the IEE.

The new work under stage 2 does not constitute a significant or major environmental impact. The waste processing facility is already operational and was evaluated under the Environmental Assessment procedures.

ATTACHMENT 2

PROGRAM DESCRIPTION:

1. STATEMENT OF PURPOSE

In slums across Kenya, Sanergy is working to provide hygienic sanitation for all, forever. With the requested \$1.5 million in Stage 2 funding from DIV, we will scale our innovative model for sanitation service delivery to 100,000 people in Kenya's slums.

2. BACKGROUND

2.5 billion people worldwide lack access to adequate sanitation. The lack of basic infrastructure makes the sanitation crisis particularly acute in slums, where populations will double to 2 billion by 2030. Kenya's slums, home to 8 million people and growing at 7% per year, generate 4 million tons of fecal sludge annually that is dumped into the environment, polluting waterways and spreading disease. 9.9% of the total deaths in Kenya are related to inadequate water, sanitation and hygiene.

In these areas, tackling the sanitation crisis requires more than the usual approach of just building toilets. Sanergy takes an innovative systems-based approach to build out the entire sanitation value chain. We manufacture a dense network of small-scale toilets that are franchised to local residents. We safely collect the human waste from these toilets and remove it from the communities. We leverage our technical and operational expertise to convert this waste into saleable by-products for the agricultural and clean energy sectors.

With DIV Stage 1 funding, Sanergy is providing sanitation to over 3,000 residents of Nairobi's slums each day, through a network of 60 toilets that are franchised by local entrepreneurs. Continued support from DIV will enable us to scale this model to drastically improve the quality of life for the people living in slums worldwide by increasing access to hygienic sanitation and reducing environmental pollution. At each step, Sanergy creates jobs and opportunity, while solving serious social, environmental, and economic challenges.

3. PROGRAM GOALS AND OBJECTIVES

The program goals and objectives are the following:

Goal/Objective	Target for the project
Deploy toilets in urban slums of Kenya	700 toilets
Develop local owners and operators of toilets	350
Provide people with access to hygienic sanitation services	70,000
Remove fecal sludge removed from target area	2,800mt on an annualized basis
Process fecal sludge into saleable by-products	2,800mt on an annualized basis

4. KEY PERSONNEL

Sanergy has built a strong multi-disciplinary team with significant experience in scaling organizations in developing countries. Our entire team is solely focused only on the proposed project and level of effort for all personnel is 100%.

Lindsay Stradley is responsible for developing the franchise network for Sanergy's sanitation centers. Previously, Lindsay developed business and operations training for Bridge International, a network of

low-cost schools in the Nairobi slums. Prior to Kenya, she worked as a Manager at Google. She co-founded a charter high school in post-Katrina New Orleans and taught as a Teach For America Corps Member. Degrees: MBA, MIT; BA, Yale University.

David Auerbach is responsible for raising capital and building key partnerships. Previously, David worked at Ignia Fund in Mexico and ran Partnerships, Policy, and Outreach at Endeavor, a non-profit that helps high-impact entrepreneurs in the developing world. He served as the Deputy Chair for Poverty Alleviation at the Clinton Global Initiative in 2005-6, and taught in China for two years. David is a Legatum Fellow at MIT, an Echoing Green Fellow and a Rainer Arnhold Fellow. Degrees: MBA, MIT; BA, Yale University.

Ani Vallabhaneni oversees the expansion of Sanergy, manages local resources, and sets the overall strategy for the company. Previously, Ani turned around a chain of dialysis clinics for low-income patients in the Philippines. With a background in technology and operations, he has built startups in India and US. Ani is a Legatum Fellow for Development Entrepreneurship at MIT. Degrees: MBA, Massachusetts Institute of Technology; BS, Washington University in St. Louis.

Michael Lwoyelo heads up manufacturing and waste management at Sanergy. A mechanical engineer by training, Michael is an expert in Continuous Improvement and a certified Six Sigma Black Belt with additional training in Lean and TPM methodologies that target Operational Excellence. Prior to Sanergy, he built a track record of achieving operational excellence at Bridge International Academies, Wrigleys East Africa, and Faiveley UK. Degrees: MS, University of Manchester.

Dennis Ochieng started his career as one of the pioneer students of Moi University's School of Public Health. Prior to joining Sanergy, Dennis worked in South Sudan for 5 years in the field of Primary Health Care, but with special interest and focus on health system strengthening performance based financing and monitoring and evaluation. Previously, Dennis had worked at the Tropical Institute of Community Health and Development in Africa (TICH, currently the Great Lakes University of Kisumu) as a lecturer in the department of knowledge management and communication, where he honed his skills of working with communities, performance monitoring and evaluation.

Joseph Atnafu heads up research and commercialization of new waste processing technologies at Sanergy. A chemical engineer by training, Joseph has previously developed production line testing improvements for the Bayer Group. Degrees: BS, Massachusetts Institute of Technology. Laura Kraft is responsible for process safety and product quality for by-products from our waste management activities. Prior to Sanergy, Laura managed sanitation and waste reuse programs for GTZ in Kenya and the Resource-Oriented Sanitation concepts for peri-urban areas in Africa. Degrees: MS, University of Applied Sciences, Germany.

5. EXPECTED OUTCOMES

2.5 billion people worldwide lack access to adequate sanitation. The lack of basic infrastructure makes the sanitation crisis particularly acute in slums, where populations will double to 2 billion by 2030. Kenya's slums, home to 8 million people, are growing 7% annually. Residents have to pay up to \$0.10 each time to use unhygienic pit latrines and "flying toilets." The resulting waste, 4 million metric tons (mt) of fecal sludge annually, is dumped into the surrounding environment – polluting waterways, contaminating soils, spreading disease, and destroying community health.

At scale, the project will have four primary long-term outcomes:

1. Access to and usage of hygienic sanitation will be increased. We affordably provide hygienic sanitation for 3,000 people per day. During Stage 2, we will increase access to hygienic sanitation for 70,000 slum residents in Kenya.
2. Local capacity to provide hygienic sanitation services will be increased. We franchise our sanitation facilities to new local owners and operators who profitably provide hygienic sanitation services to residents. During Stage 2, we will add an additional 350 local providers to our network.
3. Environmental pollution in slums will be reduced. We safely collect the fecal sludge from our sanitation network and remove it from the communities. During Stage 2, we will increase the capacity of safe fecal sludge collection and removal in the target areas to approximately 2,800mt per year.
4. Availability of products for safe reuse will increase. We process the fecal sludge into useful by-products. During Stage 2, we will increase the capacity of fecal sludge conversion to saleable by-products such as organic fertilizer to 2,800mt per year.

6. PROJECT OVERSIGHT

Project oversight for this agreement will be conducted by the Agreement Officer Representative (AOR):

Peter Khaemba
USAID/IDEA/DIV
RRB, 6.07-103
1300 Pennsylvania Ave NW
Washington, D.C. 20523

7. CLOSEOUT

After the final milestone and payment have been received/disbursed the applicant will have no further financial claim against this agreement and this file will enter into the closeout phase. The applicant shall retain records in accordance with the provisions listed above.

ATTACHMENT 3

BRANDING AND MARKING PLAN

Branding Strategy

Positioning

What is the intended name of this program, project, or activity?

The intended name of the program is "Sustainable Sanitation in Urban Slums of Kenya." The intent is to provide hygienic sanitation for all through a market-based approach of franchising toilets to local residents of Nairobi's slums, collecting the waste in an ecofriendly manner, and then treating the waste by converting it into useful by-products, such as organic fertilizer.

Will a program logo be developed and used consistently to identify this program? If yes, please attach a copy of the proposed program logo.

There are two logos – Sanergy, which is the name of our organization, and Fresh Life, which is the brand of the toilets that Sanergy is selling in the slums.



Program Communications and Publicity

Who are the primary and secondary audiences for this project or program?

As the aim of the Development Innovation Ventures program is to catalyze the development, deployment, and scaling of innovative market based solutions, the primary audience for the program communication and publicity will be industry participants, technical experts in the field, and other potential funders (private and public) that will enable the project to acquire the necessary human, technical, and capital resources to scale.

What communications or program materials will be used to explain or market the program to beneficiaries?

To reach the primary audience, the main communications or program materials that will be used are websites, social media, public speaking engagements, white papers and periodic updates.

What is the main program message(s)?

The main program message is that market-based hygienic sanitation is both affordable and convenient and we strive to attract others to invest in this.

The secondary audiences are the residents of the slums that we work in, who will purchase and use our hygienic sanitation facilities daily. To reach the secondary audience, the main communications and program materials that will be used are materials prepared for Sanergy's sales, operations and marketing teams who sell the toilets as businesses and who then provide critical marketing and business

support. We also brand the toilets with Fresh Life's logo and messaging around aspiration and hygiene to generate sustained demand.

Will the recipient announce and promote publicly this program or project to host country citizens? If yes, what press and promotional activities are planned?

Sanergy will not explicitly publicly promote this program to host country citizens. Sanergy's day to day work focuses on the provision of hygienic sanitation to residents of Nairobi's urban slums. As we franchise our network of toilets and provide associated services, such as waste collection, business support, marketing and training, Sanergy seeks USAID branding exceptions on commodities and visible infrastructure, and secondary audience marketing and sales materials for two main reasons:

For Sanergy, it would be impractical to add USAID branding and marking. Our operators run Fresh Life Toilets as a business. When people in the community know that funding partially comes from a donor agency, they expect the facility to be free. This makes it impractically difficult for the operator to run the facility as a business. If the operator does not attract customers, the entire sanitation value chain breaks down.

Sanergy is very much focused on building a community-based Kenyan company. Residents of Mukuru take pride in how they are a hard-working community that is lifting itself out of poverty. Any signage of donor funding, such as USAID branding and marking, would be detrimental to this critical aspect of our drive toward sustainability.

Please provide any additional ideas about how to increase awareness that the American people support this project or program.

In terms of additional ideas for to acknowledge USAID's support in our branding strategy, Sanergy proposes the following:

- Sanergy will participate in conferences hosted by USAID. We have already willingly done this at USAID Frontiers in Development conference in June 2013.
- Sanergy will write for USAID blogs and periodicals, such as Frontiers. Sanergy was featured in the Sept/Oct 2012 edition and availed ourselves for a week to participate in an online forum.
- Sanergy will acknowledge USAID's support on the Sanergy Website.

Acknowledgements

Will there be any direct involvement from a host-country government ministry? If yes, please indicate which one or ones. Will the recipient acknowledge the ministry as an additional co-sponsor?

There is currently no direct involvement with a host-country government ministry.

Please indicate if there are any other groups whose logo or identity the recipient will use on program materials and related communications.

In some cases, other groups' logo or identity may be used on program materials and related communications to show the financial or technical support they have provided.

Marking Plan

Public communications, commodities, and program materials

A description of the public communications, commodities, and program materials that the recipient will be produced as a part of the grant or cooperative agreement and which will visibly bear the USAID Identity. These include:

- i. program, project, or activity sites funded by USAID, including visible infrastructure projects or other programs, projects, or activities that are physical in nature;
- ii. technical assistance, studies, reports, papers, publications, audio-visual productions, public service announcements, Web sites/Internet activities and other promotional, informational, media, or communications products funded by USAID;
- iii. events financed by USAID, such as training courses, conferences, seminars, exhibitions fairs, workshops, press conferences, and other public activities; and
- iv. iv. all commodities financed by USAID, including commodities or equipment provided under humanitarian assistance or disaster relief programs, and all other equipment, supplies and other materials funded by USAID, and their export packaging.

The purpose of this marking plan is to describe the public communications, commodities, program materials, and deliverables that will visibly bear the USAID identity and will be produced as a result of USAID-funding for the "Sustainable Sanitation in Urban Slums of Kenya" program of Sanergy.

These include:

- White papers
- Baseline studies
- Periodic and final reports
- Acknowledgement of USAID support on the Sanergy website, using the electronic USAID logo, including the phrase "from the American people."

As the aim of the Development Innovation Ventures program is to catalyze the development, deployment, and scaling of innovative market based solutions, and per the branding strategy outlined above, the primary audience for the program communication and publicity will be industry participants, technical experts in the field, and other potential funders (private and public) that will enable the project to acquire the necessary human, technical, and capital resources to scale.

To reach this audience, we will use white papers, baseline studies, periodic reports and a final impact assessment report. All such materials will visibly bear the USAID identity, as they are produced, using the electronic USAID logo.

The main program message will be to highlight the innovative nature of the project, the capacity to use market based solutions for achieving important development outcomes, and the outcomes and outputs of the project activities.

Table of program deliverables which will be marked with USAID Identity

Deliverable	Type of marking and material(s) used	When and where marking will occur
Baseline Survey	USAID logo, electronically	Upon completion of baseline survey, per milestone 2, 1 month after award; in final submission to USAID
Final Scaling Plan	USAID logo, electronically	Upon completion of final scaling plan, per Milestone 10, 24 months after award; in final submission to USAID
Final Impact Assessment Report	USAID logo, electronically	Upon completion of final impact assessment report per Milestone 11, 90 days following close out of award; in final submission to USAID

Table of program deliverables which will not be marked with USAID identity

Deliverable	Rationale for not marking deliverable

ATTACHMENT 4

MANDATORY & REQUIRED, AS APPLICABLE STANDARD PROVISIONS

***M1. SUBMISSIONS TO THE DEVELOPMENT EXPERIENCE CLEARINGHOUSE AND DATA RIGHTS (JUNE 2012)**

a. Submissions to the Development Experience Clearinghouse (DEC).

- 1) The recipient must provide the Agreement Officer's Representative one copy of any Intellectual Work that is published, and a list of any Intellectual Work that is not published.
- 2) In addition, the recipient must submit Intellectual Work, whether published or not, to the DEC, either on-line (preferred) or by mail. The recipient must review the DEC Web site for submission instructions, including document formatting and the types of documents to submit. Submission instructions can be found at:

<https://dec.usaid.gov>

- 3) For purposes of submissions to the DEC, Intellectual Work includes all works that document the implementation, evaluation, and results of international development assistance activities developed or acquired under this award, which may include program and communications materials, evaluations and assessments, information products, research and technical reports, progress and performance reports required under this award (excluding administrative financial information), and other reports, articles and papers prepared by the recipient under the award, whether published or not. The term does not include the recipient's information that is incidental to award administration, such as financial, administrative, cost or pricing, or management information.
- 4) Each document submitted should contain essential bibliographic information, such as 1) descriptive title; 2) author(s) name; 3) award number; 4) sponsoring USAID office; 5) development objective; and 6) date of publication.
- 5) The recipient must not submit to the DEC any financially sensitive information or personally identifiable information, such as social security numbers, home addresses and dates of birth. Such information must be removed prior to submission. The recipient must not submit classified documents to the DEC.

b. Rights in Data

- 1) Data means recorded information, regardless of the form or the media on which it may be recorded, including technical data and computer software, and includes Intellectual Work, defined in a. above.
- 2) Unless otherwise provided in this provision, the recipient may retain the rights, title and interest to Data that is first acquired or produced under this award. USAID reserves a royalty-free, worldwide, nonexclusive, and irrevocable right to use, disclose, reproduce, prepare derivative works, distribute copies to the public, and perform publicly and display publicly, in any manner and for any purpose, and to have or permit others to do so.

- c. Copyright. The recipient may copyright any books, publications or other copyrightable materials first acquired or produced under this award. USAID reserves a royalty-free, worldwide, nonexclusive, and irrevocable right to use, disclose, reproduce, prepare derivative works, distribute copies to the public, and perform publicly and display publicly, in any manner and for any purpose, and to have or permit others to do so.
- d. The recipient will provide the U.S. Government, on request or as otherwise provided in this award, a copy of any Data or copyrighted material to which the U.S. Government has rights under paragraphs b. and c. of this provision. The U.S. Government makes no representations or warranties as to title, right to use or license, or other legal rights or obligations regarding any Data or copyrighted materials.

[END OF PROVISION]

***M2. MARKING AND PUBLIC COMMUNICATIONS UNDER USAID-FUNDED ASSISTANCE (JUNE 2012)**

- a. The USAID Identity is the official marking for USAID, comprised of the USAID logo and brandmark with the tagline “from the American people.” The USAID Identity is on the USAID Web site at transition.usaid.gov/branding. Recipients must use the USAID Identity, of a size and prominence equivalent to or greater than any other identity or logo displayed, to mark the following:
 - (1) Programs, projects, activities, public communications, and commodities partially or fully funded by USAID;
 - (2) Program, project, or activity sites funded by USAID, including visible infrastructure projects or other physical sites;
 - (3) Technical assistance, studies, reports, papers, publications, audio-visual productions, public service announcements, Web sites/Internet activities, promotional, informational, media, or communications products funded by USAID;
 - (4) Commodities, equipment, supplies, and other materials funded by USAID, including commodities or equipment provided under humanitarian assistance or disaster relief programs; and
 - (5) Events financed by USAID, such as training courses, conferences, seminars, exhibitions, fairs, workshops, press conferences and other public activities. If the USAID Identity cannot be displayed, the recipient is encouraged to otherwise acknowledge USAID and the support of the American people.
- b. When this award contains an approved Marking Plan, the recipient must implement the requirements of this provision following the approved Marking Plan.
- c. If a “Marking Plan” is not included in this award, the recipient must propose and submit a plan for approval within the time specified by the Agreement Officer (AO).
- d. The AO may require a preproduction review of program materials and “public communications” (documents and messages intended for external distribution, including but not limited to correspondence; publications; studies; reports; audio visual productions; applications; forms; press; and promotional materials) used in connection with USAID-funded programs, projects or activities, for compliance with an approved Marking Plan.
- e. The recipient is encouraged to give public notice of the receipt of this award and announce progress and accomplishments. The recipient must provide copies of notices or announcements to Agreement Officer’s Representative (AOR) and to USAID’s Office of Legislative and Public

Affairs in advance of release, as practicable. Press releases or other public notices must include a statement substantially as follows:

"The U.S. Agency for International Development administers the U.S. foreign assistance program providing economic and humanitarian assistance in more than 80 countries worldwide."

- f. Any "public communication," in which the content has not been approved by USAID, must contain the following disclaimer:

"This study/report/audio/visual/other information/media product (specify) is made possible by the generous support of the American people through the United States Agency for International Development (USAID). The contents are the responsibility of [insert recipient name] and do not necessarily reflect the views of USAID or the United States Government."

- g. The recipient must provide the USAID AOR, with two copies of all program and communications materials produced under this award.
- h. The recipient may request an exception from USAID marking requirements when USAID marking requirements would:
- (1) Compromise the intrinsic independence or neutrality of a program or materials where independence or neutrality is an inherent aspect of the program and materials;
 - (2) Diminish the credibility of audits, reports, analyses, studies, or policy recommendations whose data or findings must be seen as independent;
 - (3) Undercut host-country government "ownership" of constitutions, laws, regulations, policies, studies, assessments, reports, publications, surveys or audits, public service announcements, or other communications;
 - (4) Impair the functionality of an item;
 - (5) Incur substantial costs or be impractical;
 - (6) Offend local cultural or social norms, or be considered inappropriate; or
 - (7) Conflict with international law.
- i. The recipient may submit a waiver request of the marking requirements of this provision or the Marking Plan, through the AOR, when USAID-required marking would pose compelling political, safety, or security concerns, or have an adverse impact in the cooperating country.

- (1) Approved waivers "flow down" to subagreements, including subawards and contracts, unless specified otherwise. The waiver may also include the removal of USAID markings already affixed, if circumstances warrant.
 - (2) USAID determinations regarding waiver requests are subject to appeal by the recipient, by submitting a written request to reconsider the determination to the cognizant Assistant Administrator.
- j. The recipient must include the following marking provision in any subagreements entered into under this award:

"As a condition of receipt of this subaward, marking with the USAID Identity of a size and prominence equivalent to or greater than the recipient's, subrecipient's, other donor's, or third party's is required. In the event the recipient chooses not to require marking with its own identity or logo by the subrecipient, USAID may, at its discretion, require marking by the subrecipient with the USAID Identity."

[END OF PROVISION]

***M3. DRUG TRAFFICKING AND DRUG-FREE WORKPLACE (JUNE 2012)**

In the event the recipient or any of its employees, subrecipients, or contractors are found to have been convicted of a narcotics offense or to have been engaged in drug trafficking as defined in 22 CFR 140, USAID reserves the right to terminate this award, in whole or in part, or take any other appropriate measures including, without limitation, refund or recall of any award amount. Additionally, the recipient must make a good-faith effort to maintain a drug-free workplace and USAID reserves the right to terminate or suspend this award if the recipient materially fails to do so.

[END OF PROVISION]

***M4. DEBARMENT AND SUSPENSION (JUNE 2012)**

- a. The recipient must not transact or conduct business under this award with any individual or entity listed on the Excluded Parties List System (www.epis.gov/) unless prior approval is received from the Agreement Officer. The list contains those individuals and entities that the U.S. Government has suspended or debarred based on misconduct or a determination by the U.S. Government that the person or entity cannot be trusted to safeguard U.S. Government funds. Suspended or debarred entities or individuals are excluded from receiving any new work or any additional U.S. Government funding for the duration of the exclusion period. If the recipient has any questions about listings in the system, these must be directed to the Agreement Officer.
- b. The recipient must comply with Subpart C of 2 CFR Section 180, as supplemented by 2 CFR 780, USAID may disallow costs, annul or terminate the transaction, debar or suspend the recipient, or

take other remedies as appropriate, if the recipient violates this provision. Although doing so is not automatic, USAID may terminate this award if a recipient or any of its principals meet any of the conditions listed in paragraph c. below. If such a situation arises, USAID will consider the totality of circumstances—including the recipient's response to the situation and any additional information submitted—when USAID determines its response.

- c. The recipient must notify the Agreement Officer immediately upon learning that it or any of its principals, at any time prior to or during the duration of this award:
- (1) Are presently excluded or disqualified from doing business with any U.S. Government entity;
 - (2) Have been convicted or found liable within the preceding three years for committing any offense indicating a lack of business integrity or business honesty such as fraud, embezzlement, theft, forgery, bribery or lying;
 - (3) Are presently indicted for or otherwise criminally or civilly charged by any governmental entity for any of the offenses enumerated in paragraph c.(2); or
 - (4) Have had one or more U.S.-funded agreements terminated for cause or default within the preceding three years.
- d. Principal means—
- (1) An officer, director, owner, partner, principal investigator, or other person within a participant with management or supervisory responsibilities related to a covered transaction; or
 - (2) A consultant or other person, whether or not employed by the participant or paid with Federal funds, who—
 - (i) Is in a position to handle Federal funds;
 - (ii) Is in a position to influence or control the use of those funds; or,
 - (iii) Occupies a technical or professional position capable of substantially influencing the development or outcome of an activity required to perform the covered transaction.
- e. The recipient must include this provision in its entirety except for paragraphs c.(2)-(4) in any subagreements, including subawards or contracts, entered into under this award.

[END OF PROVISION]

***M5. PREVENTING TERRORIST FINANCING (JUNE 2012)**

- a. The recipient must not engage in transactions with, or provide resources or support to, individuals and organizations associated with terrorism. In addition, the recipient must verify that no support or resources are provided to individuals or entities that appear on the Specially

Designated Nationals and Blocked Persons List maintained by the U.S. Treasury (online at: <http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>) or the United Nations Security designation list (online at: http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml).

- b. This provision must be included in all subagreements, including contracts and subawards, issued under this award.

[END OF PROVISION]

***M6. TRAFFICKING IN PERSONS (JUNE 2012)**

- a. USAID is authorized to terminate this award, without penalty, if the recipient or its employees, or any subrecipient or its employees, engage in any of the following conduct:
 - (1) Trafficking in persons (as defined in the Protocol to Prevent, Suppress, and Punish Trafficking in Persons, especially Women and Children, supplementing the UN Convention against Transnational Organized Crime) during the period of this award;
 - (2) Procurement of a commercial sex act during the period of this award; or
 - (3) Use of forced labor in the performance of this award.
- b. For purposes of this provision, "employee" means an individual who is engaged in the performance of this award as a direct employee, consultant, or volunteer of the recipient or any subrecipient.
- c. The recipient must include in all subagreements, including subawards and contracts, a provision prohibiting the conduct described in a(1)-(3) by the subrecipient, contractor or any of their employees.

[END OF PROVISION]

M7. VOLUNTARY POPULATION PLANNING ACTIVITIES – MANDATORY REQUIREMENTS (MAY 2006)

- a. **Requirements for Voluntary Sterilization Programs**
 - (1) Funds made available under this award must not be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any individual to practice sterilization.
- b. **Prohibition on Abortion-Related Activities:**
 - (1) No funds made available under this award will be used to finance, support, or be attributed to the following activities: (i) procurement or distribution of equipment

intended to be used for the purpose of inducing abortions as a method of family planning; (ii) special fees or incentives to any person to coerce or motivate them to have abortions; (iii) payments to persons to perform abortions or to solicit persons to undergo abortions; (iv) information, education, training, or communication programs that seek to promote abortion as a method of family planning; and (v) lobbying for or against abortion. The term "motivate," as it relates to family planning assistance, must not be construed to prohibit the provision, consistent with local law, of information or counseling about all pregnancy options.

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

[END OF PROVISION]

***M8. EQUAL PARTICIPATION BY FAITH-BASED ORGANIZATIONS (JUNE 2012)**

a. Faith-Based Organizations Encouraged.

Faith-based organizations are eligible to compete on an equal basis as any other organization to participate in USAID programs. Neither USAID nor entities that make and administer subawards of USAID funds will discriminate for or against an organization on the basis of the organization's religious character or affiliation. A faith-based organization may continue to carry out its mission, including the definition, practice, and expression of its religious beliefs, within the limits contained in this provision. More information can be found at the USAID Faith-Based and Community Initiatives Web site: http://transition.usaid.gov/our_work/global_partnerships/fbci/ and 22 CFR 205.1.

b. Inherently Religious Activities Prohibited.

- (1) Inherently religious activities include, among other things, worship, religious instruction, prayer, or proselytization.
- (2) The recipient must not engage in inherently religious activities as part of the programs or services directly funded with financial assistance from USAID. If the recipient engages in inherently religious activities, it must offer those services at a different time or location from any programs or services directly funded by this award, and participation by beneficiaries in any such inherently religious activities must be voluntary.
- (3) These restrictions apply equally to religious and secular organizations. All organizations that participate in USAID programs, including religious ones, must carry out eligible activities in accordance with all program requirements and other applicable requirements governing USAID-funded activities

- (4) These restrictions do not apply to USAID-funded programs where chaplains work with inmates in prisons, detention facilities, or community correction centers, or where USAID funds are provided to religious or other organizations for programs in prisons, detention facilities, or community correction centers, in which such organizations assist chaplains in carrying out their duties.
- (5) Notwithstanding the restrictions of b(1) and (2), a religious organization that participates in USAID-funded programs or services
 - (i) Retains its independence and may continue to carry out its mission, including the definition, practice, and expression of its religious beliefs, provided that it does not use direct financial assistance from USAID to support any inherently religious activities,
 - (ii) May use space in its facilities, without removing religious art, icons, scriptures, or other religious symbols, and
 - (iii) Retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.
- c. Construction of Structures Used for Inherently Religious Activities Prohibited. The recipient must not use USAID funds for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for inherently religious activities, such as sanctuaries, chapels, or other rooms that the recipient uses as its principal place of worship. Except for a structure used as its principal place of worship, where a structure is used for both eligible and inherently religious activities, USAID funds may not exceed the cost of those portions of the acquisition, construction, or rehabilitation that are attributable to eligible activities.
- d. Discrimination Based on Religion Prohibited. The recipient must not discriminate against any beneficiary or potential beneficiary on the basis of religion or religious belief as part of the programs or services directly funded with financial assistance from USAID.
- e. A religious organization's exemption from the Federal prohibition on employment discrimination on the basis of religion, set forth in Sec. 702(a) of the Civil Rights Act of 1964, 42 U.S.C. 2000e-1 is not forfeited when the organization receives financial assistance from USAID.
- f. The Secretary of State may waive the requirements of this section in whole or in part, on a case-by-case basis, where the Secretary determines that such waiver is necessary to further the national security or foreign policy interests of the United States.

[END OF PROVISION]

[END OF MANDATORY PROVISIONS]

CENTRAL CONTRACTOR REGISTRATION AND UNIVERSAL IDENTIFIER (OCTOBER 2010)

- a. Requirement for Central Contractor Registration (CCR). Unless you are exempted from this requirement under 2 CFR 25.110, you as the recipient must maintain the currency of your information in the CCR until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently, if required by changes in your information or another award term.
- b. Requirement for Data Universal Numbering System (DUNS) numbers. If you are authorized to make subawards under this award, you:
 - (1) Must notify potential subrecipients that no entity (see definition in paragraph c. of this award term) may receive a subaward from you unless the entity has provided its DUNS number to you.
 - (2) May not make a subaward to an entity unless the entity has provided its DUNS number to you.
- c. Definitions. For purposes of this award term:
 - (1) Central Contractor Registration (CCR) means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the CCR Internet site (currently at www.ccr.gov/).
 - (2) Data Universal Numbering System (DUNS) number means the nine-digit number established and assigned by Dun and Bradstreet, Inc. (D&B) to uniquely identify business entities. A DUNS number may be obtained from D&B by telephone (currently 866-705-5711) or the Internet (currently at fedgov.dnb.com/webform).
 - (3) Entity, as it is used in this award term, means all of the following, as defined at 2 CFR 25, subpart C:
 - (i) A governmental organization, which is a State, local government, or Indian tribe;
 - (ii) A foreign public entity;
 - (iii) A domestic or foreign nonprofit organization;
 - (iv) A domestic or foreign for-profit organization; and
 - (v) A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.

- (4) Subaward:
 - (i) This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you, as the recipient, award to an eligible subrecipient.
 - (ii) The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. __.210 of the attachment to OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations").
 - (iii) A subaward may be provided through any legal agreement, including an agreement that you consider a contract.
- (5) Subrecipient means an entity that:
 - (i) Receives a subaward from you under this award; and
 - (ii) Is accountable to you for the use of the Federal funds provided by the subaward.

ADDENDUM (JUNE 2012):

- d. Exceptions. The requirements of this provision to obtain a Data Universal Numbering System (DUNS) number and maintain a current registration in the Central Contractor Registration (CCR) do not apply, at the prime award or subaward level, to:
 - (1) Awards to individuals
 - (2) Awards less than \$25,000 to foreign recipients to be performed outside the United States (based on a USAID determination)
 - (3) Awards where the Agreement Officer determines, in writing, that these requirements would cause personal safety concerns.
- e. This provision does not need to be included in subawards.

[END OF PROVISION]

REPORTING SUBAWARDS AND EXECUTIVE COMPENSATION (OCTOBER 2010)

- a. Reporting of First-Tier Subawards.
 - (1) Applicability. Unless you are exempt as provided in paragraph d. of this award term, you must report each action that obligates \$25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5) for a subaward to an entity (see definitions in paragraph e. of this award term).

- (2) Where and when to report.
 - (i) You must report each obligating action described in paragraph a.(1) of this award term to www.fsrs.gov.
 - (ii) For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)
- (3) What to report. You must report the information about each obligating action that the submission instructions posted at www.fsrs.gov specify.

b. Reporting Total Compensation of Recipient Executives.

- (1) Applicability and what to report. You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if –
 - (i) The total Federal funding authorized to date under this award is \$25,000 or more;
 - (ii) In the preceding fiscal year, you received—
 - (A) 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
 - (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
 - (iii) The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at www.sec.gov/answers/excomp.htm.)
- (2) Where and when to report. You must report executive total compensation described in paragraph b.(1) of this award term:
 - (i) As part of your registration profile at www.ccr.gov/.

- (ii) By the end of the month following the month in which this award is made, and annually thereafter.

c. Reporting of Total Compensation of Subrecipient Executives.

- (1) Applicability and what to report. Unless you are exempt, as provided in paragraph d. of this award term, for each first-tier subrecipient under this award, you must report the names and total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year, if –
 - (i) In the subrecipient's preceding fiscal year, the subrecipient received—
 - (A) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
 - (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and
 - (ii) The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at www.sec.gov/answers/execomp.htm.)
- (2) Where and when to report. You must report subrecipient executive total compensation described in paragraph c.(1) of this award term:
 - (i) To the recipient.
 - (ii) By the end of the month following the month during which you make the subaward. For example, if a subaward is obligated on any date during the month of October of a given year (for example, between October 1 and 31), you must report any required compensation information of the subrecipient by November 30 of that year.

d. Exemptions.

If, in the previous tax year, you had gross income, from all sources, under \$300,000, you are exempt from the requirements to report:

- (1) Subawards, and
- (2) The total compensation of the five most highly compensated executives of any subrecipient.

e. Definitions.

For purposes of this award term:

- (1) Entity means all of the following, as defined in 2 CFR 25:
 - (i) A governmental organization, which is a State, local government, or Indian tribe;
 - (ii) A foreign public entity;
 - (iii) A domestic or foreign nonprofit organization;
 - (iv) A domestic or foreign for-profit organization;
 - (v) A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.
- (2) Executive means officers, managing partners, or any other employees in management positions.
- (3) Subaward:
 - (i) This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
 - (ii) The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. __.210 of the attachment to OMB Circular A- 133, "Audits of States, Local Governments, and Non-Profit Organizations").
 - (iii) A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.
- (4) Subrecipient means an entity that:

- (i) Receives a subaward from you (the recipient) under this award; and
 - (ii) Is accountable to you for the use of the Federal funds provided by the subaward.
- (5) Total compensation means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):
 - (i) Salary and bonus.
 - (ii) Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
 - (iii) Earnings for services under nonequity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
 - (iv) Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
 - (v) Above-market earnings on deferred compensation which is not tax-qualified.
 - (vi) Other compensation, if the aggregate value of all such other compensation (for example, severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

[END OF PROVISION]

FLY AMERICA ACT RESTRICTIONS (JUNE 2012)

- a. The recipient must use U.S. Flag Air Carriers for all international air transportation (including personal effects) funded by this award pursuant to the Fly America Act and its implementing regulations to the extent service by such carriers is available.
- b. In the event that the recipient selects a carrier other than a U.S. Flag Air Carrier for international air transportation, in order for the costs of such international air transportation to be allowable,

the recipient must document such transportation in accordance with this provision and maintain such documentation pursuant to the Standard Provision, "Accounting, Audit and Records." The documentation must use one of the following reasons or other exception under the Fly America Act:

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

c. DEFINITIONS

The terms used in this provision have the following meanings:

- (1) "International air transportation" means international air travel by individuals (and their personal effects) or transportation of cargo by air between a place in the United States and a place outside thereof, or between two places both of which are outside the United States.

- (2) "U.S. Flag Air Carrier" means an air carrier on the list issued by the U.S. Department of Transportation at <http://ostpxweb.dot.gov/aviation/certific/certlist.htm>. U.S. Flag Air Carrier service also includes service provided under a code share agreement with another air carrier when the ticket, or documentation for an electronic ticket, identifies the U.S. flag air carrier's designator code and flight number.
- (3) For this provision, the term "United States" includes the fifty states, Commonwealth of Puerto Rico, possessions of the United States, and the District of Columbia.

d. SUBAGREEMENTS

This provision must be included in all subagreements, including all subawards and contracts, under which this award will finance international air transportation.

[END OF PROVISION]

PATENT RIGHTS (JUNE 2012)

a. Patent Rights

- (1) Allocation of Principal Patent Rights. The recipient may retain the entire right, title, and interest throughout the world to each subject invention, subject to this provision. With respect to any subject invention in which the recipient retains title, the U.S. Government must have a nonexclusive, nontransferable, irrevocable, paid-up license to practice or have practiced for or on behalf of the U.S. Government the subject invention throughout the world, and to sublicense others to do the same. The recipient agrees to include, within the specification of any United States patent application and any patent issuing thereon covering a subject invention, the following statement: "This invention was made with U.S. Government support under (identify the agreement awarded by USAID). The U.S. Government has certain rights in this invention."
- (2) Definitions. For purposes of this provision, the following terms shall have the following meaning:

- (i) "Invention" means any invention or discovery which is or may be patentable or otherwise protectable under Title 35 of the United States Code.
 - (ii) "Subject invention" means any invention of the recipient conceived or first actually reduced to practice in the performance of work under this award.
- (3) The recipient must disclose each subject invention to the National Institutes of Health (NIH) EDISON Patent Reporting and Tracking System (<http://www.iedison.gov>) within two months after the inventor discloses it in writing to recipient personnel responsible for patent matters. In addition, the recipient agrees to submit, on request, periodic reports to the Agreement Officer's Representative, no more frequently than annually, on the utilization of a subject invention.
- (4) Conditions When the U.S. Government May Obtain Title. The recipient must convey title to any subject invention to USAID, upon written request, subject to recipient's retention of a nonexclusive, royalty-free license throughout the world, in each subject invention:
 - (i) If the recipient fails to file a U.S. patent application or to disclose the subject invention to USAID at least 60 days prior to the statutory period for filing a patent in the United States, fails to file any non-U.S. patent applications within either ten months of the corresponding initial patent application or six months from the date permission is granted by the Commissioner of Patents and Trademarks to file foreign patent applications, or elects not to retain title.
 - (ii) In any country in which the recipient decides not to continue the prosecution of any application for, to pay the maintenance fees on, or defend in reexamination or opposition proceeding on a patent on a subject invention.
- b. Subawards and Contracts: Recipient must include this the Standard Provision, suitably modified to identify the parties, in all subawards and contracts, regardless of tier, for experimental, developmental, or research work to be performed by a small business firm or nonprofit organization. The recipient must retain all rights provided for the USG in this the Standard Provision, and the recipient must not, as part of the consideration for awarding the contract or subaward, obtain more rights in the contractor's or subrecipient's subject inventions than provided in this provision.

[END OF PROVISION]

PROTECTION OF HUMAN RESEARCH SUBJECTS (JUNE 2012)

- a. The recipient is responsible for safeguarding the rights and welfare of human subjects involved in research under this award, and must comply with the Common Federal Policy for the Protection of Human Subjects as found in Part 225 of Title 22 of the Code of Federal Regulations (22 CFR 225).
- b. The recipient must assure USAID of its compliance with the requirements set forth in 22 CFR 225 by doing one of the following:
 - (1) Obtaining a Federal-Wide Assurance (FWA) from the U.S. Department of Health and Human Services. Instructions on obtaining an FWA can be found on the Office of Human Research Protection Web site <http://www.hhs.gov/ohrp/assurances/assurances/file/index.html>; or
 - (2) Submitting to the Agreement Officer's Representative (AOR) for USAID approval, a written assurance which includes a statement of principles governing the recipient's responsibilities, designation of one or more Institutional Review Board (IRB), a list of the IRB members, written procedures which the IRB will follow, and written procedures for ensuring prompt reporting of unanticipated problems to the IRB; or
 - (3) Submitting to the AOR for USAID approval, a justification memorandum asserting that research conducted outside the United States provides protections at least equivalent to those in 22 CFR 225.
- c. Definitions for the purposes of this award:
 - (1) Research means an activity designed to test a hypothesis, permit conclusions to be drawn, and thereby to develop or to contribute to generalizable knowledge.
 - (2) Human subject means a living individual about whom an investigator (whether professional or student) conducting research obtains
 - (i) Data through intervention or interaction with the individual, or
 - (ii) Identifiable private information.
 - (3) Intervention includes both physical procedures by which data are gathered and the changes to the subject or the subject's environment performed for research purposes.
 - (4) Institutional Review Board means a properly constituted ethical committee which will review the research.

- d. USAID staff and consultants may independently review and inspect research and research processes and procedures involving human subjects, and based on such findings, USAID may prohibit research which presents unacceptable hazards or otherwise fails to comply with USAID procedures. Informed consent documents must include the following statement:

"Subject's research records may be independently reviewed by USAID staff and consultants to ensure compliance with USAID requirements for protection of human research subjects."

[END OF PROVISION]

ATTACHMENT 5

PAYMENT/VOUCHER CERTIFICATION & FORMAT

1. Upon completion of this grant or, if so indicated in the cover letter of this grant, upon completion of each benchmark/milestone, the Recipient may submit a request for payment VIA EMAIL to EI@usaid.gov. In addition, a copy shall be submitted to the AOR described in the ATTACHMENT 2.6-Project Oversight. The Recipient shall use the SF-270 form, "Request for Advance or Reimbursement," to request payment (the form shall be marked to indicate that it is a request for a milestone payment). The Recipient shall not be required to submit information on expenditures incurred, but shall include the following on the form: award number, milestone that is being billed, and the fixed amount associated with that milestone. The Recipient shall include a signed Statement of Completion with the SF-270 certifying that the activity(ies) for which funds were provided and for which payment is being requested has (have) been completed. Failure to submit such certification shall result in non-payment by USAID and/or the requirement for the Recipient to refund any payments previously made.

2. The Statement of Completion shall be as follows:

I hereby certify that that the activity(ies) for which funds were provided under Fixed Obligation Grant No. AID-OAA-F-13-00021, and for which payment is hereby being requested, has (have) been successfully completed.

Signature of Authorized Individual

Typed or Printed Name

Title

Date

3. USAID will make payments via electronic funds transfer. However, USAID's system provides for electronic funds transfers to U.S. banks only. The Recipient must, therefore, provide the name and banking information for a U.S. bank that will receive funds on the Recipient's behalf.