

Required Agreement Clauses

As a USAID-funded program Smart-X will require accelerator participants to sign a grant agreement with specific certifications and contract clauses in order to receive seed funding and acceleration support. Please contact Smart-X if you have any questions.

- 1. In addition to standard grant agreement clauses, the following USAID-specific clauses will be incorporated into and form an integral part of the grant agreements made with Smart-X accelerator participants. They will be included in grant agreements issued to individuals and organizations.***
- 2. The Anti-Terrorism Certificate (ATC) found in attachment A will be included in grant agreements issued to organizations. The recipient organization will be required to sign the certificate.***

1.1 PREVENTING TERRORIST FINANCING -- IMPLEMENTATION OF E.O. 13224

- a) The Sub-Recipient must not engage in transactions with, or provide resources or support to, individuals and organizations associated with terrorism, including those 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 sub-agreements, including sub-awards and contracts issued under this award.

1.2. PROHIBITION AGAINST SUPPORT FOR TERRORISM

- a) The Sub-Recipient is reminded that U.S. Executive Orders and U.S. law prohibit transactions with, and the provision of resources and support to, individuals and organizations associated with terrorism. It is the legal responsibility of the Sub-Recipient to ensure compliance with these Executive Orders and laws.
- b) One of the applicable orders is Executive Order 13224, dated September 24, 2001. The website of the Office of Foreign Assets Control (OFAC) of the Department of Treasury contains the text of that order and a list of the individuals and entities designated thereunder. It also contains lists of individuals and entities designated under other antiterrorism statutes, regulations and Executive Orders. See <http://www.treasury.gov/offices/enforcement/ofac/sdn/>
- c) USAID and/or Kaizen reserves the right to review, and either approve or reject, the following subawards if proposed under this contract/agreement: (i) any contract or subcontract in excess of \$25,000 with a non-U.S. organization or individual; and (ii) any grant or subgrant to a non-U.S. organization or individual, regardless of the dollar value. Furthermore, the written consent of USAID and/or Kaizen is required before certain other forms of assistance may be provided to a non-U.S. organization or individual. These include in-kind assistance such as renovation of an NGO's facilities, repair or replacement of a company's equipment, and certain training activities. The details of these requirements are described in notices issued by USAID/West Bank & Gaza from time to time. No approval (or failure to disapprove) by USAID and/or Kaizen shall relieve the Sub-Recipient of its legal obligation to comply with applicable Executive Orders and laws.
- d) USAID and/or Kaizen reserves the right to rescind approval for a subaward in the event that USAID and/or Kaizen subsequently becomes aware of information indicating that the subaward is

contrary to U.S. law or policy prohibiting support for terrorism. In such cases, USAID's Agreement Officer will provide written instructions to Kaizen to terminate the subaward.

e) USAID reserves the right to terminate this contract/agreement via Kaizen if USAID determines that the Sub-Recipient is involved in or advocates terrorist activity or has failed to comply with any of the requirements of this provision.

f) This provision, including this paragraph (f), shall be included in all contracts, subcontracts, grants and subgrants issued under this contract/agreement. Upon request, the Sub-Recipient shall promptly provide to USAID's Contracting/Agreement Officer via Kaizen a copy of the pages from each subaward that contains this provision.

g) The Sub-Recipient agrees to promptly notify USAID's Agreement Officer Representative (AOR) via Kaizen in the event of any change in the identity of its "key individuals" or in the identity of "key individuals" of any recipient of a subaward described in paragraph (c). For purposes of this requirement, "key individuals" means (i) principal officers of the organization's governing body (e.g., chairman, vice chairman, treasurer and secretary of the board of directors or board of trustees); (ii) the principal officer and deputy principal officer of the organization (e.g., executive director, deputy director, president, vice president); (iii) the program manager or chief of party for the USAID-financed program; and (iv) any other person with significant responsibilities for administration of USAID-financed activities or resources. Note that this definition differs from the definition of "key personnel" under contracts and cooperative agreements.

1.3. PROHIBITION AGAINST CASH ASSISTANCE TO THE PALESTINIAN AUTHORITY

a) U.S. legislation provides that none of the funding under this Award may be "obligated or expended with respect to providing funds to the Palestinian Authority." In accordance with that prohibition, the Sub-Recipient shall not provide any cash to the Palestinian Authority; to any ministry, agency or instrumentality of the Palestinian Authority; to any municipality or other local government unit; or to any full-time or part-time employee or official of any of the foregoing entities. This restriction applies to payments of any kind, including salaries, stipends, fees, honoraria, per diem, and so forth.

b) This restriction does not prohibit the provision of in-kind assistance, such as technical assistance, training, equipment, supplies, or the construction of public works to the extent it is not otherwise prohibited by U.S. law or the terms of this Contract.

c) This provision shall be included in all contracts, subcontracts, grants and subgrants or any other instruments or awards issued under this Contract. Upon request, the Sub-Recipient shall promptly provide to USAID's Contracting/Agreement Officer via Kaizen a copy of the pages from each subaward that contains this Provision.

1.4. RESTRICTION ON FACILITY NAMES

a) No assistance shall be provided under this contract/grant for any school, community center or other facility that is named after any person or group of persons that has advocated, sponsored or committed acts of terrorism. This includes any facility that has "shuhada" or "shaheed" ("martyrs" or "martyrs") in its name, unless an exception is approved by the USAID Mission Director. In any case where assistance is proposed for a facility that is named after, or is planned to be named after, a person or group of persons, the Sub-Recipient shall provide to USAID's Agreement Officer Representative (AOR) via Kaizen written information about the person(s) or group and shall not proceed with the assistance unless or until the AOR has provided written approval therefore. This restriction applies to all forms of cash or in-kind assistance, including construction services, equipment, technical assistance and training.

b) In case of any failure to comply with this restriction, USAID and/or Kaizen may disallow any or all costs incurred by the Sub-Recipient with respect to the facility and, if necessary, issue a bill for collection for the amount owed. This is in addition to any other remedies that may be available to USAID and/or Kaizen for such noncompliance.

c) This provision, including this paragraph (c), shall be included in all contracts, subcontracts, grants, and subgrants issued under this Contract. Upon request, the Sub-Recipient shall promptly provide to USAID's Contracting/Agreement Officer via Kaizen a copy of the pages from each subaward that contains this provision.

1.5. PROHIBITION ON ASSISTANCE TO THE PALESTINIAN BROADCASTING CORPORATION

a) U.S. legislation provides that none of USAID's funding "may be used to provide equipment, technical support, consulting services, or any other form of assistance to the Palestinian Broadcasting Corporation." In accordance with this prohibition, the Recipient shall not provide any assistance to the Palestinian Broadcasting Corporation.

b) This provision, including this paragraph (b), shall be included in all contracts, subcontracts, grants and subgrants issued under this agreement.

CERTIFICATION

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

1. The Recipient, to the best of its current knowledge, did not provide, within the previous ten years, and will take all reasonable steps to ensure that it does not and will not knowingly provide, material support or resources to any individual or entity that commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has committed, attempted to commit, facilitated, or participated in terrorist acts, as that term is defined in paragraph 3.
2. The following steps may enable the Recipient to comply with its obligations under paragraph
 - (a) Before providing any material support or resources to an individual or entity, the Recipient will verify that the individual or entity does not (i) appear on the master list of Specially Designated Nationals and Blocked Persons, which list is maintained by the U.S. Treasury's Office of Foreign Assets Control (OFAC) and is available online at OFAC's website: <http://www.treas.gov/offices/eotffc/ofac/sdn/t11sdn.pdf>, or (ii) is not included in any supplementary information concerning prohibited individuals or entities that may be provided by USAID to the Recipient.
 - (b) Before providing any material support or resources to an individual or entity, the Recipient also will verify that the individual or entity has not been designated by the United Nations Security Council (UNSC) sanctions committee established under UNSC Resolution 1267 (1999) (the "1267 Committee") [individuals and entities linked to the Taliban, Usama bin Laden, or the Al Qaida Organization]. To determine whether there has been a published designation of an individual or entity by the 1267 Committee, the Recipient should refer to the consolidated list available online at the Committee's website: <http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm>.
 - (c) Before providing any material support or resources to an individual or entity, the Recipient will consider all information about that individual or entity of which it is aware and all public information that is reasonably available to it or of which it should be aware.
 - (d) The Recipient also will implement reasonable monitoring and oversight procedures to safeguard against assistance being diverted to support terrorist activity.
3. For purposes of this Certification –
 - (a) "Material support and resources" means currency or monetary instruments or financial securities, financial services, lodging, training, expert advice or assistance, safehouses, false documentation or identification, communications equipment, facilities, weapons, lethal substances, explosives, personnel, transportation, and other physical assets, except medicine or religious materials."
 - (b) "Terrorist act" means –
 - (i) an act prohibited pursuant to one of the 12 United Nations Conventions and Protocols related to terrorism (see UN terrorism conventions Internet site: <http://untreaty.un.org/English/Terrorism.asp>); or
 - (ii) an act of premeditated, politically motivated violence perpetrated against noncombatant targets by subnational groups or clandestine agents; or

- (iii) any other act intended to cause death or serious bodily injury to a civilian, or to any other person not taking an active part in hostilities in a situation of armed conflict, when the purpose of such act, by its nature or context, is to intimidate a population, or to compel a government or an international organization to do or to abstain from doing any act.
- (c) “Entity” means a partnership, association, corporation, or other organization, group or subgroup.
- (d) References in this Certification to the provision of material support and resources shall not be deemed to include the furnishing of USAID funds or USAID-financed commodities to the ultimate beneficiaries of USAID assistance, such as recipients of food, medical care, micro-enterprise loans, shelter, etc., unless the Recipient has reason to believe that one or more of these beneficiaries commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has committed, attempted to commit, facilitated or participated in terrorist acts.
- (e) The Recipient’s obligations under paragraph 1 are not applicable to the procurement of goods and/or services by the Recipient that are acquired in the ordinary course of business through contract or purchase, e.g., utilities, rents, office supplies, gasoline, etc., unless the Recipient has reason to believe that a vendor or supplier of such goods and services commits, attempts to commit, advocates, facilitates, or participates in terrorist acts, or has committed, attempted to commit, facilitated or participated in terrorist acts.

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