

# GEORGIA INFORMATION INTEGRITY PROGRAM (GIIP)

## Sub-Grant Agreement

## SUB-GRANT AGREEMENT

| 1. GIIP Grant Number | 2. Amount     | 3. Phase | 4. Start Date | 5. End Date |
|----------------------|---------------|----------|---------------|-------------|
| ZN-IDFI-003          | 57,250.00 GEL | Sustain  | 26-Oct-2022   | 27-Jan-2023 |

### 6. Grantee

**Institute for Development of Freedom of Information**  
 Tax ID: 204569617  
 DUNS: 683527652  
 Legal address: 4 Batu Kraveishvili Street, Tbilisi, Georgia  
 Mailing address: 20 Taras Shevchenko street, 0108 Tbilisi, Georgia

Contact: Nino Gozalishvili  
 Position: Assistant Researcher  
 T: +995 577340595  
 E: n.gozalishvili@idfi.ge

### 7. GIIP Contacts

Contact: Zhana Sirbiladze  
 Position: Network Coordinator  
 T: +995 598 638 382  
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### 8. Project Title and Purpose

Project Title: "Russian Capital in Georgian Business"

Purpose: In order to study the activities of the business companies owned by the citizens of Russia, IDFI's team will identify and analyse official documents, open-source materials and media resources. The materials that will be used for the study mainly include the database of the Public Registry, websites, public social media accounts, and the information available on (Georgian, Russian and English-language) media (please refer more details in the attached proposal).

### 9. Authority and Responsibilities

- This grant was awarded by the GIIP. The terms and conditions section is an integral part of the agreement.
- Narrative and Financial Reporting Forms will be provided upon signing this document.
- Any amendment to this agreement must be requested in writing and must be signed by an authorized representative of GIIP.

### 10. Reporting Schedule

| Narrative Reports |            |            | Financial Reports |            |            |
|-------------------|------------|------------|-------------------|------------|------------|
| From              | To         | Due Date   | From              | To         | Due Date   |
| 26.10.2022        | 27.01.2023 | 13.02.2023 | 26.10.2022        | 27.01.2023 | 13.02.2023 |

### 11. Payment Schedule

| Payment Method: Advance Payment (via bank transfer) |                      |
|---|----------------------|
| Schedule Date                                       | Amount               |
| 01.11.2022  | 57,250.00 GEL        |
| <b>Total:</b>                                       | <b>57,250.00 GEL</b> |




## **TERMS AND CONDITIONS**

### **1. SIGNING THE GRANT AGREEMENT**

When your organization signs the associated documents for this grant, you are confirming that you accept the Terms and Conditions of the award as well as the responsibilities related to conducting the project as it is described and using grant funds as budgeted.

When Zinc Network countersigns the associated documents, Zinc Network accepts the obligation to fund your project and the responsibility to monitor the activities and the prudent use of grant funds.

### **2. COMPONENTS OF THE GRANT AGREEMENT**

The Grant Agreement consists of associated documents that describe the Terms and Conditions of the grant award. The associated documents are:

- GIIP Grants Management Plan (Grants Manual)
- Proposal, Budget and Performance Indicators
- Grant Agreement Terms and Conditions

### **3. GRANT AGREEMENT**

The Grant Agreement has the most important details about the grant and your reporting requirements. On this form you will find the project start and end dates, the grant amount, the reporting requirements, the payment schedule, and any special conditions. If you are in agreement you should sign in the signature box and return for counter signature.

### **4. BANKING AND PAYMENTS**

Your grant will be paid as per Box 11 of the Grant Agreement which details the schedule of payment. The bank transfer may take up to additional 10 days.

### **5. REPORTING GUIDELINES**

Your organization is required to monitor the progress of your project to make sure that planned activities are being carried out, progress is being made toward objectives, and funds are being used properly. You should consult with Zinc Network/GIIP staff regularly and notify them promptly of any significant problems or changes that could affect the successful implementation of project activities and achievement of objectives. Zinc Network staff or representatives may make on-site visits to observe project implementation and to verify information provided in the narrative and financial reports that you submit, or to help you solve problems you may encounter in grants administration or program implementation.

### **6. RETURNING GRANT FUNDS TO ZINC NETWORK**

After you submit your final financial report, GIIP Project Manager will review the report to determine if you have any unspent funds that needs to be returned to Zinc Network.



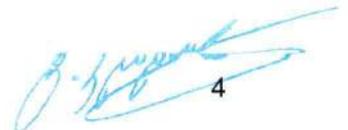
Zinc Network should receive the funds no later than three weeks from the date of the refund request. Once the funds have been sent from your account, please send a short message to the Project Manager letting them know that the funds have been sent.

## 7. GRANT CLOSE-OUTS

Following the end of your grant period, Zinc Network will review all files to determine that your organization's grant requirements are complete. The grant will be closed out and Zinc Network will place your file in inactive status. When the closeout is complete, Zinc Network will send you a closeout letter. This letter will remind you to retain all grant-related materials for 6 years from the date the final financial report was submitted. This is required to ensure the availability of complete information should there be an audit or evaluation of your grant by Zinc Network or one of Zinc Network's auditors.

## 8. SUSPENSION AND TERMINATION

- a. The recipient or Zinc Network may terminate this award at any time, in whole or in part, upon written notice to the other party in accordance with the Standard Provision, "Notices." The termination notice must contain the reason(s) for the termination; the effective date; and, in the case of a partial termination, the portion to be terminated. If the termination is based on non-compliance, note that this termination decision may be considered in selection for future awards.
- b. USAID may suspend this award, in whole or in part, at any time, following notice to the recipient, and prohibit the recipient from incurring additional obligations chargeable to this award other than those costs specified in the notice of suspension during the period of suspension.
- c. 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.
- d. Termination and Suspension Procedures. Upon receipt of, and in accordance with, a termination or suspension notice from USAID as specified above, the recipient must take immediate action to minimize all expenditures and, in the event of termination, cancel all obligations financed by this award to the greatest extent possible. Except as provided in this provision or as approved in writing by the Agreement Officer, the recipient is not entitled to costs incurred after the effective date of termination.
- e. Within 30 calendar days after the effective date of such termination, the recipient must repay to the U.S. Government all unexpended USAID funds as of the effective date of termination, which are not otherwise obligated by a non-cancelable legally binding transaction applicable to this award.
- f. Should the funds paid by USAID to the recipient prior to the effective date of the termination of this award be insufficient to cover legally binding obligations to third parties by the recipient, the recipient may submit to USAID within 90 calendar days after the effective date of a termination a written claim covering such recipient obligations. The AO must determine the amount(s) to be paid by USAID to the recipient under such claim in accordance with this provision and the Standard Provision, "Allowable Costs."



4

## 9. DISPUTES

Since Zinc Network is located in the United Kingdom with a representative legal entity in Georgia, the Grant Agreement is governed by the UK and Georgian laws. If a problem arises concerning the Terms and Conditions of the Grant Agreement or compliance with those Terms and Conditions by your organization or by Zinc Network, Zinc Network will try to resolve the problem through direct communication. If that is not possible, any resolution will be conducted in accordance with the laws of Georgia.

## 10. OTHER LEGAL REQUIREMENTS

### a. Prevention of Corruption

The Grantee shall not offer or give, or agree to give, to Zinc Network or any public body or any person employed by or on behalf of Zinc Network or any public body any gift or consideration of any kind as an inducement or reward for doing, refraining from doing, or for having done or refrained from doing, any act in relation to the obtaining or execution of the Grant or any other contract with Zinc Network or any public body, or for showing or refraining from showing favor or disfavor to any person in relation to the Grant or any such contract.

### b. Prevention of Fraud

The Contractor shall take all reasonable steps, in accordance with Good Industry Practice, to prevent Fraud by Staff and the Grantee (including its shareholders, members, directors) in connection with the receipt of monies from Zinc Network.

### c. Executive Order on Terrorism Financing

The grantee is reminded that U.S. Executive Orders and U.S. law prohibits transactions with, and the provision of resources and support to, individuals and organizations associated with terrorism. It is the responsibility of the grantee to ensure compliance with these Executive Orders and law.

## 11. ALLOWABILITY OF COSTS AND SUPPORTING DOCUMENTATION

This section discusses the *allowability* of the major budget categories that may be included in the grant budget where additional details can be found. It also describes how you can properly document the different types of expenditures.

In general, costs charged to the Zinc Network grant are allowable if they meet all the following criteria:

- a) Are specified in the grant budget
- b) Relate to the Zinc Network grant project
- c) Were incurred during the grant period
- d) Are reasonable and comply with grant requirements
- e) Are adequately documented by supporting documentation and included in the accounting records

The below sets out three principles that determine whether costs are permitted: allowability; reasonableness; and allocability.

- a) Costs are allowable if they follow the above criteria and are mentioned as allowable in the grant
- b) Costs are reasonable if the amount is not more than that which a prudent person in the same circumstances would expend for the same items (In particular, Salaries should be pegged to

5

local rates, this will be assessed)

- c) Costs are allocable if they are incurred for this specific project and, if shared among other projects, are treated consistently and proportionally

All expenditures should be supported by relevant financial documentation.

## 12. PRIOR APPROVAL REQUIREMENTS

Some expenditures require prior approval by Zinc Network in order to be allowable. Any item included in grant budget, is authorized and considered to have prior approval. If you need to spend funds on an item which is not included in the budget and is in the list below, then you must request prior approval from Zinc Network. You should contact your Project Manager if you find yourself in this situation. Your Project Manager will guide and advise you and approve any change.

The following items always require prior approval in writing from Zinc Network:

1. Expenditures related to activities outside those approved in Program Description, and Program Budget.
2. Expenditures in excess of the budgeted cost categories
3. Costs related to any international travel not already specified in the grant budget.
4. Airfare in excess of *economy-class*,
5. Per Diem in excess of the applicable maximum daily rates

## 13. FINANCIAL MANAGEMENT

### a. Accounting Records

The grantee must maintain an accounting record or ledger for your Zinc Network grant. A separate accounting record or ledger is used to record Zinc Network grant income and expenses. The information in the accounting records is used to complete financial reports.

At the end of the reporting period, the amount of funds spent for each budget category should be totaled and inserted into the financial report in the column for expenditures. It is very important that all grant expenditures be accurately recorded in the accounting records since they will be the source of information for the financial report.

The grantee must maintain financial records, supporting documents, statistical records and all other records, to support performance of, and charges to, this award. Such records must comply with accounting principles generally accepted in the U.S., the cooperating country (Georgia), or by the International Accounting Standards Board (a subsidiary of the International Financial Reporting Standards Foundation). Accounting records and supporting documentation must, at a minimum, be adequate to show all costs incurred under this award; receipt and use of goods and services acquired under this award; the costs of the program supplied from other sources; and the overall progress of the program. Unless otherwise notified by USAID, the recipient records and subrecipient records that pertain to this award must be retained for a period of three years from the date of submission of the final expenditure report.

### b. Audits

(1) The recipient must have an annual audit, consistent with 2 CFR Part 200, Subpart F, for any recipient fiscal year in which the recipient expends a combined total of \$750,000 or more in all USAID awards, either directly or through another USAID contractor or recipient, excluding fixed price contracts and fixed amount awards.

(i) The audit report must be submitted to USAID within 30 days after receipt of the auditor's report, but no later than nine months after the end of the period audited.

(ii) The USAID Inspector General will review this report to determine whether it complies with the audit requirements of this award. USAID will only pay for the cost of audits conducted in accordance with the terms of this award.

(iii) In cases of continued inability or unwillingness to have an audit performed in accordance with the terms of this provision, USAID will consider appropriate sanctions which may include suspension of all, or a percentage of, disbursements until the audit is satisfactorily completed.

(2) The recipient is not required to have an annual audit for any recipient fiscal year in which the recipient expends a combined total of less than \$750,000 in all USAID awards, either directly or through a prime contractor or recipient, excluding fixed price contracts and fixed amount awards. However, the recipient must make records pertaining to this award for that fiscal year available for review by USAID officials or their designees upon request.

(3) USAID retains the right to conduct a financial review, require an audit, or otherwise ensure adequate accountability of organizations expending USAID funds, regardless of the audit requirement.

c. Subawards and Contracts

Sub-awards within this grant agreement are not allowed. If proposal is submitted as a group of partners, this terms and conditions apply to all parties.

d. Accounting Systems

Some organizations have more sophisticated accounting systems than others. No matter what type of accounting system your organization uses, you must be able to summarize actual expenditures by budget category so that expenditures can be compared to the grant budget.

e. Types of Supporting Documentation

Grantees must maintain adequate supporting documentation for grant revenues and expenditures. The purpose of supporting documentation is to verify that the payment occurred, that the payment was for an approved grant expenditure, and that it was made within the grant period.

Supporting documentation for each expenditure would typically consist of the following items: A document with the signature of a responsible official who has approved the payment

- An invoice, receipt, or contract
- An entry in the accounting records indicating the date, amount and purpose of the expenditure
- A bank statement

Invoices should provide adequate detail to show that the payment was for goods or services relating to the Zinc Network grant, occurred during the grant period, and was approved by an authorized individual. Additional descriptions should be included on the invoice if it does not provide sufficient detail about the nature of the payment.

f. Cash Management

If you are making cash payments for some of your grant expenditures your system requires additional controls over cash. Additional controls are needed in order to:

- Maintain security over cash
- Provide a system for tracking cash advances until expenditures are made



- Provide evidence that cash was actually disbursed to and received by the intended person, vendor, or organization

#### **14. INTERNAL CONTROLS**

In addition to maintaining accounting records, it is important to maintain a system of internal controls to make sure that your accounting records are reliable and any errors or possible mismanagement of funds can be detected.

##### **a. Approving Transactions**

All transactions related to the Zinc Network grant should be approved by a responsible official of the organization. Transactions which need approval include expenditures, payment requests, reports, and entering into contracts or other obligations. Approvals should be documented by the responsible official by signing his or her name and date on the invoice.

##### **b. Maintaining Accounting Records**

You should make sure to maintain all accounting records and supporting documentation. These records must be kept for a period of at least six years following submission of the final financial report. In the event that any audit findings, litigation, or other claims have not been resolved by the end of the six-year period, your organization must continue to maintain the records and supporting documentation until all grant related issues have been resolved.

If you do not expect to be able to maintain accounting for this time, you must make arrangements to transfer these records to another location where they can be safeguarded.

##### **c. Reconciling Accounting Records**

Accounting records should contain all the financial transactions which relate to the grant. It is important that these accounting records are periodically reviewed and reconciled to ensure that they are accurate. There are several types of reconciliations that should be performed on a regular basis.

#### **15. TRAVEL AND PER DIEM**

Reasonable costs (transportation, lodging, meals, and related items) for travel directly related to your grant project are allowable provided the expenses are in accordance with the grant regulations in particular expenses claimed should be backed by a receipt and should not include alcohol.

#### **16. TIMEKEEPING PROCEDURES**

##### **a. Timesheets**

Each person paid from grant funds must maintain a timesheet documenting the number of hours worked. The daily total for full-time work will normally be 7.5 hours. The timesheet must be prepared on a monthly basis. For each pay period, the number of hours for which the person is paid must, at a minimum, equal the number of hours recorded on their timesheet.

Timesheets must be an after-the-fact record of actual activity for each person. Hours reflected on the timesheet should be recorded after the hours have actually been worked. It is recommended that a person enter the hours worked each day at the end of the working day.

All timesheets must be signed and dated by the individual person and a supervisor and coincide with each pay period. Total hours shown on timesheets should match other records.



Hours charged to Zinc Network grants on timesheets should match amounts claimed on financial reports.

b. Records

You must maintain detailed records of amounts paid to each person for each period.

## 17. CURRENCY

All payments by Zinc Network to your organization will be made in Georgian Lari (GEL). All expenditures are made in local currency.

## 18. RECIPIENT AND EMPLOYEE CONDUCT

- a. The recipient must have policies and procedures in place to prevent personal conflicts of interest and to prevent its officers, employees, or agents from using their positions for personal gain or presenting the appearance of a personal conflict of interest. A personal conflict of interest is a situation in which an officer, employee, or agent of the recipient has a financial interest, personal activity, or relationship that could impair the employees ability to act impartially when performing under the award. The recipient's written policy must state that an employee, officer, or agent of the recipient or any member of an employee's immediate family cannot receive a subaward or have a financial or other interest in the entity selected for a subaward without disclosing the conflict and following the recipient's written policies and procedures for mitigating the conflict. In addition, the written policy must state that the officers, employees, and agents of the recipient must neither solicit nor accept gratuities, favors, or anything of monetary value from subrecipients or prospective subrecipients.
- b. The recipient, its employees, and consultants are prohibited from using U.S. Government information-technology systems (such as Phoenix, GLAAS, etc.), must be escorted to use U.S. Government facilities (such as office space or equipment), and may not rely on assistance from any U.S. Government clerical or technical personnel in the performance of this award, except as otherwise provided in this award.
- c. The recipient, its employees, and consultants are private individuals, are not employees of the U.S. Government, and must not represent themselves as such.
- d. The following requirements in this provision apply to the recipient's employees who are not citizens of the cooperating country.
  - (1) If the recipient's employees enjoy exemptions from import limitations, customs duties or taxes on personal property in connection with performance of this award, the sale of such personal property is governed by the rules contained in 22 CFR 136, including a prohibition from profiting from such sale, except as this may conflict with host-government regulations.
  - (2) Any outside business dealings of the recipients employees must be legal and not conflict in any manner with this award. Outside business dealings include, but are not limited to, an investments, loans, employment, or business ownership by the recipient s employees, other than work to be performed under this award.
- e. As part of the recipient's internal controls and standards of employee conduct, the recipient must ensure that its employees adhere to these standards of conduct in a manner consistent with the standards for United Nations (UN) employees in Section 3 of the UN Secretary-General s Bulletin - Special measures for protection from sexual exploitation and sexual abuse (ST/SGB/2003/13).
- f. If the recipient determines that the conduct of any recipient employee is not in



accordance with this provision or this award, the recipient's legal representative must coordinate with Zinc Network to resolve the situation with regard to such employee including, if necessary, termination of the employee. In the case of termination of a non-host country national, the recipient must use its best efforts to cause the return of such employee to the United States, or point of origin, as appropriate.

- g. The parties recognize the rights of the U.S. Chief of Mission to direct the removal from a country of any U.S. citizen, or direct the discharge from this award of any individual (U.S., third-country, or cooperating-country national) when, at the discretion of the U.S. Chief of Mission, it is in the best interest of the United States.
- h. If it is determined, under paragraph (f) or (g) above, that the services of such employee should be terminated, the recipient must use its best efforts to cause the return of such employee to the United States, or third-country point of origin, as appropriate, and replace the employee with an acceptable substitute at no cost to USAID.

#### **19. DEBARMENT AND SUSPENSION**

- a. The recipient must not transact or conduct business under this award with any individual or entity that has an active exclusion on the System for Award Management (SAM) ([www.sam.gov](http://www.sam.gov)) unless prior approval is received from the USAID 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 Zinc Network.
- 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.

## **20. PREVENTING TRANSACTIONS WITH, OR THE PROVISION OF RESOURCES OR SUPPORT TO, SANCTIONED GROUPS AND INDIVIDUALS**

The 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](http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml)).

## **21. TRAFFICKING IN PERSONS**

- i. The recipient, subawardee, or contractor, at any tier, or their employees, labor recruiters, brokers or other agents, must not engage in:
  - (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;
  - (3) Use of forced labor in the performance of this award;
  - (4) Acts that directly support or advance trafficking in persons, including the following acts:
    - i. Destroying, concealing, confiscating, or otherwise denying an employee access to that employee's identity or immigration documents;
    - ii. Failing to provide return transportation or pay for return transportation costs to an employee from a country outside the United States to the country from which the employee was recruited upon the end of employment if requested by the employee, unless:
      - a) exempted from the requirement to provide or pay for such return transportation by USAID under this award; or
      - b) the employee is a victim of human trafficking seeking victim services or legal redress in the country of employment or a witness in a human trafficking enforcement action;
    - iii. Soliciting a person for the purpose of employment, or offering employment, by means of materially false or fraudulent pretenses, representations, or promises regarding that employment;
    - iv. Charging employees recruitment fees; or
    - v. Providing or arranging housing that fails to meet the host country housing and safety standards.



- j. In the event of a violation of section (a) of this provision, USAID is authorized to terminate this award, without penalty, and is also authorized to pursue any other remedial actions authorized as stated in section 1704(c) of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013).
- k. If the estimated value of services required to be performed under the award outside the United States exceeds \$500,000, the recipient must submit to the USAID Agreement Officer, the annual Certification regarding Trafficking in Persons, Implementing Title XVII of the National Defense Authorization Act for Fiscal Year 2013 as required prior to this award, and must implement a compliance plan to prevent the activities described above in section (a) of this provision. The recipient must provide a copy of the compliance plan to the Agreement Officer upon request and must post the useful and relevant contents of the plan or related materials on its website (if one is maintained) and at the workplace.
- l. The recipient's compliance plan must be appropriate to the size and complexity of the award and to the nature and scope of the activities, including the number of non-United States citizens expected to be employed. The plan must include, at a minimum, the following:
  - (1) An awareness program to inform employees about the trafficking related prohibitions included in this provision, the activities prohibited and the action that will be taken against the employee for violations.
  - (2) A reporting process for employees to report, without fear of retaliation, activity inconsistent with the policy prohibiting trafficking, including a means to make available to all employees the Global Human Trafficking Hotline at 1-844-888-FREE and its e-mail address at help@befree.org.
  - (3) A recruitment and wage plan that only permits the use of recruitment companies with trained employees, prohibits charging of recruitment fees to the employee, and ensures that wages meet applicable host-country legal requirements or explains any variance.
  - (4) A housing plan, if the recipient or any subawardee intends to provide or arrange housing. The housing plan is required to meet any host-country housing and safety standards.
  - (5) Procedures for the recipient to prevent any agents or subawardee at any tier and at any dollar value from engaging in trafficking in persons activities described in section a of this provision. The recipient must also have procedures to monitor, detect, and terminate any agents or subawardee or subawardee employees that have engaged in such activities.
- m. If the Recipient receives any credible Information regarding a violation listed in section a(1)-(4) of this provision, the recipient must immediately notify the cognizant Agreement Officer and the USAID Office of the Inspector General; and must fully cooperate with any Federal agencies responsible for audits, investigations, or corrective actions relating to trafficking in persons.
- n. The USAID Agreement Officer or Zinc Network may direct the Recipient to take specific steps to abate an alleged violation or enforce the requirements of a compliance plan.
- o. 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.

## 22. EQUAL PARTICIPATION BY FAITH-BASED ORGANIZATIONS

- a. Faith-Based Organizations Encouraged




Faith-based organizations are eligible, on the same basis as any other organization, to participate in any USAID program for which they are otherwise eligible. Neither USAID nor entities that make and administer subawards of USAID funds shall discriminate for or against an organization on the basis of the organization's religious character or affiliation. Additionally, religious organizations shall not be disqualified from participating in USAID programs because such organizations are motivated or influenced by religious faith to provide social services, or because of their religious character or affiliation.

Decisions about awards of USAID financial assistance must be free from political interference or even the appearance of such interference. Awards must be made on the basis of merit, not the basis of the religious affiliation of an applicant, or lack thereof. A faith-based organization may continue to carry out its mission, including the definition, development, practice, and expression of its religious beliefs, within the limits contained in this provision. For more information, see the USAID Faith- Based and Community Initiatives Web site and 22 CFR 205.1.

b. Explicitly Religious Activities Prohibited.

(1) Explicitly religious activities include activities that involve overt religious content such as worship, religious instruction, prayer, or proselytization.

(2) The recipient must not engage in explicitly religious activities as part of the programs or services directly funded with financial assistance from USAID. If the recipient engages in explicitly religious activities, the activities must be offered separately, in time or location, from any programs or services directly funded by this award, and participation must be voluntary for beneficiaries of the programs or services funded with USAID assistance.

(3) These restrictions apply equally to religious and secular organizations. All organizations that participate in USAID programs, as recipients or subawardees, including religious ones, must carry out eligible activities in accordance with all program requirements and other applicable requirements governing USAID-funded activities.

(4) Notwithstanding the restrictions of b.(1) and (2), a religious organization that participates in USAID-funded programs or services:

(i) May retain its independence and may continue to carry out its mission, including the definition, development, practice, and expression of its religious beliefs, provided that it does not use direct financial assistance from USAID to support or engage in any explicitly religious activities or in any other manner prohibited by law;

(ii) May use space in its facilities, without removing religious art, icons, scriptures, or other religious symbols; and

(iii) May retain its authority over its internal governance, and 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. Implementation in accordance with the Establishment Clause: Nothing in this provision shall be construed as authorizing the use of USAID funds for activities that are not permitted by Establishment Clause jurisprudence or otherwise by law.

d. Discrimination Based on Religion Prohibited: The recipient must not, in providing services, discriminate against a program beneficiary or potential program beneficiary on the basis of religion or religious belief, refusal to hold a religious belief or a refusal to attend or participate in a religious practice.

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.

### **23. LIMITING CONSTRUCTION ACTIVITIES**

- a. Construction is not eligible for reimbursement under this award.
- b. Construction means - construction, alteration, or repair (including dredging and excavation) of buildings, structures, or other real property and includes, without limitation, improvements, renovation, alteration and refurbishment. The term includes, without limitation, roads, power plants, buildings, bridges, water treatment facilities, and vertical structures.

### **24. PILOT PROGRAM FOR ENHANCEMENT OF GRANTEE EMPLOYEE WHISTLEBLOWER PROTECTIONS**

The Grantee must inform its employees working under this award in the predominant native language of the workforce that they are afforded the employee whistleblower rights and protections provided under 41 U.S.C. § 4712;

41 U.S.C. § 4712 states that an employee of a Grantee may not be discharged, demoted, or otherwise discriminated against as a reprisal for "whistleblowing." In addition, whistleblower protections cannot be waived by any agreement, policy, form, or condition of employment.

Whistleblowing is defined as making a disclosure "that the employee reasonably believes" is evidence of any of the following:

- Gross mismanagement of a Federal contract or grant;
- A gross waste of Federal funds;
- An abuse of authority relating to a Federal contract or grant;
- A substantial and specific danger to public health or safety; or
- A violation of law, rule, or regulation related to a Federal contract or grant (including the competition for, or negotiation of, a contract or grant).

To qualify under the statute, the employee's disclosure must be made to:

- A Member of the U.S. Congress, or a representative of a U.S. Congressional Committee;
- A cognizant U.S. Inspector General;
- The U.S. Government Accountability Office;
- A Federal employee responsible for contract or grant oversight or management at the relevant agency;
- A U.S. court or grand jury; or,
- A management official or other employee of the Grantee who has the responsibility to investigate, discover, or address misconduct.



**25. PROHIBITION ON REQUIRING CERTAIN INTERNAL CONFIDENTIALITY AGREEMENTS OR STATEMENTS**

- a. The recipient must not require its employees, subrecipients, or contractors to sign or comply with internal confidentiality agreements or statements that prohibit or otherwise restrict employees, subrecipients, or contractors from lawfully reporting waste, fraud, or abuse related to the performance of a Federal award to a designated investigative or law enforcement representative of a Federal department or agency authorized to receive such information (for example, the Agency Office of the Inspector General).
- b. The recipient must notify current employees and subrecipients that prohibitions and restrictions of any preexisting internal confidentiality agreements or statements covered by this provision, to the extent that such prohibitions and restrictions are inconsistent with the prohibitions of this provision, are no longer in effect.
- c. The prohibition in paragraph (a) of this provision does not contravene the requirements applicable to Standard Form 312 (Classified Information Nondisclosure Agreement), Form 4414 (Sensitive Compartmented Information Nondisclosure Agreement), or any other form issued by a Federal department or agency governing the nondisclosure of classified information.
- d. In accordance with section 743 of Division E, Title VII, of the Consolidated and Further Continuing Appropriations Act, 2015, (Pub. L. 113-235), and its successor provisions in subsequent appropriations acts (and as extended in continuing resolutions) use of funds appropriated (or otherwise made available) is prohibited, if the Government determines that the recipient is not in compliance with the requirements of this provision.

**26. CHILD SAFEGUARDING**

- a. Because the activities to be funded under this award may involve children, or personnel engaged in the implementation of the award may come into contact with children, these activities could raise the risk of child abuse, exploitation, or neglect within USAID-funded programs. The organization agrees to abide by the following child safeguarding core principles:
  - (1) Ensure compliance with host country and local child welfare and protection legislation or international standards, whichever gives greater protection, and with U.S. law where applicable;
  - (2) Prohibit all personnel from engaging in child abuse, exploitation, or neglect;
  - (3) Consider child safeguarding in project planning and implementation to determine potential risks to children that are associated with project activities and operations;
  - (4) Apply measures to reduce the risk of child abuse, exploitation, or neglect, including, but not limited to, limiting unsupervised interactions with children; prohibiting exposure to pornography; and complying with applicable laws, regulations, or customs regarding the photographing, filming, or other image generating activities of children;
  - (5) Promote child-safe screening procedures for personnel, particularly personnel whose work brings them in direct contact with children; and
  - (6) Have a procedure for ensuring that personnel and others recognize child abuse, exploitation, or neglect; mandating that personnel and others report allegations; investigating and managing allegations; and taking appropriate action in response to such allegations, including, but not limited to, dismissal of personnel.
- b. The organization must also include in their code of conduct for all personnel implementing USAID-funded activities the child safeguarding principles in (a) (1) through (6).



## 27. NONDISCRIMINATION AGAINST BENEFICIARIES

Zinc Network and USAID policies require that the recipient not discriminate against any beneficiaries in implementation of this award, such as, but not limited to, by withholding, adversely impacting, or denying equitable access to the benefits provided through this award on the basis of any factor not expressly stated in the award. This includes, for example, race, color, religion, sex (including gender identity, sexual orientation, and pregnancy), national origin, disability, age, genetic information, marital status, parental status, political affiliation, or veteran's status. Nothing in this provision is intended to limit the ability of the recipient to target activities toward the assistance needs of certain populations as defined in the award.

## 28. CONFLICT OF INTEREST

- a. A conflict of interest in the award, administration, or monitoring of subawards arises when an employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of these parties, has a financial or other interest in or a tangible personal benefit from a non-federal entity considered for a subaward. The officers, employees, and agents of the non-federal entity may neither solicit nor accept gratuities, favors, or anything of monetary value from subrecipients or parties to subawards. However, pass-through entities may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the pass-through entity.
- b. The recipient must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award, and administration of subawards. The standards must prohibit employees from using their positions for a purpose that constitutes or presents the appearance of a conflict of interest.
- c. The non-federal entity must also maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest means that because of relationships with a parent company, affiliate, or subsidiary organization, the non-federal entity is unable or appears to be unable to be impartial in conducting a subaward action involving a related organization.
- d. The recipient must have a system or systems in place to identify, address, resolve, and disclose to USAID any conflicts of interest as described in this provision that affect any subaward, regardless of the amount funded under this award.
- e. The recipient must disclose any conflict of interest and the recipient's approach for resolving the conflict of interest to Zinc Network within 10 calendar days of the discovery of the conflict of interest.
- f. Upon notice from the recipient of a potential conflict of interest and the approach for resolving it, Zinc Network will make a determination regarding the effectiveness of the recipient's actions to resolve the conflict of interest within 30 days of receipt of the recipient's notice, unless Zinc Network advises the recipient that a longer period is necessary.
- g. The recipient cannot request payment from Zinc Network/USAID for costs for transactions subject to the conflict of interest pending notification of Zinc Network's determination. Failure to disclose a conflict of interest may result in cost disallowances.
- h. For conflicts of interest, including organizational conflicts of interest, involving contracts, the recipient must follow 2 CFR 200.318, general procurement standards.

**29. PROHIBITION ON CERTAIN TELECOMMUNICATION AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT**

- a. The recipient is prohibited from using grant funds, including direct and indirect costs, program income, and any cost share to:
- (1) Procure or obtain;
  - (2) Extend or renew a contract to procure or obtain; or
  - (3) Enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.
- b. Telecommunication costs and video surveillance costs incurred for telecommunications and video surveillance services and equipment such as phones, internet, video surveillance, and cloud servers are allowable except for those referenced in paragraph a. above.
- c. Definitions. The terms used in this provision have the following meanings:
- (1) "Covered telecommunication equipment or services" as defined in Pub. L. 115-232, Section 889, means any of the following:
    - i. Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).
    - ii. For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).
    - iii. Telecommunications or video surveillance services provided by such entities or using such equipment.
    - iv. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.
  - (2) "Covered foreign country" is defined in Pub. L. 115-232, Section 889 as the People's Republic of China.
  - (3) "Telecommunications costs" as defined in 2 CFR 200.1 means the cost of using communication and telephony technologies such as mobile phones, land lines, and internet.



By signing this agreement, the Recipient assures that it will comply with all terms and conditions of this grant. Failure to comply with the terms set forth in this agreement may result in the withholding of payments, grant suspension, grant termination or legal recourse.

Signed by:

Signature

  
\_\_\_\_\_



Print Name: Giorgi Kldiashvili

Date:

the Recipient.

Signed by:

Signature

  
\_\_\_\_\_

Print Name: John Montell

Date: 26th October 2022

For and on behalf of Zinc Network Ltd.