The United States Department of Agriculture (USDA)
U.S. CODEX OFFICE (USCO)

STANDARD TERMS AND CONDITIONS FOR PUBLIC INTERNATIONAL ORGANIZATIONS

Contents

I. CONTROLLING LANGUAGE

All award documents, including progress and financial reports, correspondence, and supplemental documents, must be in the English language and in terms of United States (U.S.) dollars. If an award or any supporting document is provided in both English and a foreign language, it must be stated in each version that the English language version is the controlling version.

II. U.S. CODEX OFFICE (USCO) RESPONSIBILITIES

The USDA signatory listed on the agreement, or his/her designee is responsible for all actions on behalf of USCO with regard to this award, including entering into, changing, or terminating the award. Except as otherwise provided in the award, the USCO signatory is responsible for administrative coordination and liaison with the recipient. Except as otherwise provided in the award, the USCO signatory is the only person authorized to approve changes in any of the requirements in the award. Except as otherwise provided in the award, a change effected by the recipient at the direction of any person other than the USCO signatory will be considered to have been made without authority, and no adjustment will be made in the amount of the award to cover any increase in costs incurred as a result thereof.

III. RECIPIENT RESPONSIBILITIES AND COMPLIANCE

The recipient is responsible for notifying USCO of any significant problems relating to the administrative, programmatic or financial aspects of the award. The recipient has full responsibility for the management of the project or activity supported under the award and for compliance with all terms and conditions of the award; no subawards will be made under this agreement. Although the recipient is encouraged to seek the advice and opinion of the USCO Program Manager (PM) or USCO's Grants Management Officer (GMO) on special problems that may arise, such advice does not diminish the recipient's responsibility for making prudent and sound administrative judgments under the circumstances prevailing at the time a decision is made and does not imply that the responsibility for operating decisions has shifted to USCO.

IV. ADMINISTRATIVE REQUIREMENTS

The Country Director, Chief of Party, Project Leader, Principal Investigator, or an equivalent official of the recipient shall receive a copy of these general terms and conditions, including any subsequent changes to them, and any specific requirements set forth in the award.

The appropriate recipient officials shall be made aware of the terms and conditions. These terms and conditions may be duplicated, copied or otherwise reproduced as appropriate.

V. SYSTEM FOR AWARD MANAGEMENT AND UNIVERSAL IDENTIFIER REQUIREMENTS

1. Requirement for System for Award Management
   You as the recipient must maintain the currency of your information in the SAM 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.
2. Requirement for unique entity identifier
   Subawards are not permitted
3. Definitions
   For purposes of this award term:
   i. *System for Award Management (SAM)* 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 SAM Internet site (currently at *https://www.sam.gov*).
   ii. *Unique entity identifier* means the identifier required for SAM registration to uniquely identify business entities.
   iii. *Entity,* as it is used in this award term, means all of the following, as defined at 2 CFR part 25, subpart C:
      1. A Governmental organization, which is a State, local government, or Indian Tribe;
      2. A foreign public entity;
      3. A domestic or foreign nonprofit organization;
      4. A domestic or foreign for-profit organization; and
      5. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.
   iv. Subaward:
      1. 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.
      2. The term does not include your procurement of property and services needed to carry out the project or program.
      3. A subaward may be provided through any legal agreement, including an agreement that you consider a contract.
   v. *Subrecipient* means an entity that:
      1. Receives a subaward from you under this award; and
      2. Is accountable to you for the use of the Federal funds provided by the subaward.

VI. CONFIDENTIALITY OF INFORMATION

a. Confidential information, as used in this provision, means:
   1. Information or data of a personal nature about an individual.

2. Information or data submitted by or pertaining to an institution or organization.
3. Product and/or commercial information; trade secret information; personal privacy information; or the recipient's internal, pre-decisional information.

b. Confidential information generated in the performance of activities under this award is subject to the recipient's rules, including any established administrative, technical, and physical safeguards to protect the security of confidential information, as laid down, *inter alia*, in the confidentiality policy of the recipient.

c. USCO and the recipient may, by mutual consent, identify elsewhere in this award specific information or categories of information that the U.S. Government will furnish to the recipient which will be considered to be confidential.

VII. FRAUD, CORRUPTION, AND OTHER PROHIBITED CONDUCT

a. The parties have a zero tolerance approach toward fraud, corruption, and other prohibited conduct, as defined below, which applies to all staff members, consultants, and other individual independent contractors, institutional contractors, and other entities of any kind receiving funding provided under this agreement.

b. For purposes of this provision, prohibited conduct is defined according to the recipient's applicable regulations and policy on fraud and corruption, provided the following practices are included therein:

1. "corrupt practice" means the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence improperly the actions of a public official;
2. "fraudulent practice" means any act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit, or to avoid an obligation;
3. "collusive practices" means an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party;
4. "coercive practices" means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
5. "obstructive practices" means deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede a recipient investigation into allegations of a corrupt, fraudulent, coercive, or collusive practice; threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or acts intended to materially impede the exercise of the recipient's contractual rights of audit or access to information.

c. <u>Prevention of prohibited conduct</u>. The parties are firmly committed to take all necessary precautions to avoid and address prohibited conduct. The recipient will maintain appropriate standards that govern the conduct of its personnel related to prohibited conduct as set forth in the recipient's applicable staff regulations and rules, financial regulations and rules, and policies and procedures.

d. Action regarding knowledge of prohibited conduct. With respect to knowledge of any actual, suspected, or alleged prohibited conduct, the recipient agrees that it has in place a suitable mechanism for a complete and comprehensive reporting of such conduct. When prohibited conduct is reported, the recipient's internal oversight body will take timely action as determined to be appropriate. When the recipient's internal oversight body determines an investigation is appropriate, the investigation will be conducted in accordance with the recipient's regulations, rules, policies, and procedures.

e. Cooperation with regard to information concerning prohibited conduct. The recipient and USCO agree to promptly bring knowledge of prohibited conduct in relation to the agreement, of which the recipient or USCO have been informed or have otherwise become aware, to the attention of the recipient's internal oversight body. When the recipient becomes aware of evidence of prohibited conduct, through such mechanisms the recipient's oversight body will promptly inform USCO or USDA's Office of Inspector General (OIG) and, upon reasonable request, the recipient agrees to provide USCO or USDA's OIG with relevant information and updates, in conformity with the recipient's regulations, rules, official policies and procedures, and privileges and immunities.

f. Any information or documentation provided in accordance with subparagraph e. above will be treated by USCO with utmost discretion in order to ensure *inter alia* the probity and confidentiality of any investigation, to protect sensitive information, to maximize the prospect of recovery of funds, to ensure the safety and security of persons or assets, and to respect the due process rights of all involved. USCO shall ensure that information or documentation provided will be available solely to USCO personnel who strictly require access to such information or documentation. Notwithstanding the preceding and without prejudice to the recipient's privileges and immunities as provided for under Article XXIX below, in the event that information or documentation provided to USCO by the recipient is required to be released by U.S. law, such as the Freedom of Information Act (FOIA), or by an order from a U.S. court, USCO will notify and consult with the recipient prior to releasing such information or documentation. USCO may, on an exceptional basis, request the recipient's consent to the dissemination of such information or documentation in circumstances other than those referred to in the previous sentence. To the maximum extent possible, an authorized official of the recipient will provide such consent in writing, e.g., through a letter or email.

g. Where an investigation has concluded that prohibited conduct has occurred, in connection with subparagraph a. of this provision, the recipient will give proper consideration to referring the matter to the appropriate member state authorities.

h. In the event that the recipient determines that any USCO funds have been lost due to prohibited conduct, such loss will be dealt with in accordance with the applicable financial rules, regulations, policies, and procedures of the recipient, and the following provision: If the USCO Agreement Officer determines that USCO funds provided under the agreement have been expended for purposes not in accordance with the terms of the agreement, following consultation with the recipient, such expenditures should be excluded from the financial status reports submitted by the recipient, and shall be offset from subsequent remittances of funds due to the recipient as applicable. If such expenditures are identified after all funds due under the agreement have been paid to the recipient, the recipient must refund that amount to USCO within 30 days

i. In the event that USCO reasonably believes that timely and appropriate action has not been taken, it has a right to direct consultations to be established at a senior level between USCO and the recipient in order to obtain assurance that the recipient's oversight and accountability mechanisms have been or are being fully applied in connection with such allegations.

VIII. CONFLICT OF INTEREST

The recipient must maintain written standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, award and administration of subawards and subcontracts.

IX. OFFICIALS NOT TO BENEFIT

A Member of Congress may not enter into or benefit from this Federal award or any part of this Federal award.

X. TERRORIST FINANCING

Consistent with numerous United Nations Security Council resolutions, including S/RES/1269 (1999), S/RES/1368 (2001), and S/RES/1373 (2001), the parties are firmly committed to the international fight against terrorism and, in particular, the financing of terrorism. It is the policy of USCO to seek to ensure that none of its funds are used, directly or indirectly, to provide support to individuals or entities associated with terrorism. In accordance with the above mentioned resolutions, the recipient will use reasonable efforts to ensure that none of the commodities or funds provided under this agreement are used to provide support to individuals or entities associated with terrorism.

XI. TRAFFICKING IN PERSONS

a. *Provisions applicable to a recipient that is a private entity.*
This section does not apply.

b. *Provisions applicable to a recipient other than a private entity.*
This section does not apply.

c. *Provisions applicable to any recipient.*

1. The Recipient must inform USCO of any information it receives from any source alleging a violation of a prohibition in paragraph a.1 of this award term.
2. USCO's right to terminate unilaterally that is described in paragraph a.2 or b of this section is in addition to all other remedies for noncompliance that are available to it under this award.

d. *Definitions.* For purposes of this award term:

1. “Employee” means either:
   i. An individual employed by you who is engaged in the performance of the project or program under this award; or
   ii. Another person engaged in the performance of the project or program under this award and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.
2. “Forced labor” means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.
3. “Private entity”:
   i. Means any entity other than a State, local government, Indian tribe, or foreign public entity, as defined in the pertinent regulations.
   ii. Includes:
      A. A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than an Indian tribe.
      B. A for-profit organization.
4. “Severe forms of trafficking in persons” means:
   (A) sex trafficking in which a commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such act has not attained 18 years of age; or
   (B) the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.
5. “Commercial Sex Act” means any sex act on account of which anything of value is given to or received by any person.
6. “Coercion” means:
   (A) threats of serious harm to or physical restraint against any person;
   (B) any scheme, plan, or pattern intended to cause a person to believe that failure to perform an act would result in serious harm to or physical restraint against any person; or
   (C) the abuse or threatened abuse of the legal process.

XII. WORKPLACE

Funds made available under this award may not be used to support work performed at any site in the United States, including its territories and possessions.

XIII. PROHIBITION AGAINST ASSIGNMENT

Notwithstanding any other provision of this award, the recipient shall not transfer, pledge, mortgage, or otherwise assign this award, or any interest therein, or any claim arising thereunder, to any party or parties, bank trust companies, or other financing or financial institutions.

XIV. LOBBYING RESTRICTION

None of the funds provided under this award may be expended by the recipient to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in the United States in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

XV. PRIOR APPROVAL REQUIREMENTS

The recipient must submit all requests for changes related to the award, in writing, to USCO through the Program Manager before the end date of the period of performance indicated on the award. An amendment of the agreement is required for:

a. A change in the scope or the objective of the project or program (even if there is no associated budget revision requiring prior written approval).
b. Additional Federal funding.
c. An extension of the period of performance.
d. A transfer or transfers of funds between direct cost categories in the approved budget when the cumulative total of such transfer(s) among direct cost categories would exceed ten percent of the total budget approved in this award.
e. Unless described in the application and funded in the approved award, transfer or contracting out of any work under an award.
f. The transfer of an amount(s) budgeted for direct costs to an indirect costs line item or vice versa.

XVI. PAYMENTS UNDER THE AWARD

Except as allowed under Section XVII, the recipient may only request payment for expenses incurred during the period of performance specified in the award.

USCO will use payment methods that minimize the time elapsing between the transfer of funds from USCO and the issuance or redemption of checks, warrants, or payment by other means by the recipient. USCO's approval of payment requests will be based on its determination of the recipient's progress towards achieving the award objectives; the amount of unexpended cash on hand as reported in the Standard Form (SF) SF-425, Federal Financial Report, and SF-270, Request for Advance or Reimbursement; and the recipient's adherence to the terms and conditions of the award, particularly in terms of timely submission of required financial, program and other reports. Delinquency in submitting reports may result in payment delays.

Third party in-kind contributions and voluntary committed cost sharing, if applicable, must be displayed as separate line items and shall not be included in the total project costs available for advance of funds or reimbursement. The recipient shall report this information on the SF-425.

The recipient shall submit a request for payment, as needed, on the SF-270. In no case shall the recipient submit an invoice more frequently than monthly or less frequently than annually. A payment request must comply or otherwise be consistent with the award terms and conditions. All payment requests must be submitted within 90 days after the last day of the period of performance specified in the award. Failure to provide timely performance progress and financial reports may result in a delayed payment. The recipient must retain adequate documentation supporting the payment request (e.g., contracts, timesheets, invoices, etc.).

The payments under this award shall be made in United States Dollars.

If payments are made on an advance basis, the recipient may, but is not required to, retain interest earned up to $500 per year for administrative expenses. Any additional interest earned on Federal payments deposited in interest-bearing accounts must be remitted annually as instructed by USCO.

XVII. PRE-AWARD COSTS

Notwithstanding Section XVI, the payment of costs incurred prior to the period of performance specified in the award, directly pursuant to the negotiation and in anticipation of the agreement, which are necessary for efficient and timely performance of the award, and which are otherwise allowable, may be permitted if the recipient requests and receives USCO's approval in writing prior to incurring such costs. Payment of these costs will be subsequent to and contingent upon signature of the agreement by both parties.

XVIII. INDIRECT COSTS

Indirect costs will be allowable charges under this award only to the extent that they are specifically included as a line item in the approved budget for this award. USCO will not allow indirect cost recovery for any actual indirect cost(s) incurred by the recipient that will cause the total indirect costs to exceed the total indirect cost line item in the approved award budget if the total costs under this award would exceed the amount of the award.

XIX. UNALLOWABLE COSTS

The following are examples of unallowable costs under this award:

a. Alcoholic Beverages. Costs of alcoholic beverages.
b. Bad Debt. Bad debts, including losses (whether actual or estimated) arising from uncollectible accounts and other claims, related collection costs, and related legal costs.

c. Contingencies. Contributions to a contingency reserve or any similar provision made for events the occurrence of which cannot be foretold with certainty as to time or intensity, or with an assurance of their happening. The term "contingency reserve" excludes self-insurance reserves, pension funds, and reserves for normal severance pay.
d. Contributions (to other entities). Contributions and donations by the recipient to others.
e. Entertainment. Costs of amusement, diversion, social activities, ceremonials, and costs relating thereto, such as meals, lodging, rentals, transportation, and gratuities. (Meals, incidental expenses, and lodging related to travel are allowed when explicitly specified in the award to achieve project goals).
f. Goods or services for personal (non-official) use. Costs of goods or services for personal use of the recipient's employees, regardless of whether the cost is reported as taxable income to the employees.
g. Except with the prior approval of USCO, expenditures in connection with the establishment or reorganization of the recipient, such as incorporation fees, brokers' fees, or fees paid to promoters, organizers or management consultants, attorneys, accountants, or investment counselors, even if these fees are paid to employees of the recipient.

Purchases of property with funds under this award are authorized only if these items are described in the award. For this purpose, "property" is defined as all real property and any tangible personal property that has a per-unit acquisition value of at least $5000.00.

XX. AIR TRAVEL

Funds under this award shall not be used for air transportation.

XXI. REPORTING AND CLOSEOUT REQUIREMENTS

The recipient shall submit reports, including performance progress and financial reports, as set forth in the award. These reports shall be submitted with any non-competitive continuation application of the recipient, if the award has not been fully funded and obligated.

The Program Manager may grant a request for an extension of a reporting deadline if the Program Manager determines that the report cannot be furnished in a timely manner for reasons legitimately beyond the control of the recipient.

Failure to comply with the reporting requirements may jeopardize the recipient's eligibility for future awards and will result in suspension of future payments under this award until this deficiency has been corrected.

Financial Report Format:
Financial Status Reports must be submitted via the SF-425 and be signed by the recipient's certified financial officer.

Final Reports:
The recipient must submit a final Financial Status Report and a final Performance Progress Report within 180 calendar days after the end date of the period of performance specified in the award. The recipient may request an extension to submit a final report later than this date, but it must submit this request at least 45 days before the end of the period of performance. USCO may grant such a request on a case-by-case basis.

Annual Reconciliation of Continuing Assistance Awards:
USCO will reconcile continuing awards and evaluate program performance and financial reports at least annually. This process will include a comparison of the recipient's work performance to its progress reports and project expenditures.

Closeout Procedures:
To comply with required closeout procedures, the recipient will:

a. reconcile cost or expenditure discrepancies;
b. pay allowable costs promptly;
c. collect any unexpended funds or disallowed costs immediately;
d. de-obligate excess funds;
e. dispose of any property acquired under the award within 120 calendar days after the end date of the period of performance; and
f. submit final financial and program reports as provided for in this section.

XXII. NOTIFICATION OF CONTRIBUTION OR ASSISTANCE

The recipient shall immediately provide written notification to USCO in the event that, subsequent to this award, it receives a voluntary contribution from a government or U.S. Government financial or grant assistance relevant to the activities under this award.

XXIII. REPORTING EXECUTIVE COMPENSATION

a. *Reporting of first-tier subawards.*
No subaward will be made under this agreement.

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 equals or exceeds US $25,000;
    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 (and subawards); and
        b. US $25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance (and subawards); and

   iii. The public does not have access to information about the compensation of the executives through periodic reports. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at http://www.sec.gov/answers/execomp.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 https://www.sam.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.*
   i. Subawards are not permitted.

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:
   i. Subawards, and
   ii. 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:
   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.
   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:
    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) (USCO 123R), Shared Based Payments.
    iii. *Earnings for services under non-equity 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 (e.g., severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds $10,000.

XXIV. COPYRIGHTS AND PUBLICATION FOR PROFESSIONAL AUDIENCES

The recipient shall hold copyright in any work that is subject to copyright and that was developed, or for which ownership was acquired, pursuant to any grant from or cooperative agreement with USCO. USCO and the recipient may agree on additional provisions concerning intellectual property rights in project outputs developed by the recipient on individual projects funded by USCO. Such additional provisions will be incorporated in the award. The United States Government reserves a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, translate or otherwise use, and to authorize others to use, for United States Government purposes, any work in which a recipient, or contractor obtains copyright rights with assistance provided under this award.

a. If the recipient finds it is appropriate to acknowledge USCO's contribution in any publication, media release, or electronic or print material developed or produced pursuant to this award, the recipient will obtain USCO's written authorization before making such acknowledgment.
b. If the recipient intends to identify USCO's contribution to any publication, video, graphic artwork, or other information or media product resulting from this award, the product shall identify the sponsoring USCO office and bureau or mission and include the following statement:
   "This [publication, video or other information or media product (specify)] was made possible through support provided by the United States Department of Agriculture's U.S. Codex Office. The opinions expressed herein are those of the

author(s) and do not necessarily reflect the views of the Government of the United States, the United States Department of Agriculture, or the U.S. Codex Office."

c. The recipient shall provide USCO with one copy of all published works developed under this award and with lists of other written work produced under this award.
d. The results of the project implemented under this award, in whatever form, shall be the sole property of the recipient, subject to the rights of third parties and to the rules and policies of the recipient.
e. Neither the recipient nor USCO will have the right to use the logo or official seal of the other party without express written permission.

XXV. RETENTION OF RECORDS

The recipient is required to maintain books, records, documents, and other evidence (together, the "account records") that, in reasonable detail, accurately and fairly reflect the transactions of the agreement. The recipient confirms that its financial statements prepared from the account records comply with the financial regulations, rules, policies, and procedures of the recipient and internationally accepted accounting standards. The recipient must maintain the account records after the final disbursement of funds under the agreement, in accordance with the time period specified in the recipient's records retention policy or for at least three years, whichever is longer.

XXVI. AUDIT

The recipient confirms that its financial statements will be subject to audit in accordance with the applicable financial regulations, rules, policies, and procedures of the recipient. The recipient will notify USCO when reports are available from the recipient's external and internal oversight bodies. Upon the request of USCO or USDA's OIG, the recipient will, subject to the recipient's regulations, rules, official policies and procedures, and privileges and immunities, provide further information from the applicable external and internal oversight bodies on report findings and recommendations related to USCO-funded programs.

In the event that USDA becomes aware of factors that would indicate a need for closer scrutiny of USDA-funded activities, USDA will bring these to the attention of the recipient. If the recipient's internal oversight body determines the need for a specialaudit, it will determine the scope and plan for any such audit in consultation with the recipient and USDA as appropriate. The costs of such an audit will constitute allowable costs under the agreement.

XXVII. COMPLIANCE REVIEWS

USDA may undertake spot checks related to activities funded by USCO. It is agreed that USDA may request and the recipient will provide, in a timely fashion, access to financial information required for such spot checks in accordance with procedures that will be developed in consultation with the recipient. It is understood that representatives of

USDA will be given access to the site of the project to the extent possible and/or to the headquarters of the recipient, as requested. The recipient will provide all relevant financial information and clarifications to USDA representatives and will explain, with appropriate concrete examples, how the accounts are managed and the procedures used to ensure transparency and accuracy in the accounts. Access to relevant financial information will be planned and coordinated by USDA and the recipient in advance consistent with procedures to be developed in consultation with the recipient. It is understood that such spot checks will not constitute financial, compliance, or other audits of USCO-funded activities and will be undertaken in a manner consistent with the UN's Single Audit Principle**.** The costs of such spot checks will be borne by USCO.

XXVIII. SUSPENSION AND TERMINATION

a. Suspension
   The recipient may unilaterally suspend implementation of project activities under this award in the event that force majeure seriously threatens the safety and security of workers on the site or makes continuation of project activities and observation of minimum safety precautions impossible. In the event of such a suspension, the recipient shall resume implementation of the project as soon as circumstances allow. The suspension may last for up to a third of the implementing period described in the detailed plan of work mutually approved by USCO and the recipient for the project. If the suspension persists for a longer period of time, USCO and the recipient may mutually agree to terminate the award.

b. Termination
   1. By Mutual Agreement
      When both parties agree that continuation of all or a portion of the project would not produce results commensurate with further expenditure of funds or for any other reason, all or part of the award may be terminated by mutual consent. If the recipient wishes to terminate all or part of the award, the recipient's authorized representative will send a written request for termination to the Grants Management Officer and concurrently send a copy to the Program Manager. If USCO wishes to terminate all or part of an award, the USCO signatory will send a written request for termination to the recipient's authorized representative. Within 30 days after receipt of a request by either party for termination by mutual agreement, the other party will provide an appropriate written response.

      If the two parties agree to terminate the award, they must agree upon the termination conditions, including the effective date and, in the case of partial termination, the portion to be terminated. The recipient must not incur new obligations for the terminated portion after the effective date and must cancel as many outstanding obligations as possible. USCO will allow full credit to the recipient for the Federal Share of obligations that were properly incurred by the recipient prior to termination and cannot be cancelled.

   2. Unilateral by the Recipient

The recipient may terminate an award in whole or in part. The recipient must notify USCO in writing of its intent to unilaterally terminate the award in whole or in part, and the reasons therefor, not less than 60 days in advance of the effective date of termination.

3. Unilateral by USCO
   i. USCO may terminate an award in whole or in part if it determines that:
      A. the assistance provided under the award is no longer necessary or desirable;
      B. storage facilities are inadequate to prevent spoilage or waste of any donated commodities, or distribution of donated commodities will result in substantial disincentive to, or interference with, domestic production or marketing in the target country;
      C. the recipient failed to comply with the terms and conditions of the award; or
      D. there is a basis for termination for cause.
   ii. USCO must notify the recipient of its intent to unilaterally terminate the award in whole or in part, and the reasons therefor, not less than 60 days in advance of the effective date of termination. USCO will allow full credit to the recipient for the Federal Share of obligations that were properly incurred by the recipient prior to termination and cannot be cancelled, and for all reasonable costs incurred as a result of such termination.

4. Consultation and Disputes
   Each party agrees to timely notify the other in the event that termination is considered. Any dispute between USCO and the recipient arising out of the interpretation or execution of this term shall be settled by mutual consultations in accordance with Section XXIX.

c. Survival of Obligations
The obligations assumed by USCO and the recipient under the award shall survive the termination of the agreement to the extent necessary to permit the orderly conclusion of activities; the withdrawal of personnel, funds and property; the submission of reports required under the award; the settlement of accounts between USCO and the recipient; and the settlement of contractual liabilities under the award with respect to any personnel, subcontractors, consultants or suppliers. The recipient shall promptly remit any remaining funds to USCO after the settlement of accounts between the recipient and USCO.

XXIX. PRIVILEGES, IMMUNITIES, AND SETTLEMENT OF DISPUTES

The parties agree that this agreement is not intended to be an international agreement governed by international law.

Nothing in this agreement or any agreement or document entered into in connection with this agreement shall imply a waiver, express or implied, by the recipient of any privileges or immunities enjoyed by them pursuant to the 1946 Convention on the Privileges and Immunities of the United Nations, the 1947 Convention on the Privileges and Immunities of the Specialized Agencies, customary international law, other relevant international or national agreements, or under domestic law.

Any differences which may arise as to the interpretation, application or performance of this agreement, or any documents or reports related thereto, shall be governed by general principles of law, to the exclusion of any single national system of law, and will be settled by means of mutual consultations between USCO and the recipient.

XXX. APPLICABLE RULES

To the extent not inconsistent with other provisions of the agreement, all activities under this agreement will be implemented in accordance with the recipient's rules, regulations, policies and procedures.