



USAID Financial Sector Transformation Project (FST)

Request for Proposals (RFP)

No. REQ-KYV-21-0017

Phase 2: Delivery-versus-Payment in Ukraine, roadmap, strategy and migration

Issue Date: March 10, 2021

NOTICE: Prospective Offerors who have received this document from a source other than the USAID Financial Sector Transformation Project, 33B, Shevchenka Boulevard, Kyiv, Ukraine, ProcurementFST@dai.com, are advised to contact ProcurementFST@dai.com and provide their name and mailing address to make sure that amendments to the RFP or other communications can be sent directly to them. Any amendments and updates to this solicitation will be sent to all registered participants by email.

Synopsis of the RFP

| | |
|--|--|
| RFP No. | RFP No. REQ-KYV-21-0017 |
| Issue Date | March 10, 2021 |
| Title | Phase 2: Delivery-versus-Payment in Ukraine, roadmap, strategy and migration |
| Issuing Office & Email for Submission of Proposals | USAID Financial Sector Transformation Project, 33B, Tarasa Shevchenko Boulevard, Kyiv, Ukraine, ProcurementFSTInbox@dai.com |
| Deadline for Receipt of Questions | Questions regarding the RFP should be submitted via email to Procurement_FST@dai.com not later than March 17, 2021 18:00 Kyiv time |
| Deadline for Receipt of Proposals | Final proposals should be submitted electronically in PDF format via email to DAI no later than March 24, 2021 18:00 Kyiv time to the following address ProcurementFSTInbox@dai.com . Cost proposal should be separated from the technical. Under no circumstances may cost information be included in the technical proposal. No cost information or any prices, whether for deliverables or line items, may be included in the technical proposal. Cost information must only be shown in the cost proposal |
| Point of Contact | Procurement_FST@dai.com |
| Anticipated Award Type | Firm Fixed Price Subcontract |
| Basis for Award | Awards will be made based on the Trade Off Method. The award will be issued to the responsible and reasonable Offeror(s) who provides the best value to DAI and its client using a combination of technical and cost/price factors |

1. Introduction and Purpose

1.1 Purpose

The overall goal of this RFP is to select an organization/company that will develop a roadmap for the migration from the current state of cash settlement in Ukraine to the most appropriate DvP securities settlement system. This activity will investigate in greater depth a securities settlement system, prevalent in global markets, where cash settlements are conducted in Central Bank's money and where a Central Securities Depository operates a securities settlement system. Such system has to comply with international BIS standards.

1.2 Issuing Office

The Issuing Office noted in the synopsis for this RFP is the sole point of contact at DAI for this procurement. Any prospective Offeror who fails to register their interest with this office assumes complete responsibility in the event that they do not receive direct communications (amendments, answers to questions, etc.) prior to the closing date.

1.3 Type of Award Anticipated

DAI anticipates awarding a Firm Fixed Price Subcontract.

A Firm Fixed Price Subcontract is an award for a total firm fixed price for the provision of specific services, goods, or deliverables and is not adjusted if the actual costs are higher or lower than the fixed price amount.

This RFP does not obligate DAI to execute a subcontract nor does it commit DAI to pay any costs incurred in the preparation and submission of the proposals. Furthermore, DAI reserves the right to reject any and all proposals, if such action is considered to be in the best interest of DAI. DAI reserves the right to award a subcontract without discussion and/or negotiation; however, DAI also reserves the right to conduct discussions and/or negotiations, which among other things may require a Bidder(s) to revise its proposal. DAI reserves the right to award subcontract for some items in the proposal or to change the amount of required services.

2. General Instructions to Offerors

2.1 General Instructions

"Offeror", "Subcontractor", and/or "Bidder" means a firm proposing the work under this RFP.

"Offer" and/or "Proposal" means the package of documents the firm submits to propose the work.

Offerors wishing to respond to this RFP must submit proposals in English in accordance with the following instructions.

Offerors are required to review all instructions and specifications contained in this RFP. Failure to do so will be at the Offeror's risk. If the solicitation is amended, then all terms and conditions not modified in the amendment shall remain unchanged.

Issuance of this RFP in no way obligates DAI to award a subcontract or purchase order. Offerors will not be reimbursed for any costs associated with the preparation or submission of their proposal. DAI shall in no case be responsible or liable for these costs.

Proposals are due no later than **March 24, 2021 18:00** Kyiv time, to be submitted via procurement email ProcurementFSTInbox@dai.com. The RFP number (REQ-KYV-21-0017) and title of the activity (Phase 2: Delivery-versus-Payment in Ukraine, roadmap, strategy and migration) must be stated in the subject line of the email, cost and technical proposals shall be submitted in different files in PDF format. The email size should not exceed 10 MB. The submission to DAI of a proposal in response to this RFP will constitute an offer and indicates the Offeror's agreement to the terms and conditions in

this RFP and any attachments hereto. DAI reserves the right not to evaluate a non-responsive or incomplete proposal.

2.2 Proposal Cover Letter

A Cover Letter shall be included with the proposal on the Offeror's personal or company letterhead with a duly authorized signature and company stamp/seal (if applicable) using Attachment B as a template for the format. The cover letter shall include the following information:

- Name and type of the company or organization.
- Address, phone, email.
- Certification the validity period of the offer.
- Certification to comply with the proposed delivery or performance schedule.
- Certification that the company has adequate financial resources to perform the work without obtaining advances from DAI.

Other required documents that shall be included as attachments to the cover letter:

- Copy of company registration or incorporation in the public registry.
- Copy of company tax registration, or equivalent document.

2.3 Questions regarding the RFP

Requests for clarification or additional information must be submitted in writing via email to the Procurement_FST@dai.com not later than **March 17, 2021 18:00 Kyiv time**. No questions will be answered by phone. Any verbal information received from a DAI or FST employee or other entity shall not be considered as an official response to any question regarding this RFP.

Copies of questions and responses will be distributed by e-mail to all registered Bidders after the deadline for receiving questions.

2.4 Responsibility Determination

DAI will not enter into any type of agreement with an Offeror prior to ensuring the Offeror's responsibility. When assessing an Offeror's responsibility, the following factors are taken into consideration:

1. Companies or organizations, whether for-profit or non-profit, must be legally registered.
2. Companies or organizations, whether for-profit or non-profit, shall be requested to provide a DUNS number if selected to receive a sub-award valued at USD\$30,000 or more, unless exempted in accordance with information certified in the Evidence of Responsibility form included in the required certifications in Attachment E.
3. Be qualified and eligible to perform work under applicable laws and regulations.
4. Have a satisfactory past performance record.
5. Have a satisfactory record of integrity and business ethics.
6. Have the necessary organization, experience, accounting and operational controls and technical skills.
7. Have the necessary production, construction and technical equipment and facilities if applicable.
8. Be qualified and eligible to perform work under applicable laws and regulations.

3. Anticipated post-award Deliverables

Upon award of a subcontract, the deliverables detailed in the table below will be submitted to DAI, according to the time frame proposed by the Subcontractor. In view of tasks foreseen for each stage, the Subcontractor shall submit:

| Project Step | Description | Due Date |
|---------------|--|-----------|
| Deliverable 1 | Draft first part of the roadmap (subtasks 1, 2) | May 2021 |
| Deliverable 2 | Final first part of the roadmap | May 2021 |
| Deliverable 3 | Draft second part of the roadmap (subtasks 3,4) | June 2021 |
| Deliverable 4 | Final second part of the roadmap | June 2021 |
| Deliverable 5 | Merge two parts of the roadmap and make PowerPoint presentation that will be presented at the roundtable with regulators and market participants | June 2021 |

4. Inspection & Acceptance

All deliverables are subject to approval by DAI and considered final upon DAI approval. DAI reserves up to 20 working days to provide written comments on the deliverables from the selected Offeror.

5. Compliance with Terms and Conditions

5.1 General Terms and Conditions

Offerors agree to comply with the provisions for Obtaining a Duns Number for an award resulting from this RFP (Attachment F). The selected Offeror shall comply with all representations and certifications of compliance listed in Attachment E.

5.2 Source and Nationality

Under the authorized geographic code for its contract DAI may only procure goods and services from the following countries.

Geographic Code 110: Goods and services from the United States, the independent states of the former Soviet Union, or a developing country, but excluding Prohibited Countries.

DAI must verify the source and nationality of goods and services and ensure (to the fullest extent possible) that DAI does not procure any goods or services from prohibited countries listed by the Office of Foreign Assets Control (OFAC) as sanctioned countries. OFAC sanctioned countries may be searched within the System for Award Management (SAM) at www.SAM.gov. The current list of countries under comprehensive sanctions include: Cuba, Iran, North Korea, Sudan, and Syria. Goods may not transit through or be assembled in comprehensive sanctioned origin or nationality countries

nor can the vendor be owned or controlled by a prohibited country. DAI is prohibited from facilitating any transaction by a third party if that transaction would be prohibited if performed by DAI.

By submitting a proposal in response to this RFP, Offerors confirm that they are not violating the Source and Nationality requirements of the goods or services being offered and that the goods and services comply with the Geographic Code and the exclusions for prohibited countries outlined above.

5.3 Data Universal Numbering System (DUNS)

There is a **mandatory** requirement for your organization to provide a DUNS number to DAI. The Data Universal Numbering System is a system developed and regulated by Dun & Bradstreet (D&B) that assigns a unique numeric identifier, referred to as a "DUNS number" to a single business entity. Without a DUNS number, DAI cannot deem an Offeror "responsible" to conduct business with and therefore, DAI will not enter into a subcontract/purchase order or monetary agreement with any organization. The determination of a successful offeror/applicant resulting from this RFP/RFQ/RFA is contingent upon the winner providing a DUNS number to DAI. Offerors who fail to provide a DUNS number will not receive an award and DAI will select an alternate Offeror.

All U.S. and foreign organizations which receive first-tier subcontracts/ purchase orders with a value of \$30,000 and above **are required** to obtain a DUNS number prior to signing of the agreement. Organizations are exempt from this requirement if the gross income received from all sources in the previous tax year was under \$300,000. DAI requires that Offerors sign the self-certification statement if the Offeror claims exemption for this reason.

For those required to obtain a DUNS number, see Attachment F - Instructions for Obtaining a DUNS Number - DAI'S Vendors, Subcontractors

For those not required to obtain a DUNS number, see Attachment G: Self Certification for Exemption from DUNS Requirement

6. Procurement Ethics

Neither payment nor preference shall be made by either the Offeror, or by any DAI staff, in an attempt to affect the results of the award. DAI treats all reports of possible fraud/abuse very seriously. Acts of fraud or corruption will not be tolerated, and DAI employees and/or subcontractors/grantees/vendors who engage in such activities will face serious consequences. Any such practice constitutes an unethical, illegal, and corrupt practice and either the Offeror or the DAI staff may report violations to the Toll-Free Ethics and Compliance Anonymous Hotline at +1 855-603-6987, via the DAI website, or via email to FPI_hotline@dai.com. DAI ensures anonymity and an unbiased, serious review and treatment of the information provided. Such practice may result in the cancellation of the procurement and disqualification of the Offeror's participation in this, and future, procurements. Violators will be reported to USAID, and as a result, may be reported to the U.S. Department of Justice to be included in a Restricted Parties list, preventing them from participating in future U.S. Government business.

Offerors must provide full, accurate and complete information in response to this solicitation. The penalty for materially false responses is prescribed in Section 1001 of Title 18 of the United States Code.

In addition, DAI takes the payment of USAID funds to pay Terrorists, or groups supporting Terrorists, or other parties in exchange for protection very seriously. Should the Terrorist, groups or other parties attempt to extort/demand payment from your organization you are asked to immediately

report the incident to DAI's Ethics and Compliance Anonymous Hotline at the contacts described in this clause.

By submitting an offer, Offerors certify that they have not/will not attempt to bribe or make any payments to DAI employees in return for preference, nor have any payments with Terrorists, or groups supporting Terrorists, been attempted.

7. Attachments

7.1 Attachment A: Scope of Work for Services or Technical Specifications

BACKGROUND

DvP transactions settlement

DvP in Ukraine occurs currently via an interfaced model, which means that securities accounts and cash accounts are located on two separate platforms. For government securities, the securities accounts are maintained at the NBU depository while the securities accounts for corporate securities are maintained at NDU.

The cash accounts for the national DvP settlement model (for stock-exchange and OTC trades) are located within the Settlement Center (SC) – a commercial bank owned by the NBU, which acts as a central counterparty (CCP) for all trades on exchanges and has a monopoly on delivery-versus-payment (DVP) settlement for all secondary market exchange and OTC transactions. This means, that with the exception of primary auctions and special OTC Payment versus Delivery (PvD) or Receipt versus Payment (RvP) transactions with government bonds that are settled by NBU depository in central bank money in RTGS accounts in SEP system, all other against-payment securities transactions (including on-exchange trades) are settled in commercial bank (SC) money.

The transformation of DvP transactions settlement infrastructure in 2021

- The Settlement Center will lose its DvP monopoly, commercial banking license and consequently access to RTGS accounts in SEP on July 1, 2021.
- The NBU will start providing an indirect access to SEP for SC and NDU starting on July 1, 2021 if SC and NDU get their Clearing Institution licenses from the Securities Commission (NSSMC) (if SC's new rules are approved that is). This indirect access to SEP does not provide access to RTGS accounts within SEP, where the NBU acts as service provider – an intermediary using the same logic as a commercial bank. This approach limits the choice of cash clearing model to only one: Integrated. In addition, since the NBU acts as intermediary and there is no direct access to RTGS accounts, the cash settlement cannot be treated as settlement in central bank money.

In addition to these changes in 2021, the following developments are expected in the near future:

- The NBU is expected to pass over the government bonds custodial function to the NDU. Therefore, the link between the NDU and SEP must be established. This transfer has been discussed since 2016, and is supported by IFIs, including the IMF.
- A new law that establishes the framework for derivatives trading was passed by the Parliament in June 2020 (Law #738-IX), and this creates another transaction flow for the market infrastructure to process
- A comprehensive reform of financial markets in Ukraine will involve commodities and energy markets. Hence, it is vital for the regulators to agree on the infrastructure and establish the safest settlement system for future markets.
- In order to enable the new instruments and transaction flows, an EMIR-like -compliant CCP is expected to be built on the basis of the SC by providing new technology and introducing new business procedures for transaction settlement risk management, that will also enable to implement T+X settlement cycle for exchange-traded instruments.

In October/November 2020, FST subcontractor SWIFT presented an initial assessment of the limitations of the current settlement regime and described possible future models that would work in Ukraine. The report was divided into two parts: an “AS-IS” part that focused on the current situation with its problems and a “TO-BE” part, which suggested possible solutions on future cash settlement of securities transactions. In particular, SWIFT’s report indicated that DvP cash settlements are to be carried out in Central Bank’s money (NBU), by opening a cash account/technical account for CSD (NDU). In its report, SWIFT laid out six possible technical Interconnections between the NBU and the NDU, primarily focusing on various cash accounts that can be opened for the NDU and the SC. The report concluded that there were two viable models for Ukraine. (Model number four was recommended, but model number two could also be an option). Expert discussions with market participants indicated that there was a need for additional understanding and explication of SWIFT Models 4 and 2 (the report will be distributed to the chosen vendor).

TASKS

Task 1. Develop the first part of the roadmap – detailed business model for cash leg settlements

Subtask 1. Agreeing a model

The first step of the roadmap should be a comprehensive analysis of the two models outlined in the DvP study. The models are: 1) an interfaced model, with a cash account for Central Securities Depository (CSD) in System for electronic payments (SEP), where settlement bank’s SEP main account is used for settlement (hereinafter SWIFT Model 2); and 2) interfaced model, with a cash account for Central Securities Depository (CSD) in System for electronic payments (SEP), where settlement bank’s SEP sub-account is used for settlement (hereinafter SWIFT Model 4). The securities transactions cash leg settlement using the RTGS accounts in the SEP system will require the right for National Depository of Ukraine (NDU), and potentially Settlement Center (SC), to debit and credit any RTGS account in the SEP system without authorization from the RTGS account owner (Model 2) or introduce a new substance as a RTGS sub-account in SEP for efficient liquidity management purposes where NDU and potentially SC has the right to debit and credit any RTGS sub-account in SEP system without authorization from RTGS account and sub-account owner (Model 4). The Vendor should provide arguments that support the choice of either models two and four and justify the choice of a recommended model, taking into account relative ease of migration between current state and desired state. The task is to outline criteria for adherence to SWIFT Models 2 and 4 based on the evaluation of current Ukrainian operations and market status, and recommend which of the two described models is most suited for Ukraine.

Subtask 2. Roles and responsibilities

The Vendor should provide a detailed description of the roles and responsibilities of different agencies/institutions throughout the entire settlement cycle.

TASK 2. Develop the second part of the roadmap - technical set-up and migration

Subtask 3. Enabling BIS DVP Models 2 (securities gross, cash net) and 3 (securities net, cash net).

The vendor should describe in detail the advantages, general practices and exceptions of opening technical accounts to infrastructure entities (i.e. NDU – CSD; SC – CCP) in RTGS system operated by the NBU (SEP) and the manner in which it is done. Secondly, the Vendor should analyze functional

and operational aspects of opening such accounts i.e. what will it take to provide such technology and implement changes to current procedures in SEP.

Subtask 4. SEP modifications towards ISO 20022 messaging system

Depending on the choice of Model 2 vs. Model 4, SEP will require technical development of functionality:

- a. Opening RTGS subaccounts, dedicated exclusively for securities transactions cash leg settlement. Only the RTGS account owner and institutions (NDU and potentially SC) with the right to initiate payment instructions can debit and credit these subaccounts (from the perspective of messaging system).
- b. Opening a technical account for NDU and possibly SC to perform operations exclusively linked only to securities transaction cash leg settlement. The functionality of such account can technically be the same, but limited contractually (from the perspective of messaging system).
- c. Switching to ISO20022 camt series messaging – the flow of messages that relates to the entire settlement cycle.
- d. Necessary (or suggested) changes to liquidity management requirements/regulations (if applicable).

The Vendor should in detail describe steps that should be taken by involved parties to transform SEP to accommodate the chosen DVP Model.

QUALIFICATIONS

Extensive proven experience in consultancy assignments for the HVP RTGS systems and DVP securities settlement.

7.2 Attachment B: Proposal Cover Letter

[On Offeror's Letterhead]

<Insert date>

TO: USAID/FST Project, Managed by DAI Global LLC

We, the undersigned, provide the attached proposal in accordance with **REQ-KYV-21-0017 Phase 2: Delivery-versus-Payment in Ukraine, roadmap, strategy and migration** issued on March 10, 2021. Our attached proposal is for the total price of <Sum in Words (0.00 USD Sum in Figures)>.

We certify a validity period of 90 days for the prices provided in the attached Price Schedule (Attachment C). Our proposal shall be binding upon us subject to the modifications resulting from any discussions.

We understand that these products or services are eligible for VAT exemption under the DAI Prime contract. The total amount will be paid without VAT.

We confirm that we have adequate financial resources to deliver goods and services or the ability to obtain financial resources without receiving advance funds from DAI.

We understand that DAI is not bound to accept any proposal it receives.

Yours sincerely,

Authorized Signature:

Name and Title of Signatory: [●]

Name of Offeror: [●]

Address: [●]

Telephone: [●]

Email: [●]

Company Seal/Stamp:

7.3 Attachment C: Price Schedule

| Project Step | Description | Due Date |
|---------------|--|----------|
| Deliverable 1 | Draft first part of the roadmap (subtasks 1, 2) | |
| Deliverable 2 | Final first part of the roadmap | |
| Deliverable 3 | Draft second part of the roadmap (subtasks 3,4) | |
| Deliverable 4 | Final second part of the roadmap | |
| Deliverable 5 | Merge two parts of the roadmap and make PowerPoint presentation that will be presented at the roundtable with regulators and market participants | |

All prices should be in USD, and exclude any excise, duty, fees, or withholding tax of any kind.

Create a budget for the price proposal. Each Offeror must create a budget using a spreadsheet program compatible with MS Excel. The budget period should follow the technical proposal period. A sample budget is shown on the following page.

Write Cost Notes. The spreadsheets shall be accompanied by written notes in MS Word that explain each cost line item and the assumption why a cost is being budgeted as well as how the amount is reasonable.

7.4 Attachment D: Past Performance Summary / References

If you are a legal entity with relevant work experience, please provide a list of at least three projects that best illustrate your work experience relevant to this RFP, sorted by decreasing order of completion date.

Projects should have been undertaken in the past five years. Projects undertaken in the past six years may be taken into consideration at the discretion of the evaluation committee.

| # | Description of Activities | Location | Client / Reference Name/Tel No | Cost in US\$ (if applicable) | Start-End Dates | Completed on schedule (Yes/No) | Completion Letter Received? (Yes/No) |
|---|---------------------------|----------|--------------------------------|------------------------------|-----------------|--------------------------------|--------------------------------------|
| 1 | | | | | | | |
| 2 | | | | | | | |
| 3 | | | | | | | |

7.5 Attachment E: Representations and Certifications of Compliance

1. Federal Excluded Parties List - The Bidder Select is not presently debarred, suspended, or determined ineligible for an award of a contract by any Federal agency.
2. Executive Compensation Certification- FAR 52.204-10 requires DAI, as prime contractor of U.S. federal government contracts, to report compensation levels of the five most highly compensated subcontractor executives to the Federal Funding Accountability and Transparency Act Sub-Award Report System (FSRS)
3. Executive Order on Terrorism Financing- The Contractor 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 legal responsibility of the Contractor/Recipient to ensure compliance with these Executive Orders and laws. Recipients may not engage with, or provide resources or support to, individuals and organizations associated with terrorism. No support or resources may be provided to individuals or entities that appear on the Specially Designated Nationals and Blocked persons List maintained by the US Treasury (online at www.SAM.gov) or the United Nations Security Designation List (online at: http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml). This provision must be included in all subcontracts/sub awards issued under this Contract.
4. Trafficking of Persons – The Contractor may not traffic in persons (as defined in the Protocol to Prevent, Suppress, and Punish Trafficking of persons, especially Women and Children, supplementing the UN Convention against Transnational Organized Crime), procure commercial sex, and use forced labor during the period of this award.
5. Certification and Disclosure Regarding Payment to Influence Certain Federal Transactions – The Bidder certifies that it currently is and will remain in compliance with FAR 52.203-11, Certification and Disclosure Regarding Payment to Influence Certain Federal Transactions.
6. Organizational Conflict of Interest – The Bidder certifies that will comply FAR Part 9.5, Organizational Conflict of Interest. The Bidder certifies that is not aware of any information bearing on the existence of any potential organizational conflict of interest. The Bidder further certifies that if the Bidder becomes aware of information bearing on whether a potential conflict may exist, that Bidder shall immediately provide DAI with a disclosure statement describing this information.
7. Prohibition of Segregated Facilities - The Bidder certifies that it is compliant with FAR 52.222-21, Prohibition of Segregated Facilities.2
8. Equal Opportunity – The Bidder certifies that it does not discriminate against any employee or applicant for employment because of age, sex, religion, handicap, race, creed, color or national origin.
9. Labor Laws – The Bidder certifies that it is in compliance with all labor laws.
10. Federal Acquisition Regulation (FAR) – The Bidder certifies that it is familiar with the Federal Acquisition Regulation (FAR) and is in not in violation of any certifications required in the applicable clauses of the FAR, including but not limited to certifications regarding lobbying, kickbacks, equal employment opportunity, affirmation action, and payments to influence Federal transactions.
11. Employee Compliance – The Bidder warrants that it will require all employees, entities and individuals providing services in connection with the performance of a DAI Purchase Order to comply with the provisions of the resulting Purchase Order and with all Federal, State, and local laws and regulations in connection with the work associated therein.

By submitting a proposal, Offerors agree to fully comply with the terms and conditions above and all applicable U.S. federal government clauses included herein, and will be asked to sign these Representations and Certifications upon award.

7.6 Attachment F: Instructions for Obtaining a DUNS Number - DAI's Vendors, Subcontractors

DAI'S VENDORS, SUBCONTRACTORS & GRANTEEES

Note: There is a Mandatory Requirement for your Organization to Provide a DUNS number to DAI

I. SUBCONTRACTS/PURCHASE ORDERS: All domestic and foreign organizations which receive first-tier subcontracts/ purchase orders with a value of \$25,000 and above are required to obtain a DUNS number prior to signing of the agreement. *Your organization is exempt from this requirement if the gross income received from all sources in the previous tax year was under \$300,000. Please see the self-certification form attached.*

II. MONETARY GRANTS: All foreign entities receiving first-tier monetary grants (standard, simplified and FOGs) with a value equal to or over \$25,000 and performing work outside the U.S. must obtain a DUNS number prior to signing of the grant. All U.S. organizations who are recipients of first-tier monetary grants of any value are required to obtain a DUNS number; the exemption for under \$25,000 applies to foreign organizations only.

NO SUBCONTRACTS/POs (\$25,000 + above) or MONETARY GRANTS WILL BE SIGNED BY DAI WITHOUT PRIOR RECEIPT OF A DUNS NUMBER.

Note: The determination of a successful offeror/applicant resulting from this RFP/RFQ/RFA is contingent upon the winner providing a DUNS number to DAI. Organizations who fail to provide a DUNS number will not receive an award and DAI will select an alternate vendor/subcontractor/grantee.

Background:

Summary of Current U.S. Government Requirements- DUNS and Reporting in FSRs Database

The Data Universal Numbering System (DUNS) is a system developed and managed by Dun and Bradstreet that assigns a unique nine-digit identifier to a business entity. It is a common standard world-wide and users include the U.S. Government, European Commission and the United Nations. The DUNS number will be used to better identify related organizations that are receiving U.S. federal funding, and to provide consistent name and address data for electronic application systems.

The U.S. Government requires that all applicants for first-tier monetary grants (i) and all first-tier subcontracts/purchase orders of \$25,000 or above have a DUNS number prior to DAI issuing an award to that entity.

REQUIREMENT FOR DAI TO REPORT DATA IN THE FSRs DATABASE:

In addition, in accordance with the Federal Funding Accountability and Transparency Act of 2008; FAR 52.204-10, "Reporting Executive Compensation and First-Tier Subcontract Awards" (Revised July 2010); and Subpart 4.14—"Reporting Executive Compensation and First-Tier Subcontract Awards," effective March 1, 2011, DAI is required to report any newly awarded first-tier subcontracts \$25,000 or above in the FSRs (Functional Security Requirements Specifications) database at <http://www.fsr.gov>.

In accordance with AAPD 11-01 amended, all foreign entities receiving first-tier monetary grants (standard, simplified and FOGs) with a value equal to or over \$25,000 and performing work outside the U.S. must obtain a DUNS number prior to signing of the grant. All U.S. organizations who are recipients of first-tier monetary grants of any value are required to obtain a DUNS number; the exemption for under \$25,000 applies to foreign organizations only. In accordance with the AAPD as well as 2 CFR Parts 25 and 170, DAI is required to report on grantees in the FSRs database. The reported information for subcontracts and grants will be available for the public to view at <http://usaspending.gov>.

Instructions detailing the process to be followed in order to obtain a DUNS number for your organization begin on the next page.

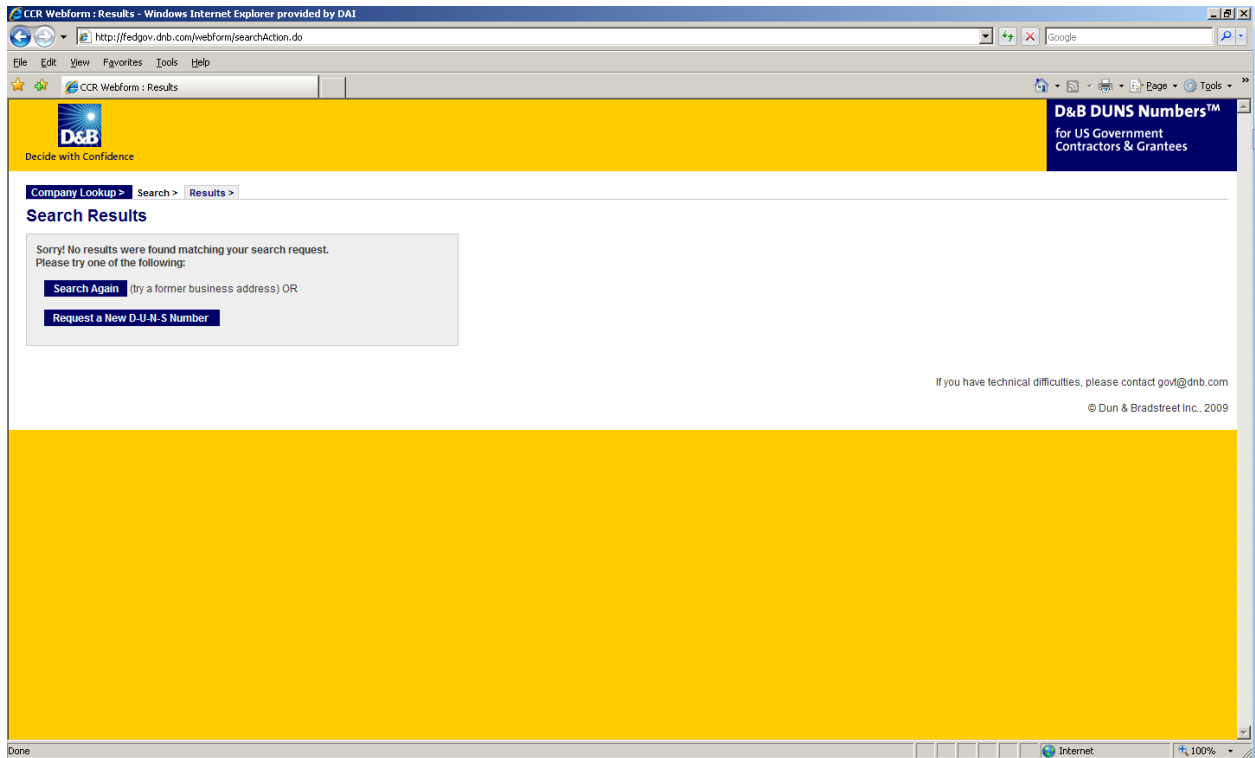
THE PROCESS FOR OBTAINING A DUNS NUMBER IS OUTLINED BELOW:

1. Log on to the D&B (Dun & Bradstreet) DUNS registration website to begin the process of obtaining a DUNS number free of charge.

<http://fedgov.dnb.com/webform/index.jsp>

Please note there is a bar on the left for Frequently Asked Questions as well as emails and telephone numbers for persons at Dun & Bradstreet for you to contact if you have any questions or difficulties completing the application on-line. DAI is not authorized to complete the application on your organization's behalf; the required data must be entered by an authorized official of your organization.

2. Select the Country where your company is physically located.
3. You will first be asked to search the existing DUNS database to see whether a DUNS number already exists for your organization/entity. Subcontractors/grantees who already have a DUNS number may verify/update their DUNS records.
4. Potential DAI subcontractors/vendors/grantees who do not already have a DUNS number will be shown the screen below. To request a new DUNS Number, the "Request a New D-U-N-S Number" button needs to be selected.



5. Enter the information regarding your organization listed on the next three screens. (See screen shots below.) Make sure you have the following information available (in English) prior to beginning the process of entering this section in order to ensure successful registration.
 - Legal Business Name (commas are allowed, periods are not allowed)
 - Address
 - Phone
 - Name of Owner/Executive
 - Total Number of Employees
 - Annual Sales or Revenue (US Dollar equivalent)
 - Description of Operations
6. Note that some fields are Optional, however all other fields must be completed to proceed further with the application process. For example, all applicants must complete the Organization Information sections. The Company Name and Physical Address fields are self-populated based on information previously entered during the initial DUNS search. The question marks to the left of the field provide additional information when you click on them.

CCR Webform : New Duns Number Request. - Windows Internet Explorer provided by DAI

http://fedgov.dnb.com/webform/newReq.do?hdnCompanyNumber=1&browser=&hdnCompanyName=&hdnAddress=&hdnCity=&hdnState=&hdnZip=&hdnCountry=&hdnDuns=&hdnTradeStyleName=&newComp...

File Edit View Favorites Tools Help

CCR Webform : New Duns Number Request.

D&B
Decide with Confidence

D&B DUNS Numbers™
for US Government
Contractors & Grantees

D-U-N-S Number Request > Search > Enter Your Company Information >

Request for New D-U-N-S Number

Any affiliated companies at the same address, will not be affected. If there are affiliated companies at the same address, please specify in the Notes section.

Complete the information below to obtain a new D-U-N-S Number for your company's physical location.

Note: All fields are required unless otherwise indicated.

Company Name

Legal Name: DNE TEST, INC.

Legal Structure: Proprietorship

Tradestyle Name 1 (optional):

Tradestyle Name 2:

Tradestyle Name 3:

Phone Number of Business: 20-555-1212

Physical Address

Street: 100 Jalan Abdul Rahman

City: Kabul

State:

Zip Code + 4/Postal Code:

Country: AFGHANISTAN

Mailing Address (optional) Same as Physical Address

Street/ P.O. Box:

City:

7. You must select the legal structure of your organization from the pull down menu. To assist you in selecting the appropriate structure that best represents your organization, a brief description of the various types follows:

- Corporation – A firm that meets certain legal requirements to be chartered by the state/province in which it is headquartered by the filing of articles of incorporation. A corporation is considered by law to be an entity separate and distinct from its owners. It can be taxed; it can be sued; it can enter into contractual agreements.
- Government - central, province/state, district, municipal and other U.S. or local government entities. Includes universities, schools and vocational centers owned and operated by the government.
- Limited Liability Company (LLC) - This is a type of business ownership combining several features of corporation and partnership structures. It is designed to provide the limited liability features of a corporation and the tax efficiencies and operational flexibility of a partnership. Its owners have limited personal liability for the LLC's debts and obligations, similar to the status of shareholders in a corporation. If your firm is an LLC, this will be noted on the organizations registration and licensing documents.
- Non-profit - An entity which exists for charitable reasons and is not conducted or maintained for the purpose of making a profit. Any money earned must be retained by the organization, and used for its own expenses, operations, and programs. Most organizations which are registered in the host country as a non-governmental organization (NGO) rather than as a commercial business are anon-profit entities.

Community based organizations, trade associations, community development councils, and similar entities which are not organized as a profit making organization should select this status, even if your organization is not registered formally in country as an NGO.

- Partnership- a legal form of operation in which two or more individuals carry on a continuing business for profit as co-owners. The profits and losses are shared proportionally.
- Proprietorship-These firms are owned by one person, usually the individual who has day-to-day responsibility for running the business. Sole proprietors own all the assets of the business and the profits generated by it.

8. One of the most important fields that must be filled in is the Primary SIC code field. (See screen shot below.) The Primary Standard Industrial Code classifies the business' most relevant industry and function.

CCR Webform : New Duns Number Request. - Windows Internet Explorer provided by DAI

http://fedgov.dnb.com/webform/newReq.do?hdncompanynumber=1&browser=&hdnCompanyName=&hdnAddress=&hdnCity=&hdnState=&hdnZip=&hdnCountry=&hdnDuns=&hdnTradeStyleName=&newComp...

Street/ P.O. Box

City

State

Zip Code + 4/Postal Code

Country

Organization Information

Executive Name

Title

Primary SIC code

Description of Operations

Socioeconomic Data

Number of Employees(includes owners, partners, and/or officers)

Annual Sales or Revenue

Parent Organization (optional)

Name

Street

City

State

Zip Code + 4/Postal Code

Country

Notes (optional)

If you have technical difficulties, please contact gov4@dnb.com

9. If you are unsure of which SIC Code your organization's core business falls under, please refer to the following website: <http://www.osha.gov/oshstats/sicser.html>

Standard Industrial Classification (SIC) System Search - Windows Internet Explorer provided by DAI

http://www.osha.gov/pls/lmis/sicsearch.html

UNITED STATES DEPARTMENT OF LABOR

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Occupational Safety & Health Administration We Can Help

Home Workers Regulations Enforcement Data & Statistics Training Publications Newsroom Small Business OSHA

STATISTICS & DATA | SIC MANUAL

This page allows the user to search the 1987 version SIC manual by keyword, to access descriptive information for a specified 2,3,4-digit SIC, and to examine the manual structure.

Enter a SIC CODE:

Enter the search keyword(s):

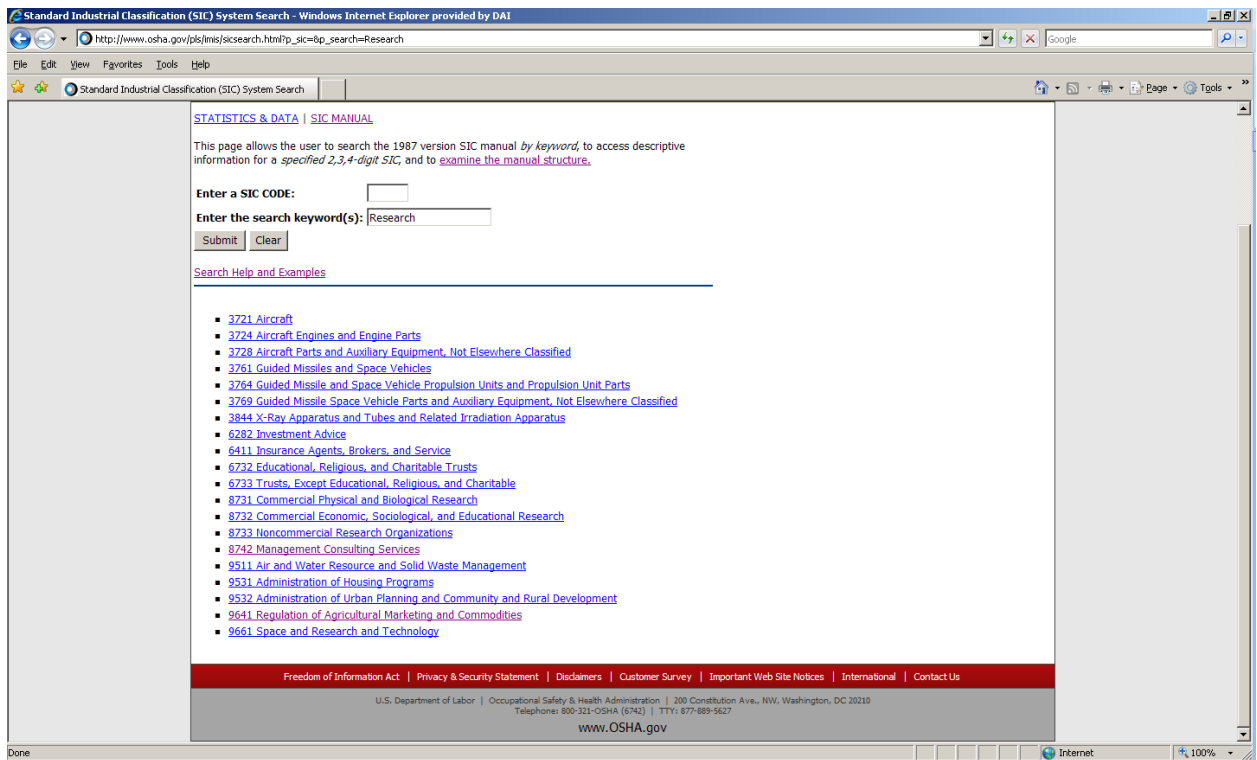
[Search Help and Examples](#)

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Telephone: 800-321-OSHA (6742) | TTY: 877-889-5627

www.OSHA.gov

You will need to enter certain keywords to bring up the potential SIC Codes. In the case above, "Research" was entered as the keyword, and resulted in the following:



PLEASE NOTE: Many of the DAI subcontractors and grantees fall under one of the following SIC codes:

8742 Management Consulting Services

1542 General Contractors-Nonresidential Buildings, Other than Industrial Buildings and Warehouses or one of the codes within:

Industry Group 357: Computer And Office Equipment

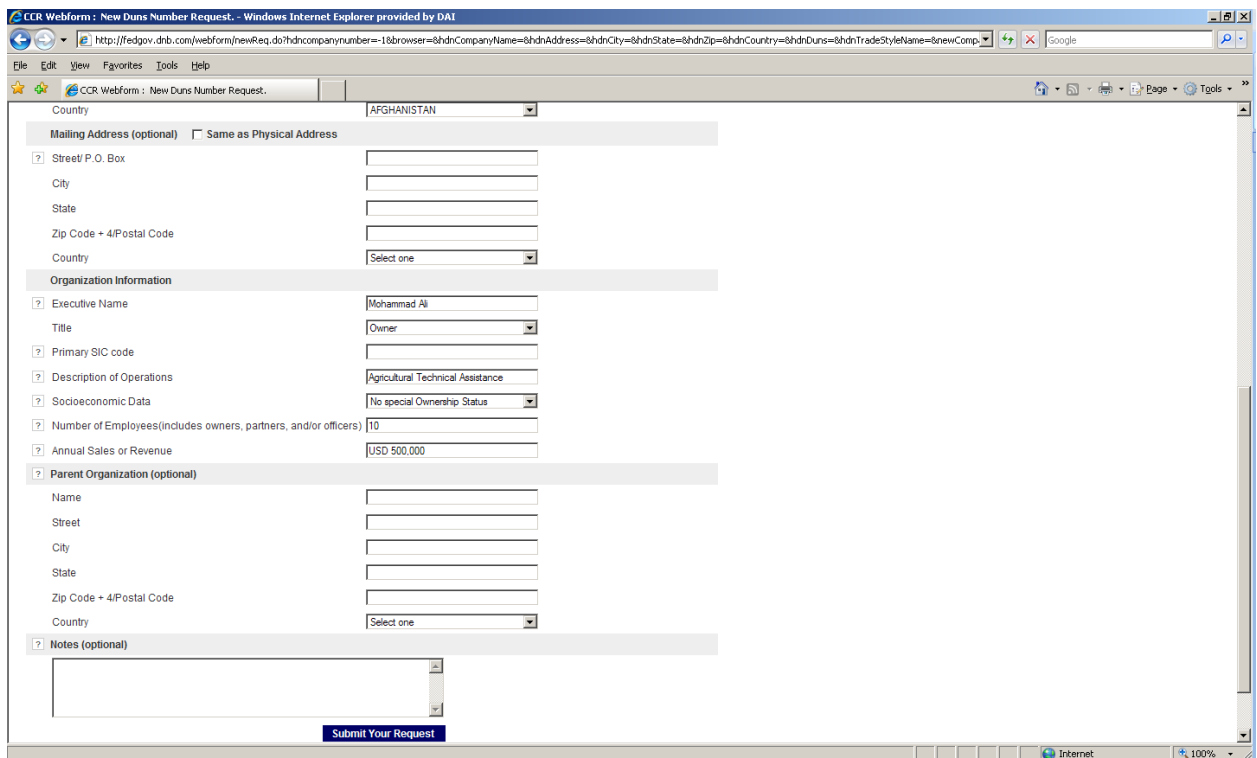
Industry Group 355: Special Industry Machinery, Except Metalworking

Industry Group 356: General Industrial Machinery And Equipment

Industry Group 359: Miscellaneous Industrial And Commercial

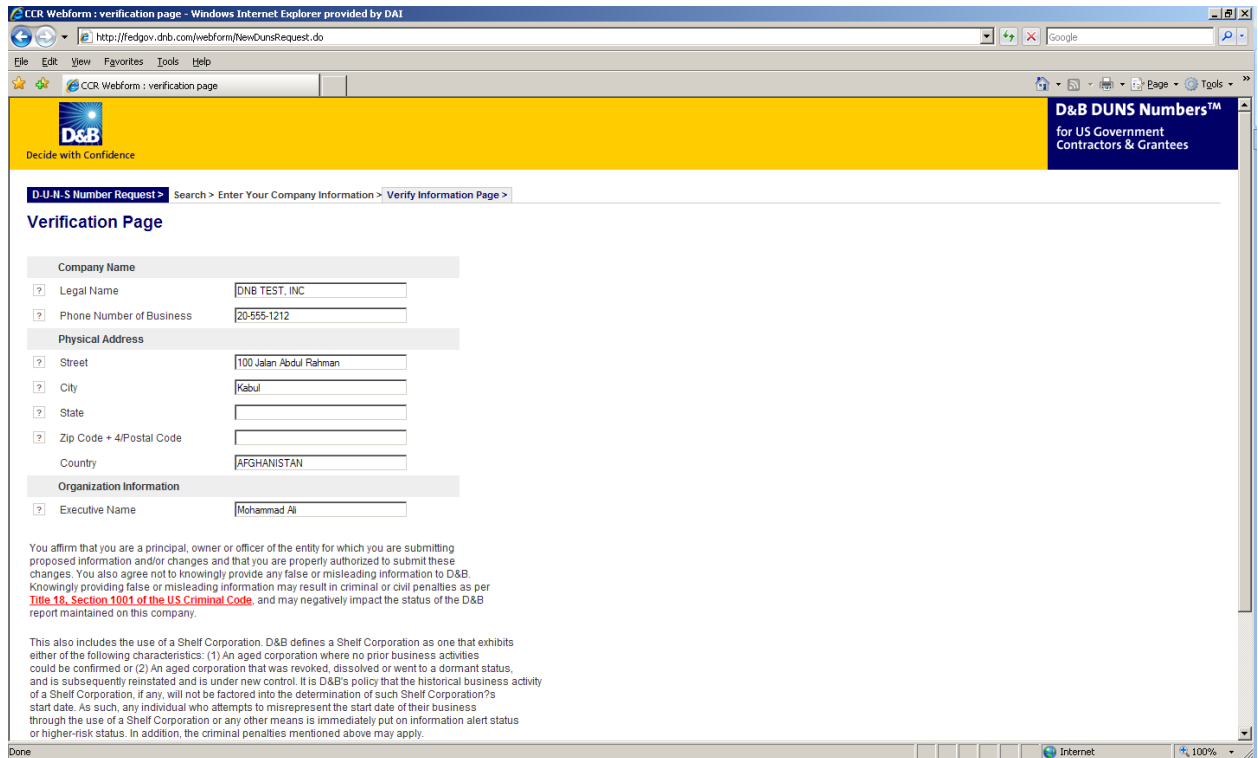


10. Description of Operations- Enter a brief description of the primary services you provide the example below, "agricultural technical assistance" was chosen as the primary function of the business.



11. The Annual Sales or Revenue figure should be provided in USD (US Dollar) equivalent.

12. Once all of the fields have been completed, click on “Submit Your Request” to be taken to the Verification page.
13. Note: Representative (Principal, Owner or Officer) needs to verify and provide affirmation regarding the accuracy of the data under criminal or civil penalties as per Title 18, Section 1001 of the US Criminal Code.
14. Once “Yes, Continue” button is clicked, the registration application is sent to D&B, and a DUNS number should be available within 24-48 hours. DUNS database can be checked in 24-48 hours by entering the Business Information in the Search window – which should now display a valid result with the new DUNS number for the entity.



7.7 Attachment G: Self Certification for Exemption from DUNS Requirement

Legal Business Name:

Physical Address:

Physical City:

Physical Foreign Province (if applicable):

Physical Country:

Signature of Certifier

Full Name of Certifier (Last Name,
First/Middle Names):

Title of Certifier:

Date of Certification (mm/dd/yyyy):

The sub-contractor/vendor whose legal business name is provided herein, certifies that we are an organization exempt from obtaining a DUNS number, as the gross income received from all sources in the previous tax year is under USD \$300,000.

*By submitting this certification, the certifier attests to the accuracy of the representations and certifications contained herein. The certifier understands that s/he and/or the sub-contractor/vendor may be subject to penalties, if s/he misrepresents the sub-contractor/vendor in any of the representations or certifications to the Prime Contractor and/or the US Government.

The sub-contractor/vendor agrees to allow the Prime Contractor and/or the US Government to verify the company name, physical address, or other information provided herein. Certification validity is for one year from the date of certification.

List of Optional Attachments

7.8 Attachment H: Proposal Checklist

Offeror: _____

Have you?

Submitted your proposal to DAI in an electronic format as specified in the General Instructions above?

Does your proposal include the following?

Signed Cover Letter and required attachments (*use template in Attachment B*).

Separate Technical Cost Proposal:

- Technical Approach.
- Management, Key Personnel, and Staffing Plan.
- Corporate Capabilities, Experience, and Past Performance (*use template in Attachment D*).

Separate Cost Proposal (*use template in Attachment C*):

Responsibility determination documents.