



Acquisition & Assistance Policy Directive (AAPD)

From the Director, Office of Procurement

Issued: March 20, 2002

AAPD 02-04

Implementation of E.O. 13224 -- Executive Order on Terrorist Financing

Subject Category: Acquisition Management (AM); Assistance (A)
Type: New Policy/Procedure

AAPDs provide information of significance to all agency personnel and partners involved in the Acquisition and Assistance process. Information includes (but is not limited to): advance notification of changes in acquisition or assistance regulations; reminders; procedures; and general information. Also, AAPDs may be used to implement new requirements on short-notice, pending formal amendment of acquisition or assistance regulations.

AAPDs are **EFFECTIVE AS OF THE ISSUED DATE** unless otherwise noted in the guidance below; the directives remain in effect until this office issues a notice of cancellation.

This AAPD: Is New Replaces/ Amends
CIB/AAPD No: _____

Precedes change to: AIDAR Part(s) _____ Appendix _____
 USAID Automated Directives System (ADS) Chapter _____
 Code of Federal Regulations _____
 Other _____
 No change to regulations

Applicable to: Existing awards; Modification required:
 Effective immediately
 No later than _____
 As noted in guidance below
 RFPs/RFAs issued on or after the effective date of this AAPD; all other Pending Awards, i.e., 8(a), sole source...
 Other or N/A _____

New Provision/Clause Provided Herein: Yes; Scheduled update to Prodoc: ASAP
 No

Signature on file

MARK WARD

Following the tragic events of September 11, 2001, President Bush issued Executive Order 13224 of September 24, 2001. Executive Order 13224 designated 27 individuals and entities that commit or pose a significant risk of committing terrorist acts and authorized the Secretary of State to designate additional individuals and entities. The Order also authorized the Secretary of Treasury to designate additional individuals and entities that provide support or services to, are owned or controlled by, act for or on behalf of, or are "otherwise associated with," an individual or entity who has been designated in or under the Order. All property and interests in property of the individual or entity in the United States or in the possession or control of U.S. persons are blocked. The Order prohibits all transactions and dealings in blocked property or interests in the U.S. or by U.S. persons, and also prohibits transactions with, and provision of support for, individuals or entities listed in or subject to the Order. As of February 26, 2002, the number of designated individuals and entities was 189.

Pending more detailed guidance, USAID posts and Washington-based COs and CTOs are requested to ensure that all USAID contractors and recipients are aware of Executive Order 13224 and the names of the individuals and entities designated thereunder. A list of these names can be found at the web site of the Office of Foreign Assets Control (OFAC) within the Department of Treasury. That web site is <http://treasury.gov/ofac>.

Solicitations and contracts, Annual Program Statements or Requests for Applications and grants or cooperative agreements, or other comparable documents issued by USAID must contain the following language:

"The Contractor/Recipient 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. This provision must be included in all subcontracts/subawards issued under this contract/agreement."

Any deviation from this language must follow the procedures in ADS 302.5.2 for contract actions, and ADS 303.5.3 for assistance. For contract actions, the requestor must coordinate his or her request with GC/DCHA before submitting the deviation request to OP/P for comment. For assistance actions, OP/P will coordinate with GC and SEC before providing its comments.

Questions on any of the above may be directed to Gary Winter in GC (gwinter@usaid.gov, (202)712-1548), Allen Eisenberg in M/OP (aeisenberg@usaid.gov, (202)172-1467) or Pat Hogan in SEC (phogan@usaid.gov, (202)712-0990).