

(3) Continue to maintain an active SAM registration with current information at all times during which it has an active Federal award or an application or plan under consideration by a Federal awarding agency.

§ 1499.5 Agreements.

(a) After CCC approves an application by an applicant, CCC will negotiate an agreement with the applicant. The agreement will set forth the obligations of CCC and the recipient.

(b) The agreement will specify the general information required in 2 CFR 200.210(a), as applicable.

(c) The agreement will incorporate general terms and conditions, pursuant to 2 CFR 200.210(b), as applicable.

(d) To the extent that this information is not already included in the agreement pursuant to paragraphs (b) and (c) of this section, the agreement will also include the following:

(1) The kind, quantity, and use of the donated commodities and an estimated commodity call forward schedule, with the month and year indicated for each expected commodity shipment;

(2) A plan of operation, which will include the following:

(i) The objectives to be accomplished under the project;

(ii) A detailed description of each activity to be implemented;

(iii) The target country(ies) and the areas of the target country(ies) in which the activities will be implemented;

(iv) The methods and criteria for selecting the beneficiaries of the activities;

(v) Any contributions for cost sharing or matching, including cash and non-cash contributions, that the recipient expects to receive from non-CCC sources that:

(A) Are critical to the implementation of the activities; or

(B) Enhance the implementation of the activities;

(vi) Any subrecipient that will be involved in the implementation of the activities, and the criteria for selecting a subrecipient that has not yet been identified;

(vii) Any other governmental or non-governmental entities that will be in-

involved in the implementation of the activities; and

(viii) Any processing, packaging, or repackaging of the donated commodities that will take place prior to their distribution, sale, or barter by the recipient;

(3) A budget, which will set forth the maximum amounts of sale proceeds, CCC-provided funds, interest, program income, and voluntary committed cost sharing or matching contributions that may be used for each line item, as well as other applicable budget requirements;

(4) Performance goals for the agreement, including a list of results, with long-term benefits where applicable, to be achieved by the activities and corresponding indicators, targets, and time frames; and

(5) Any additional provisions specified by CCC during the negotiation of the agreement.

(e) The agreement will also include specific terms and conditions, and certifications and representations, including the following:

(1) The agreement will prohibit the sale or transshipment of the donated commodities by the recipient to a country not specified in the agreement, or the use of the donated commodities for other than domestic purposes, for as long as the recipient has title to such donated commodities;

(2) The recipient will assert that it has taken action to ensure that any donated commodities that will be distributed to beneficiaries will be imported and distributed free from all customs, duties, tolls, and taxes. The recipient must submit information to CCC to support this assertion;

(3) The recipient will assert that, to the best of its knowledge, the importation and distribution of the donated commodities in the target country will not result in a substantial disincentive to or interference with domestic production or marketing in that country. The recipient must submit information to CCC to support this assertion;

(4) The recipient will assert that, to the best of its knowledge, any sale or barter of the donated commodities will not displace or interfere with any sales of United States commodities that may

otherwise be made to or within the target country. The recipient must submit information to CCC to support this assertion; and

(5) The recipient will assert that adequate transportation and storage facilities will be available in the target country at the time of the arrival of the donated commodities to prevent spoilage or waste of the donated commodities. The recipient must submit information to CCC to support this assertion.

(f) CCC may enter into a multi-country agreement in which donated commodities are delivered to one country and activities are carried out in another.

(g) CCC may provide donated commodities and CCC-provided funds under a multiyear agreement contingent upon the availability of commodities and funds.

[81 FR 62605, Sept. 12, 2016, as amended at 84 FR 45059, Aug. 28, 2019]

§ 1499.6 Payments.

(a) If a recipient arranges for transportation in accordance with § 1499.7(b)(2), CCC will, as specified in the agreement, pay the costs of such transportation to the ocean carrier or to the recipient. The recipient must, as specified in the agreement, submit to CCC, arrange to be submitted to CCC, or maintain on file and make available to CCC, the following documents:

(1) The original, or a true copy of, each on board bill of lading indicating the freight rate and signed by the originating ocean carrier;

(2) For all non-containerized cargoes:

(i) A signed copy of the Federal Grain Inspection Service (FGIS) Official Stowage Examination Certificate;

(ii) A signed copy of the National Cargo Bureau Certificate of Readiness; and

(iii) A signed copy of the Certificate of Loading issued by the National Cargo Bureau or a similar qualified independent surveyor;

(3) For all containerized cargoes, a copy of the FGIS Container Condition Inspection Certificate;

(4) A signed copy of the U.S. Food Aid Booking Note or charter party covering ocean transportation of the cargo;

(5) In the case of charter shipments, a signed notice of arrival at the first discharge port, unless CCC has determined that circumstances that could not have been reasonably anticipated or controlled (force majeure) have prevented the ocean carrier's arrival at the first port of discharge; and

(6) A request for payment of freight, survey costs other than at load port, and other expenses approved by CCC.

(b) If the agreement specifies that some or all of the documents listed in paragraph (a) of this section will be submitted to CCC, then CCC will not render payment for transportation services until it has received all of the specified documents.

(c) If a recipient arranges for transportation in accordance with § 1499.7(b)(2), and the recipient uses a freight forwarder, the recipient must ensure that the freight forwarder is registered in the SAM and require the freight forwarder to submit the documents specified in paragraph (a) of this section. The recipient will ensure that the total commission or fees paid to intermediaries in the transportation procurement process will not exceed two and a half percent of the total transportation costs.

(d) In no case will CCC provide payment to a recipient for demurrage costs or pay demurrage to any other entity.

(e) If CCC has agreed to be responsible for the costs of transporting, storing, and distributing the donated commodities from the designated discharge port or point of entry, and if the recipient will bear or has borne any of these costs, in accordance with the agreement, CCC will either provide an advance payment or a reimbursement to the recipient in the amount of such costs, in the manner set forth in the agreement.

(f) If the agreement authorizes the payment of CCC-provided funds, CCC will generally provide the funds to the recipient on an advance payment basis, in accordance with 2 CFR 200.305(b). In addition, the following procedures will apply to advance payments:

(1) A recipient may request advance payments of CCC-provided funds, up to the total amount specified in the agreement. When making an advance