

The image features a large, light gray watermark of the USAID seal in the background. The seal is circular and contains the text "UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT" around the perimeter. In the center of the seal is a shield with a map of the United States, and the word "USAID" is prominently displayed in a dark gray box across the middle of the seal.

**USAID**

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# Acquisition & Assistance Policy Directive (AAPD)

Usaid From the Director, Office of Procurement  
Logo

Issued: January 15, 2004

## AAPD 04-04

### Implementation of the United States Leadership Against HIV/AIDS, Tubercu-losis and Malaria Act of 2003 – Eligibility for Assistance, Limitation on the Use of Funds and Opposition to Prostitution and Sex Trafficking

**Subject** Assistance, Contracts  
**Category:**  
**Type:** Policy

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) 752 Appendix   
 USAID Automated Directives System (ADS) Chapters 303  
 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  
 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 All new awards or modifications to existing awards obligating funds for HIV/AIDS activities

**New Provision/Clause Provided Herein:**  Yes; Scheduled update to Prodoc: April 2004  
 No

*(Signature on file)*

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TIMOTHY T. BEANS

## **1. PURPOSE:**

The purpose of the AAPD is to provide clauses to be included as new standard provisions for assistance agreements and contracts that include FY 2004 HIV/AIDS funds. These provisions: (i) permit recipients to not endorse or utilize a multisectoral approach to combating HIV/AIDS, or to not endorse, utilize or participate in a prevention method or treatment program to which the organization has a religious or moral objection; (ii) prohibit the funds provided under the agreement to be used to promote the legalization or practice of prostitution or sex trafficking; and (iii) require the recipients to agree that they oppose prostitution and sex trafficking.

## **2. BACKGROUND:**

The United States Leadership Against HIV/AIDS, Tuberculosis and Malaria Act of 2003, Pub.L. No. 108-25 (2003) (the "Act") authorizes funds to be appropriated for HIV/AIDS activities for the fiscal years 2004-2008. The Act includes, among other things, certain restrictions on the use of HIV/AIDS funds, and requires recipients of those funds to have certain policies in place. It also permits an organization to receive funds even if such organization cannot endorse, utilize or participate in a prevention method or treatment program to which the organization has a religious or moral objection.

Specifically, Section 301, entitled "Assistance to Combat HIV/AIDS," includes the following provisions:

"(d) ELIGIBILITY FOR ASSISTANCE- An organization that is otherwise eligible to receive assistance under section 104A of the Foreign Assistance Act of 1961 (as added by subsection (a)) or under any other provision of this Act (or any amendment made by this Act) to prevent, treat, or monitor HIV/AIDS shall not be required, as a condition of receiving the assistance, to endorse or utilize a multisectoral approach to combatting HIV/AIDS, or to endorse, utilize, or participate in a prevention method or treatment program to which the organization has a religious or moral objection.

(e) LIMITATION. – No funds made available to carry out this Act, or any amendment made by this Act, may be used to promote or advocate the legalization or practice of prostitution or sex trafficking. Nothing in the preceding sentence shall be construed to preclude the provision to individuals of palliative care, treatment, or post-exposure pharmaceutical prophylaxis, and necessary pharmaceuticals and commodities, including test kits, condoms, and when proven effective, microbicides.

(f) LIMITATION. – No funds made available to carry out this Act, or any amendment made by this Act, may be used to provide assistance to any group or organization that does not have a policy explicitly opposing prostitution and sex trafficking."

In response to a question from Senator Leahy on the Senate floor regarding provision (f) above, Senator Frist stated that "a statement in the contract or grant agreement between the U.S. Government and such organization that the organization is opposed to the practices of prostitution and sex trafficking because of the psychological and

physical risks they pose for women . . . would satisfy the intent of the provision.” 149 Cong. Rec. S6457 (daily ed. May 15, 2003) (statement of Sen. Frist).

### **3. GUIDANCE:**

#### **I. Eligibility**

The following provision must be included in each new Request for Assistance, Annual Program Statement and Request for Proposal utilizing FY04 HIV/AIDS funding. When designing a program for HIV/AIDS the SO Team must be mindful of this requirement. The evaluation criteria should not give any special advantage to an organization that endorses or utilizes a multisectoral approach (multisectoral in the legislation refers to Abstinence, Be Faithful/Behavior Change, and Condoms).

In addition, the provision must be included in the Standard Provisions in any grant to a public international organization, any grant or cooperative agreement to a U.S. or non-U.S. non-governmental organization, and any contract that includes FY04 HIV/AIDS funds. In addition, these provisions are to be included when any existing assistance agreement or contract is amended to add FY04 HIV/AIDS funding.

#### **ORGANIZATIONS ELIGIBLE FOR ASSISTANCE (JAN. 2004)**

An organization that is otherwise eligible to receive funds under this agreement to prevent, treat, or monitor HIV/AIDS shall not be required to endorse or utilize a multisectoral approach to combatting HIV/AIDS, or to endorse, utilize, or participate in a prevention method or treatment program to which the organization has a religious or moral objection.”

#### **II. Limitation on the Use of Funds**

The following must be included in the Standard Provisions in any grant to a public international organization, any grant or cooperative agreement to a U.S. or non-U.S. non-governmental organization, and any contract that includes FY04 HIV/AIDS funds. In addition, it is to be included when any existing assistance agreement or contract is amended to add FY04 HIV/AIDS funding.

#### **PROHIBITION ON THE PROMOTION OR ADVOCACY OF THE LEGALIZATION OR PRACTICE OF PROSTITUTION OR SEX TRAFFICKING (JAN. 2004)**

None of the funds made available under this agreement may be used to promote or advocate the legalization or practice of prostitution or trafficking. Nothing in the preceding sentence shall be construed to preclude the provision to individuals of palliative care, treatment, or post-exposure pharmaceutical prophylaxis, and necessary pharmaceuticals and commodities, including test kits, condoms, and, when proven effective, microbicides.

As a condition of entering into the referenced agreement, the recipient agrees that it is opposed to the practices of prostitution and trafficking because of the psychological and physical risks they pose for women, men and children.

The following definition applies for purposes of this clause:

Trafficking means the recruitment, transportation, transfer, harboring or receipt of persons, by means of the threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation. Exploitation shall include, at a minimum, the exploitation of the prostitution of others or other forms of sexual exploitation, forced labor or services, slavery or practices similar to slavery, servitude or the removal of organs. UN Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, which supplements the UN Convention against Transnational Organized Crime, Article 3, subparagraph (a).

The recipient shall insert this provision, which is a standard provision, in all subagreements under this award.

This provision includes express terms and conditions of the agreement and any violation of it shall be grounds for unilateral termination of the agreement by USAID prior to the end of its term.”

#### **4. POINT OF CONTACT:**

Please direct any questions to Allen Eisenberg, M/OP/P, Phone: (202) 712-1467, e-mail: [aeisenberg@usaid.gov](mailto:aeisenberg@usaid.gov).