Agency for International Development

disadvantaged businesses and other disad
avantaged enterprises based on provi
sions of the foreign assistance appro
priations acts.

[58 FR 8702, Feb. 17, 1993]

Subpart 719.273—The U.S. Agency
for International Development
(USAID) Mentor-Protégé Pro
gram

SOURCE: 72 FR 32543, June 13, 2007, unless
otherwise noted.

719.273 The U.S. Agency for Inter
national Development (USAID)
Mentor-Protégé Program.

719.273–1 Purpose.
The USAID Mentor-Protégé Program
is designed to assist small business, in
cluding veteran-owned small business,
ser
cvice-disabled veteran-owned small
business, HUBZone small socially and
economically disadvantaged business,
and women-owned small business in en
hancing their capabilities to perform
contracts and sub-contracts for USAID
and other Federal agencies. The Men
tor-Protégé Program is also designed
to improve the performance of USAID
contractors and subcontractors by pro
viding developmental assistance to
Protégé entities, fostering the estab
ishment of long-term business rela
tionships between small business and
prime contractors, and increasing the
overall number of small business that
receive USAID contract and sub
contract awards. A firm’s status as a
Protégé under a USAID contract shall
not have an effect on the firm’s eligi
bility to seek other prime contracts or
subcontracts.

719.273–2 Definitions.
Throughout, the term “small busi
ness” includes all categories of small
firms as defined by the Small Business
Administration (SBA) on whose behalf
the Office of Small and Disadvantaged
Business Utilization (OSDBU) is char
tered to advocate, including small
business, small disadvantaged business,
women-owned small business, veteran
owned and service-disabled veteran
owned small business and small busi
ness located in HUBZones, as those
terms are defined in 13 CFR part 124.
The determination of affiliation is a
function of the SBA.

(a) A “Mentor” is a prime contractor
that elects to promote and develop
small business subcontractors by pro
viding developmental assistance de
signed to enhance the business success
of the Protégé.

(b) “Program” refers to the USAID
Mentor-Protégé Program as described
in this Chapter.

(c) “Protégé” means a small busi
ness, small disadvantaged business,
women-owned small business, HUBZone small business, veteran
owned small business or service-dis
abled veteran owned small business
that is the recipient of developmental
assistance pursuant to a Mentor
Protégé Agreement.

719.273–3 Incentives for prime con
tractor participation.

(a) Under the Small Business Act, 15
U.S.C. 637(d)(4)(E), USAID is authorized
to provide appropriate incentives to en
courage subcontracting opportunities
for small business consistent with the
efficient and economical performance
of the contract. This authority is lim
ited to negotiated procurements. FAR
19.202–1 provides additional guidance.

(b) Costs incurred by a Mentor to
provide developmental assistance, as
described in 719.273–8 to fulfill the
terms of their agreement(s) with a
Protégé firm(s), are not reimbursable
as a direct cost under a USAID con
tract. If USAID is the mentor’s respon
sible audit agency under FAR 42.703–1,
USAID will consider these costs in de
termining indirect cost rates. If USAID
is not the responsible audit agency,
mentors are encouraged to enter into
an advance agreement with their re
sponsible audit agency on the treat
ment of such costs when determining
indirect cost rates.

(c) In addition to subparagraph (b)
above, contracting officers may give
Mentors evaluation credit under FAR
15.101–1 considerations for subcontracts
awarded pursuant to their Mentor
Protégé Agreements and their subcon
tracting plans. Therefore: