

Cost	Federal share	Cooperator match
Total	200,000	400,000

4. *Approved Pre-Award-Period Expenditure:* As a general matter, cooperators can request reimbursements only for project costs incurred during the award period. However, if proposed in the application, cooperators may expend project funds to attend a cooperator orientation meeting, even if it precedes the beginning of the award period.¹⁶ See *Summary: Dates: Public Meeting* above.¹⁷

5. *Fees for Some Government Services:* The Commercial Service participates on each MDCP project team. Applicants should understand that the Commercial Service is required to charge fees to cover costs for many of the services it provides. The policy set forth below applies to Commercial Service resources that are provided as part of MDCP cooperative agreements.

The Commercial Service will provide, as part of the cooperative agreements, a limited amount of reasonable assistance to MDCP cooperators at no charge. The policy set forth below applies to Commercial Service resources that are provided as part of the cooperative agreements.

For assistance that goes beyond the "limited amount of reasonable assistance" as defined below, applicants should make provision in their budgets. To determine the cost for services provided by the Commercial Service, applicants should contact the USEACs or overseas Commercial Service offices. These may be identified at <http://www.export.gov/commercialservice>.

There may be situations that prevent the Commercial Service from providing no-charge services to cooperators. Perhaps the most common example is another event to which the Commercial Service office has already committed its resources.

The definitions below will guide the domestic or overseas Commercial Service offices in implementing this policy.

a. Overseas Commercial Service Offices:

(1) *Limited Amount:* Cost-free assistance will not exceed two days'

Commercial Service effort per cooperator, per country, per year. Direct costs and specially-prepared market research are not included in the cost-free assistance.

(2) *No Charge:* No fees are collected. The term applies only to indirect costs such as time expended by Commercial Service employees. Cooperators should always expect to pay direct costs, such as hiring an interpreter or transportation.

(3) *Reasonable Assistance:* This includes appointment making, temporary use of Commercial Service office space, when available, making hotel arrangements, briefing on market conditions, help organizing seminars/conferences, and other similar services worked out between the project team leader and the Commercial Service office.

b. U.S. Export Assistance Centers (USEACs):

USEACs can generally implement the policy as a no-charge extension of normal client support. Most USEAC service to cooperators is provided as part of long-term relationships developed in local exporting communities throughout the United States.

III. Eligibility

A. Definition of Eligible Entity

U.S. trade associations, non-profit industry organizations, and state departments of trade and their regional associations are eligible to apply for an MDCP award. In cases where no entity described above represents the industry, private industry firms or groups of firms, may be eligible to apply for an MDCP award. Such private industry firms or groups of firms must provide in their application, documentation demonstrating that no entity in the first three categories listed below represents their industry.

1. *Trade Association:* A fee-based organization consisting of member firms in the same industry, or in related industries, or which share common commercial concerns. The purpose of the trade association is to further the commercial interests of its members through the exchange of information, legislative activities, and the like.

2. *Non-Profit Industry Organization:*

a. A non-profit small business development center operating under agreement with the Small Business Administration; or

b. A non-profit World Trade Center chartered or recognized by the non-

profit World Trade Centers Association¹⁸; or

c. An organization granted status as a non-profit organization under Title 26 U.S.C. Section 501(c) (3), (4), (5), or (6) which operates as one of the following:

- (1) Chamber of commerce,
- (2) Board of trade,
- (3) Business, export or trade council/interest group,
- (4) Visitors bureau or tourism promotion group,
- (5) Economic development group,
- (6) Small business development center, or
- (7) Port authority.

3. *State Departments of Trade and Their Regional Associations:*

a. Department of a state government tasked with promoting trade, tourism, or other types of economic development; or

b. Associations of the departments of trade (as defined above) of two or more states; or

c. Entities within a state or within a region that are associated with a state department of trade, tourism, or other types of economic development including non-profit, non-private, non-commercial entities which are at least partially funded by, directed by, or tasked by a state government to promote trade, tourism, or other types of economic development.

4. *Special Note Regarding Educational Institutions:* Educational institutions, such as schools, colleges, and universities, are generally not eligible. However, organizations that are part of an educational institution for administrative, financial, legal, or logistical reasons may be eligible. Such organizations that are not independent legal entities—for example, an unincorporated organization—which otherwise may be classified above under 1. *Trade Association*, 2. *Non-Profit Industry Association*, or 3. *State Departments of Trade and Their Regional Associations*, above are eligible.

In such a case, the eligible entity will include in its application a signed letter stating that MDCP funds will be used only by the eligible entity for the purposes outlined in its application, and that no such funds will be used by or retained by the educational institution, even though the funds may need to go through the educational institution because of the eligible entity's lack of a separate accounting system or lack of status as a separate legal entity.

¹⁶ For successful applicants that include travel to the orientation in their application budget, the signed financial assistance award that they receive from the Department serves as official approval to expend project funds for this purpose, even if the orientation precedes the beginning of the award period.

¹⁷ This expenditure is limited to allowable expenses (e.g., air fare, ground transportation, and lodging) associated with attending the orientation.

¹⁸ A description of the World Trade Centers Association is available on the Internet at <http://www.wtca.org>.