FSG	Category/Description
83	Pins, needles, and sewing kits (only part of 8315) and flag staffs, flag- poles, and flagstaff trucks (only part of 8345)
84	Luggage (only 8460)—See FAR 25.003 for exclusion of luggage for Carib- bean Basin countries
85	Toiletries
87	Agricultural supplies
88	Live animals
89	Tobacco products (only 8975)
91	Fuels, oils, and waxes
93	Nonmetallic fabricated materials
94	Nonmetallic crude materials
96	Ores, minerals, and their primary products
99	Miscellaneous

[65 FR 19852, Apr. 13, 2000, as amended at 68 FR 15619, Mar. 31, 2003; 69 FR 1927, Jan. 13, 2004; 70 FR 2363, Jan. 13, 2005; 70 FR 73154, Dec. 9, 2005; 71 FR 9270, Feb. 23, 2006]

225.401-71 Products or services in support of operations in Afghanistan.

When acquiring products or services, other than small arms, in support of operations in Afghanistan, if using a procedure specified in 225.7703–1(a)(2) or (3), the procedures of subpart 25.4 are not applicable.

[78 FR 59857, Sept. 30, 2013]

225.402 General.

To estimate the value of the acquisition, use the total estimated value of end products covered by trade agreements (see 225.401-70).

[70 FR 2363, Jan. 13, 2005]

225.403 World Trade Organization Government Procurement Agreement and Free Trade Agreements.

- (c) For acquisitions of supplies covered by the World Trade Organization Government Procurement Agreement, acquire only U.S.-made, qualifying country, or designated country end products unless—
- (i) The contracting officer determines that offers of U.S.-made, qualifying country, or designated country end products from responsive, responsible offerors are either—
 - (A) Not received; or
- (B) Insufficient to fill the Government's requirements. In this case, accept all responsive, responsible offers of U.S.-made, qualifying country, and

eligible products before accepting any other offers;

- (ii) A national interest waiver under 19 U.S.C. 2512(b)(2) is granted on a case-by-case basis. Except as delegated in paragraphs (c)(i)(A) and (B) of this section, submit any request for a national interest waiver to the Director of Defense Procurement and Acquisition Policy in accordance with department or agency procedures. Include supporting rationale with the request.
- (A) The head of the contracting activity may approve a national interest waiver for a purchase by an overseas purchasing activity, if the waiver is supported by a written statement from the requiring activity that the products being acquired are critical for the support of U.S. forces stationed abroad.
- (B) The Commander or Director, Defense Energy Support Center, may approve national interest waivers for purchases of fuel for use by U.S. forces overseas; or
- (iii) The acquisition is in support of operations in Afghanistan (see 225.7704–1).

[68 FR 15619, Mar. 31, 2003, as amended at 70 FR 2363, Jan. 13, 2005; 75 FR 81916, Dec. 29, 2010; 76 FR 76320, Dec. 7, 2011]

225.408 Procedures.

(a)(4) The requirements of FAR 25.408(a)(4), on submission of offers in U.S. dollars, do not apply to overseas acquisitions or to Defense Energy Support Center post, camp, or station overseas requirements.

 $[70~{\rm FR}~73154,\,{\rm Dec.}~9,\,2005]$

Subpart 225.5—Evaluating Foreign Offers—Supply Contracts

Source: $68\ \mathrm{FR}\ 15620,\ \mathrm{Mar.}\ 31,\ 2003,\ \mathrm{unless}$ otherwise noted.

225.502 Application.

- (a) Whenever the acquisition is in support of operations in Afghanistan, treat the offers of end products from South Caucasus or Central and South Asian states listed in 225.401–70 the same as qualifying country offers.
- (b) Use the following procedures instead of the procedures in FAR 25.502(b) for acquisitions subject to the World

225.503

Trade Organization Government Procurement Agreement:

- (i) Consider only offers of U.S.-made, qualifying country, or designated country end products, except as permitted by 225.403 or 225.7703–1.
- (ii) If price is the determining factor, award on the low offer.
- (c) Use the following procedures instead of those in FAR 25.502(c) for acquisitions subject to the Buy American statute or the Balance of Payments Program:
- (i)(A) If the acquisition is subject only to the Buy American or Balance of Payments Program, then only qualifying country end products are exempt from application of the Buy American or Balance of Payments Program evaluation factor.
- (B) If the acquisition is also subject to a Free Trade Agreement, then eligible products of the applicable Free Trade Agreement country are also exempt from application of the Buy American or Balance of Payments Program evaluation factor.
- (ii) If price is the determining factor, use the following procedures:
- (A) If the low offer is a domestic offer, award on that offer.
- (B) If there are no domestic offers, award on the low offer (see example in 225.504(1)).
- (C) If the low offer is a foreign offer that is exempt from application of the Buy American or Balance of Payments Program evaluation factor, award on that offer. (If the low offer is a qualifying country offer from a country listed at 225.872–1(b), execute a determination in accordance with 225.872–4.)
- (D) If the low offer is a foreign offer that is not exempt from application of the Buy American or Balance of Payments Program evaluation factor, and there is another foreign offer that is exempt and is lower than the lowest domestic offer, award on the low foreign offer (see example in 225.504(2)).
- (E) Otherwise, apply the 50 percent evaluation factor to the low foreign offer.
- (1) If the price of the low domestic offer is less than the evaluated price of the low foreign offer, award on the low domestic offer (see example in 225.504(3)).

- (2) If the evaluated price of the low foreign offer remains less than the low domestic offer, award on the low foreign offer (see example in 225.504(4)).
- (iii) If price is not the determining factor, use the following procedures:
- (A) If there are domestic offers, apply the 50 percent Buy American or Balance of Payments Program evaluation factor to all foreign offers unless an exemption applies.
- (B) Evaluate in accordance with the criteria of the solicitation.
- (C) If these procedures will not result in award on a domestic offer, reevaluate offers without the 50 percent factor. If this will result in award on an offer to which the Buy American statute or Balance of Payments Program applies, but evaluation in accordance with paragraph (c)(ii) of this section would result in award on a domestic offer, proceed with award only after execution of a determination in accordance with 225.103(a)(ii)(B), that domestic preference would be inconsistent with the public interest.
- (iv) If the solicitation includes the provision at 252.225–7023, Preference for Products or Services from Afghanistan, use the evaluation procedures at 225.7703–3.

[68 FR 15620, Mar. 31, 2003, as amended at 69 FR 1928, Jan. 13, 2004; 69 FR 74992, Dec. 15, 2004; 70 FR 2363, Jan. 13, 2005; 73 FR 53152, Sept. 15, 2008; 75 FR 81916, Dec. 29, 2010; 77 FR 35881, June 15, 2012; 78 FR 59857, Sept. 30, 2013]

225.503 Group offers.

Evaluate group offers in accordance with FAR 25.503, but apply the evaluation procedures of 225.502.

225.504 Evaluation examples.

For examples that illustrate the evaluation procedures in 225.502(c)(ii), see PGI 225.504.

 $[70~{\rm FR}~73154,\,{\rm Dec.}~9,\,2005]$

Subpart 225.7—Prohibited Sources

225.701 Restrictions.

See 209.104-1(g) for restrictions on contracting with firms owned or controlled by foreign governments.

 $[70~{\rm FR}~73154,\,{\rm Dec.}~9,\,2005]$