

**47.404 Air freight forwarders.**

(a) Agencies may use air freight forwarders that are engaged in international air transportation (49 U.S.C. 1301(24)(c)) for U.S. Government-financed movements of property. The rule on disallowance of expenditures in 47.403-3(a) applies also to the air carriers used by these international air freight forwarders.

(b) Agency personnel shall inform international air freight forwarders that to facilitate prompt payments of their bills, they shall submit with their bills (1) a copy of the airway bill or manifest showing the air carriers used and (2) justification for the use of foreign-flag air carriers similar to the one shown in the clause at 52.247-63, Preference for U.S.-Flag Air Carriers.

[48 FR 42424, Sept. 19, 1983, as amended at 62 FR 237, Jan. 2, 1997]

**47.405 Contract clause.**

The contracting officer shall insert the clause at 52.247-63, "Preference for U.S.-Flag Air Carriers, in solicitations and contracts whenever it is possible that U.S. Government-financed international air transportation of personnel (and their personal effects) or property will occur in the performance of the contract." This clause does not apply to contracts awarded using the simplified acquisition procedures in part 13 or contracts for commercial items (see part 12).

[48 FR 42424, Sept. 19, 1983, as amended at 53 FR 27468, July 20, 1988; 60 FR 48250, Sept. 18, 1995]

### **Subpart 47.5—Ocean Transportation by U.S.-Flag Vessels**

**47.500 Scope of subpart.**

This subpart prescribes policy and procedures for giving preference to U.S.-flag vessels when transportation of supplies by ocean vessel is required. This subpart does not apply to the Department of Defense (DoD). Policy and procedures applicable to DoD appear in DFARS subpart 247.5.

[48 FR 42424, Sept. 19, 1983, as amended at 55 FR 3886, Feb. 5, 1990]

**47.501 Definitions.**

As used in this subpart—

*Dry bulk carrier* means a vessel used primarily for the carriage of shipload lots of homogeneous unmarked non-liquid cargoes such as grain, coal, cement, and lumber.

*Dry cargo liner* means a vessel used for the carriage of heterogeneous marked cargoes in parcel lots. However, any cargo may be carried in these vessels, including part cargoes of dry bulk items or, when carried in deep tanks, bulk liquids such as petroleum and vegetable oils.

*Foreign-flag vessel* means any vessel of foreign registry including vessels owned by U.S. citizens but registered in a nation other than the United States.

*Government vessel* means a vessel owned by the U.S. Government and operated directly by the Government or for the Government by an agent or contractor, including a privately owned U.S.-flag vessel under bareboat charter to the Government.

*Privately owned U.S.-flag commercial vessel* means a vessel (1) registered and operated under the laws of the United States, (2) used in commercial trade of the United States, (3) owned and operated by U.S. citizens, including a vessel under voyage or time charter to the Government, and (4) a Government-owned vessel under bareboat charter to, and operated by, U.S. citizens.

*Tanker* means a vessel used primarily for the carriage of bulk liquid cargoes such as liquid petroleum products, vegetable oils, and molasses.

*U.S.-flag vessel* when used independently means either a Government vessel or a privately owned U.S.-flag commercial vessel.

[48 FR 42424, Sept. 19, 1983, as amended at 66 FR 2134, Jan. 10, 2001]

**47.502 Policy.**

(a) The policy of the United States regarding the use of U.S.-flag vessels is stated in the following acts:

(1) The Cargo Preference Act of 1904 (10 U.S.C. 2631), which requires the Department of Defense to use only U.S.-flag vessels for ocean transportation of supplies for the Army, Navy, Air Force, or Marine Corps unless those vessels