225.7102-3

(c) When the quantity acquired exceeds the amount needed to maintain the U.S. defense mobilization base (provided such quantity is an economical purchase quantity). The restriction to domestic sources does not apply to the quantity above that required to maintain the base, in which case, qualifying country sources may compete.

225.7102-3 Waiver.

Upon request from a prime contractor, the contracting officer may waive the requirement for domestic manufacture of the items covered by the policy in 225.7102–1.

225.7102-4 Contract clause.

- (a) Use the clause at 252.225-7025, Restriction on Acquisition of Forgings, in solicitations and contracts, except for acquisitions—
 - (1) Excepted in 225.7102-2; or
- (2) Where the contracting officer knows that the supplies being acquired do not contain the restricted items.
- (b) If an exception under 225.7102–2 applies to any portion of the acquisition, specify the exception in the solicitation and contract.

225.7103 Polyacrylonitrile (PAN) carbon fiber.

225.7103-1 Policy.

DoD has imposed restrictions on the acquisitions of PAN carbon fiber from foreign sources. DoD is phasing out the restrictions over the 5-year period ending May 31, 2005. Contractors with contracts that contain the clause at 252.225–7022 must use U.S. or Canadian manufacturers or producers for all PAN carbon fiber requirements.

[65 FR 77832, Dec. 13, 2000]

225.7103-2 Waivers.

Contracting officers may, with the approval of the chief of the contracting office, waive, in whole or in part, the requirement of the clause at 252.225–7022. For example, a waiver may be justified if a qualified U.S. or Canadian source cannot meet scheduling requirements

225.7103-3 Contract clause.

Use the clause at 252.225–7022, Restriction on Acquisition of Polyacrylonitrile (PAN) Carbon Fiber, in solicitations and contracts for major systems as follows:

- (a) In solicitations and contracts issued on or before May 31, 2003, if—
- (1) The system is not yet in production (milestone III as defined in DoD 5000.2-R, Mandatory Procedures for Major Defense Acquisition Programs (MDAPS) and Major Automated Information System (MAIS) Acquisition Programs); or
- (2) The clause was used in prior program contracts.
- (b) In solicitations and contracts issued during the period beginning June 1, 2003, and ending May 31, 2005, if the system is not yet in engineering and manufacturing development (milestone II as defined in DoD 5000.2–R).

[65 FR 77832, Dec. 13, 2000]

Subpart 225.72—Reporting Contract Performance Outside the United States

SOURCE: 58 FR 28469, May 13, 1993, unless otherwise noted.

225.7200 Scope of subpart.

This subpart prescribes procedures for contractor reporting and DoD monitoring of the volume, type, and nature of contract performance outside the United States, to include subcontracts, purchases, and intracompany transfers. It implements 10 U.S.C. 2410g which requires advance notification of contract performance outside the United States and Canada when the contract could have been performed inside the United States or Canada.

225.7201 Exception.

This subpart does not apply to contracts for commercial items, construction, ores, natural gas, utilities, petroleum products and crudes, timber (logs), or subsistence.

[60 FR 61597, Nov. 30, 1995]