

Department of Defense

252.225-7009

that of the article or articles from which it was so transformed.

(b) Unless otherwise specified, the Trade Agreements Act of 1979 (19 U.S.C. 2501 et seq.), the North American Free Trade Agreement Implementation Act of 1993 (19 U.S.C. 3301 note), and the Caribbean Basin Initiative apply to all items in the Schedule.

(c)(1) The Contractor agrees to deliver under this contract only domestic end products unless, in its offer, it specified delivery of U.S. made, qualifying country, designated country, Caribbean Basin country, NAFTA country, or other nondesignated country end products in the Buy American Act—Trade Agreements—Balance of Payments Program Certificate provision of the solicitation.

(2) The Contractor may not supply a non-designated country end product unless—

(i) It is a qualifying country end product, a Caribbean Basin country end product, or a NAFTA country end product;

(ii) The Contracting Officer has determined that offers of U.S. made end products or qualifying, designated, NAFTA, or Caribbean Basin country end products from responsive, responsible offerors are either not received or are insufficient to fill the Government's requirements; or

(iii) A national interest waiver has been granted under section 302 of the Trade Agreements Act of 1979.

(d) The offered price of qualifying country end products and the offered price of designated country end products, NAFTA country end products, and Caribbean Basin country end products, for line items subject to the Trade Agreements Act or the North American Free Trade Agreement Implementation Act, should not include custom fees or duty. The offered price of end products listed in paragraph (c)(2)(vi) of the Buy American Act—Trade Agreements—Balance of Payments Program Certificate provision of the solicitation, or the offered price of U.S. made end products that contain nonqualifying country components, must include all applicable duty. The award price will not include duty for end products or components that are to be accorded duty-free entry. Generally, each offer of a U.S. made end product that does not meet the definition of "domestic end product" is adjusted for the purpose of evaluation by adding 50 percent of the offered price, inclusive of duty.

(e) The HTSUS is available on the Internet at <http://www.customs.ustreas.gov/impoeexpo/impoeexpo.htm>. The following sections of the HTSUS provide information regarding duty-free status of articles specified in paragraph (a)(2)(ii)(A) of this clause.

(1) General Note 3(c), Products Eligible for Special Tariff Treatment.

(2) General Note 17, Products of Countries Designated as Beneficiary Countries Under the United States-Caribbean Basin Trade Partnership Act of 2000.

(3) Section XXII, Chapter 98, Subchapter II, Articles Exported and Returned, Advanced or Improved Abroad, U.S. Note 7(b).

(4) Section XXII, Chapter 98, Subchapter XX, Goods Eligible for Special Tariff Benefits Under the United States-Caribbean Basin Trade Partnership Act.

(End of clause)

[63 FR 11542, Mar. 9, 1998, as amended at 64 FR 8730, Feb. 23, 1999; 65 FR 19858, 19860, Apr. 13, 2000; 66 FR 47112, 47113, Sept. 11, 2001; 66 FR 50504, Oct. 3, 2001]

252.225-7008 Supplies to be accorded duty-free entry.

As prescribed in 225.1101(7), use the following clause:

SUPPLIES TO BE ACCORDED DUTY-FREE ENTRY (MAR 1998)

In accordance with paragraph (b) of the Duty-Free Entry clause of this contract, in addition to duty-free entry for all qualifying country supplies (end products and components) and all eligible end products subject to applicable trade agreements (if this contract contains the Buy American Act—Trade Agreements—Balance of Payments Program clause or the Buy American Act—North American Free Trade Agreement Implementation Act—Balance of Payments Program clause), the following foreign end products that are neither qualifying country end products nor eligible end products under a trade agreement, and the following nonqualifying country components, are accorded duty-free entry.

(End of clause)

[63 FR 11543, Mar. 9, 1998, as amended at 65 FR 19858, Apr. 13, 2000]

252.225-7009 Duty-free entry—Qualifying country supplies (end products and components).

As prescribed in 225.1101(8), use the following clause:

DUTY-FREE ENTRY—QUALIFYING COUNTRY SUPPLIES (END PRODUCTS AND COMPONENTS) (AUG 2000)

(a) Definitions. Qualifying country and qualifying country end products have the meaning given in the Buy American Act and Balance of Payments Program clause, Buy American Act—Trade Agreements—Balance of Payments Program clause, Buy American Act—