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ADS Chapter 313

Eligibility of Suppliers, Contractors, and Recipients

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**Functional Series 300 – Acquisition and Assistance
ADS 313 – Eligibility of Suppliers, Contractors, and Recipients**

This chapter has been reformatted and edited.

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*An asterisk indicates that the adjacent material is new or substantively revised.

ADS 313 – Eligibility of Suppliers, Contractors and Recipients

313.1 OVERVIEW

Effective Date: 04/11/2001

The objectives of this chapter are to

- a. Implement the Treasury Department's Foreign Assets, Sanctions, Transactions, and Funds Control Regulations by precluding ineligible countries and nationals of those countries from being sources of goods or services under USAID financing, or recipients of USAID assistance;
- b. Protect the integrity of USAID programs and ensure prudent use of funds through the exclusion of certain suppliers, contractors and recipients from USAID-financed transactions by means of the [suspension/debarment](#) procedure, and
- c. Oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States or against any United States person.

313.2 PRIMARY RESPONSIBILITIES

Effective Date: 04/11/2001

- a. It is the responsibility of all **Bureaus/Offices, overseas contracting or commodity management officers, or any other USAID officer** to report to the M/OAA/E (Evaluation Division) all cases where there is reason to believe that an individual or organization should be declared ineligible to receive Government funds.
- b. The **Procurement/Assistance Executive** is responsible for deciding whether debarment or suspension is in the Government's interest.
- c. **Contracting/Agreement Officers** are responsible for ensuring that awards are not made to suspended or debarred parties, unless authorized in accordance with the exception procedures in the applicable regulations.

313.3 POLICY DIRECTIVES AND REQUIRED PROCEDURES

Effective Date: 04/11/2006

313.3.1 Foreign Assets Control

Effective Date: 04/11/2001

Absent an appropriate license issued by the Office of Foreign Assets Control (OFAC), USAID must not finance or participate in any transaction that is prohibited by the U.S. Treasury Department Foreign Assets, Sanctions, Transactions, and Funds Control Regulations.

These regulations and other related information can be found at the OFAC web site at <http://www.treas.gov/offices/enforcement/ofac/programs/index.shtml>. Additional listings of organizations and individuals subject to sanctions are listed on the OFAC "List of Specially Designated Nationals", <http://www.treas.gov/offices/enforcement/ofac/sdn/index.shtml> and "List of Parties Excluded From Federal Procurement and Non Procurement Programs", <http://epls.arnet.gov/>.

313.3.2 Suspension and Debarment

Effective Date: 04/11/2001

USAID must ensure prudent use of its funds by excluding suppliers and contractors from USAID-financed transactions through the suspension and debarment procedure. The serious nature of debarment and suspension requires that these sanctions be imposed only in the public interest for the Government's protection and not for purposes of punishment.

313.3.2.1 Regulations

Effective Date: 04/11/2001

USAID must follow the [FAR 9.4](#) for all procurement suspension and debarment actions and [22 CFR 208](#) for all non-procurement actions.

313.3.2.2 Awards to Suspended or Debarred Suppliers Contractors, and Recipients

Effective Date: 04/11/2001

USAID must not make awards to contractors or recipients, individuals, or entities listed in "Parties Excluded from Federal Procurement or Nonprocurement Programs" unless the requirements for exceptions, as specified in [FAR 9.405](#) and [22 CFR 208.215](#), are met.

313.3.3 Boycotts and Restrictive Trade Practices

Effective Date: 04/11/2001

In accordance with [Section 3\(5\)\(A\) of the Export Administration Act of 1979](#), as amended, USAID must "oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the United States or against any United States person."

313.4 MANDATORY REFERENCES

Effective Date: 04/11/2001

313.4.1 External Mandatory References

- a. [22 CFR 208 \(AID Regulation 8\)](#)
- b. [Sections 620\(a\) and 620\(f\) of the Foreign Assistance Act of 1961, as amended \(FAA\)](#)
- c. [U.S. Treasury Department Foreign Assets, Sanctions, Transactions, and Funds Control Regulations, as amended, 31 CFR Parts 500-599](#)
- d. [Executive Order 12549, "Debarment and Suspension," February 18, 1986 \(51 FR 63272-79 dated 2/21/86\)](#)
- e. [Export Administration Act of 1969 and 1979, as amended. 50 U.S.C. app sections 2401 through 2420](#)
- f. [Specially Designated Nationals and Blocked Persons](#)
- g. [List of Parties Excluded from Federal Procurement and Non Procurement Programs](#)
- h. [FAR 9.4](#)

313.4.2 Internal Mandatory References

- a. [AAPD 04-03 \(Corrected\), Revised Regulations Concerning Debarment and Suspension and Drug-Free Workplace Applicable to Assistance](#)

313.4.3 Mandatory Forms

313.5 ADDITIONAL HELP

313.5.1 Optional Forms

313.6 DEFINITIONS

Effective Date: 04/11/2001

The terms and definitions listed below have been included in the ADS Glossary. See the [ADS Glossary](#) for all ADS terms and definitions.

debarment

An action taken by a debarring official to exclude a contractor from Government contracting and Government-approved subcontracting for a reasonable, specified period; a contractor so excluded is "debarred". (Chapter 313)

deciding official

The designee authorized by the agency head to impose suspension and/or debarment. For USAID the deciding official is the Procurement Executive/Assistance Executive. This is the same as "Debarring official" and "Suspending official" in **FAR 9.4**. (Chapter 313)

Lists of Parties Excluded from Federal Procurement or Nonprocurement Programs

A list consisting of two sections, Parties Excluded From Procurement Programs and Parties Excluded from Non-Procurement Programs. The first section lists persons (individuals and entities) excluded government wide from Federal procurement and/or sales programs because of debarment, suspension, or proposed debarment under the procedures of **FAR 9.4**. The second section lists persons (individuals and entities) excluded from certain types of Federal financial and nonfinancial assistance and benefits. (Chapter 313)

restrictive trade practices and boycotts

These are defined in **15 CFR 760 et seq.** <http://www.gpoaccess.gov/cfr/index.html>. (Chapter 313)

suspension

An action taken by a suspending official to disqualify a contractor temporarily from Government contracting and Government-approved subcontracting; a contractor so disqualified is "suspended". (Chapter 313)

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