

## Defense Federal Acquisition Regulation Supplement

### Part 225—Foreign Acquisition

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*(Revised December 18, 2008)*

#### **225.001 General.**

For guidance on evaluating offers of foreign end products, see PGI 225.001.

#### **225.003 Definitions.**

As used in this part--

(1) "Caribbean Basin country end product" includes petroleum or any product derived from petroleum.

(2) "Defense equipment" means any equipment, item of supply, component, or end product purchased by DoD.

(3) "Domestic concern" means--

(i) A concern incorporated in the United States (including a subsidiary that is incorporated in the United States, even if the parent corporation is a foreign concern); or

(ii) An unincorporated concern having its principal place of business in the United States.

(4) "Domestic end product" has the meaning given in the clauses at 252.225-7001, Buy American Act and Balance of Payments Program; and 252.225-7036, Buy American Act--Free Trade Agreements--Balance of Payments Program, instead of the meaning in FAR 25.003.

(5) "Eligible product" means, instead of the definition in FAR 25.003--

(i) A foreign end product that--

(A) Is in a category listed in 225.401-70; and

(B) Is not subject to discriminatory treatment, due to the applicability of a trade agreement to a particular acquisition;

(ii) A foreign construction material that is not subject to discriminatory treatment, due to the applicability of a trade agreement to a particular acquisition; or

(iii) A foreign service that is not subject to discriminatory treatment, due to the applicability of a trade agreement to a particular acquisition.

(6) "Foreign concern" means any concern other than a domestic concern.

(7) "Nonqualifying country" means a country other than the United States or a qualifying country.

(8) "Nonqualifying country component" means a component mined, produced, or manufactured in a nonqualifying country.

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(9) "Qualifying country" means a country with a memorandum of understanding or international agreement with the United States. The following are qualifying countries:

Australia  
Austria  
Belgium  
Canada  
Denmark  
Egypt  
Finland  
France  
Germany  
Greece  
Israel  
Italy  
Luxembourg  
Netherlands  
Norway  
Portugal  
Spain  
Sweden  
Switzerland  
Turkey  
United Kingdom of Great Britain and Northern Ireland.

(10) "Qualifying country component" and "qualifying country end product" are defined in the clauses at 252.225-7001, Buy American Act and Balance of Payments Program; and 252.225-7036, Buy American Act--Free Trade Agreements--Balance of Payments Program. "Qualifying country end product" is also defined in the clause at 252.225-7021, Trade Agreements.

(11) "Qualifying country offer" means an offer of a qualifying country end product, including the price of transportation to destination.

(12) "Source," when restricted by words such as foreign, domestic, or qualifying country, means the actual manufacturer or producer of the end product or component.

#### **225.004 Reporting of acquisition of end products manufactured outside the United States.**

Follow the procedures at PGI 225.004 for entering the data upon which the report required by FAR 25.004 will be based.