



ACQUISITION LETTER

The Procurement Executive is issuing this Acquisition Letter through a delegation from the Secretary and under the authority of the Federal Acquisition Regulation (FAR), Section 1.301(a)(2).

Subject: DOE Authorized Subcontract for Use by DOE Management and Operating (M&O) Contractors with New Independent States' Scientific Institutes through the Science and Technology Center in Ukraine

References:

DEAR 970.7103 - Contractor Purchasing System

When is this Acquisition Letter (AL) Effective?

This AL is effective 10 business days from the date of issuance.

When Does this AL Expire?

This AL remains in effect until superseded or canceled.

Who is the Point of Contact?

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Visit our website at www.pr.doe.gov for information on Acquisition Letters and other policy issues.

What is the Purpose of this AL?

The purpose of this AL is to provide Contracting Officers a model subcontract for use by the management and operating contractors (M&Os) that intend to enter into three-party subcontracts with the Science and Technology Center in Ukraine (STCU) and scientific institutes of the New Independent States (NIS) of the former Soviet Union.

What is the Background?

For several years, DOE M&Os have entered into subcontracts for research and development services and other activities with NIS scientific institutes. For example, DOE programs, including the Initiatives for Proliferation Prevention Program (formerly the New Independent States-Industrial Partnering Program) and the Material, Protection, Control and Accounting Program have funded such subcontracts. These programs support the national security interest of preventing the proliferation of weapons of mass destruction by providing funds to NIS scientific institutes and their scientists.

In August 1999, AL 99-06 was issued to set forth a model subcontract for use by M&Os with NIS scientific institutes through the International Science and Technology Center (ISTC). The ISTC is an inter-governmental organization that was founded in Moscow, Russia, in 1992 by Russia, the United States, Japan and the European Union to develop and finance projects to engage former NIS weapons scientists in activities for peaceful purposes. In 1993, the STCU was founded in Kiev, Ukraine, as an intergovernmental organization by Ukraine, the United States, Canada and Sweden for similar purposes. As with AL 99-06, the Office of the General Counsel has worked with the STCU, DOE laboratories and the Office of Procurement and Assistance Management to draft a similar model three-party subcontract that may be used by DOE M&Os that wish to work with the STCU. The intellectual property rights provisions are identical to those set forth in AL 99-06. The terms and conditions are substantially similar, except that a provision has been added to allow laboratories to advance payments to scientific institutes limited to the minimum amounts necessary for immediate disbursement needs for equipment required to carry out a project. [A similar provision has been added to AL 99-06.]

What Should Contracting Officers Do?

DOE Contracting Officers should provide the attached model subcontracts to M&Os for their use in subcontracting on a three-party basis with the STCU and scientific institutes of the NIS. This AL does not replace AL 95-14, which should continue to be used for bilateral subcontracts between M&Os and scientific institutes of the NIS.