

**Functional Series 200
Programming Policy**

INTERIM UPDATE 02-05

SUBJECT: Foreign Aid Procurement Eligibility of the People's Republic of China

NEW MATERIAL: The Assistant Administrator of the Bureau of Policy and Program Coordination has approved removing the People's Republic of China (China) from the list of "foreign policy restricted" countries.

EFFECTIVE DATE: 10/31/2002

POLICY

**USAID/General Notice
PPC/AA
12/03/2002**

Subject: Foreign Aid Procurement Eligibility of the People's Republic of China

The Assistant Administrator of the Bureau of Policy and Program Coordination has approved removing the People's Republic of China (China) from the list of "foreign policy restricted" countries. The characterization of China as "foreign policy restricted" is no longer justified in light of the normalization of relations that has taken place between China and the United States. More important are the significant changes that have occurred in China and in the global community since this old restriction was established. For example, China is now a full member of the World Trade Organization ("WTO"), having achieved membership to this organization over one year ago. China is presently the fourth largest trade partner of the United States while the United States ranks second amongst China's trade partners. Finally, regarding the importance of China's role in global commerce, it is now difficult to identify major technical products that do not contain at least one component from China. The People's Republic of China is now eligible under USAID Geographic Codes 935 and 899, if not the cooperating country.

Point of Contact: Any questions regarding this Notice may be directed to James Clad, PPC/AA, (202) 712-4658 or Frances Maki, M/OP/P, (202) 712-4978.

Notice 1203

File name	Notice Date	Effective Date	Editorial Revision Date	ADS CD No.	Remarks
iu2_0205_120902_cd30	12/03/2002	10/31/2002	N/A	ADS CD 30	New