

DFARS Procedures, Guidance, and Information

PGI 225--Foreign Acquisition

(Revised December 31, 2012)

PGI 225.73--ACQUISITIONS FOR FOREIGN MILITARY SALES

PGI 225.7300 Scope of subpart.

(a) The Foreign Military Sales (FMS) acquisition infrastructure is also used to execute cases funded with U.S. appropriated funds under special authority to build international partner capacity. These Building Partner Capacity (BPC) cases are implemented using Pseudo Letter of Offer and Acceptance (LOA) documents.

PGI 225.7301 General.

(c)(i) Separately identify known FMS requirements and the FMS customer in solicitations.

(ii) Clearly identify contracts for known FMS requirements by the case identifier code in section B of the Schedule.

(iii) Ensure that the FMS LOA terms and conditions are incorporated into the signed contract.

(iv) Ensure that the shipping terms for any contract of FMS materiel are stated as free on board (f.o.b.) origin.

(v) For Pseudo LOAs, ensure that the period of performance in the contract is consistent with the period of availability of appropriated funds, as provided by the financial resource manager.

(vi) Consistent with the Defense Transportation Regulations (DTR) 4500.9-R-Part II, Cargo Movement, <http://www.transcom.mil/dtr/part-ii/>, Appendix E, contracting officers shall ensure that contracts involving the acquisition and delivery of FMS material comply with the policies, procedures, packaging, labeling, and documentation requirements specified by the DTR.

(vii) The Government representative responsible for acceptance shall ensure that the contractor prepares material inspection and receiving reports in compliance with—

(A) Appendix F, F-301(b)(15)(iv)(K) for a Wide Area WorkFlow (WAWF) Receiving Report; or

(B) F-401(b)(16)(iv)(L) for a paper DD Form 250, Material Inspection and Receiving Report, if an exception to the use of WAWF at [232.7003](#) applies.

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(viii) Prior to contract award, contracting officers shall ensure that—

(A) If a contracting officer's representative is assigned, detailed point of contact information (email, phone number with international dialing protocols, and physical and mailing address) shall be clearly visible;

(B) Unique country requirements are specified in the contract (i.e., additional documentation requirements for use in country customs clearance (Levy Exemption waiver));

(C) Commodity-unique requirements are specified in the contract (i.e., responsibility for obtaining/paying for/affixing active Radio Frequency Identification tags and Transportation Control Number construction/usage); and

(D) The FMS Transportation Accounting Code is stated in the contract.

PGI 225.7302 Guidance.

For FMS programs that will require an acquisition, the contracting officer will assist the DoD implementing agency responsible for preparing the LOA by—

(1) Working with prospective contractors to—

(i) Identify, in advance of the LOA, any unusual provisions or deviations (such as those requirements for Pseudo LOAs identified at [PGI 225.7301](#));

(ii) Advise the contractor if the DoD implementing agency expands, modifies, or does not accept any requirements proposed by the contractor;

(iii) Identify any logistics support necessary to perform the contract (such as those requirements identified at [PGI 225.7301](#)); and

(iv) For noncompetitive acquisitions over \$10,000, ask the prospective contractor for data on pricing and other relevant factors, and information on delivery. The request for data shall identify the fact that the data is for a potential foreign military sale and shall identify the foreign customer; and

(2) Working with the DoD implementing agency responsible for preparing the LOA to—

(i) Assist, as necessary, in preparation of the LOA;

(ii) Identify and explain all unusual contractual requirements or requests for deviations; and

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- (iii) Assist in preparing the price and availability data.