DFARS Case 2021-D022

Limitation on the Acquisition of Certain Goods

Other than United States Goods

Final Rule

PART 212—ACQUISITION OF COMMERCIAL PRODUCTS AND COMMERCIAL SERVICES

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**SUBPART 212.3—SOLICITATION PROVISIONS AND CONTRACT CLAUSES FOR THE ACQUISITION OF COMMERCIAL PRODUCTS AND COMMERCIAL SERVICES**

**212.301 Solicitation provisions and contract clauses for the acquisition of commercial products and commercial services.**

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(f) \* \* \*

(x) *Part 225—Foreign Acquisition.*

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(L) Use the provision at 252.225–7018, Photovoltaic Devices—Certificate, as prescribed in 225.7017–4(b), to comply with section 846 of Public Law 111–383.

(M) **[Use the clause at 252.225-7019, Restriction on Acquisition of Anchor and Mooring Chain, as prescribed in 225.7004-7(a), to comply with 10 U.S.C. 4864 and section 8041 of the Fiscal Year 1991 DoD Appropriations Act (Pub. L. 101-511) and similar sections in subsequent DoD appropriations acts.]**

**[(N)]** Use the provision at 252.225–7020, Trade Agreements Certificate, to comply with 19 U.S.C. 2501–2518 and 19 U.S.C. 4501–4732. Alternate I also implements section 886 of the National Defense Authorization Act for Fiscal Year 2008 (Pub. L. 110–181).

*[Renumber subsequent paragraphs.]*

**\* \* \* \* \***

(~~W~~**[X]**) Use the clause at 252.225–7036, Buy American—Free Trade Agreements—Balance of Payments Program to comply with 41 U.S.C. chapter 83 and 19 U.S.C. 4501–4732. Alternates II, III, and V also implement section 886 of the National Defense Authorization Act for Fiscal Year 2008 (Pub. L. 110–181).

(*1*) \* \* \*

~~(X) Use the provision at 252.225-7037, Evaluation of Offers for Air Circuit Breakers, as prescribed in 225.7006-4(a), to comply with 10 U.S.C. 4864(a)(3).~~

~~(Y) Use the clause at 252.225-7038, Restriction on Acquisition of Air Circuit Breakers, as prescribed in 225.7006-4(b), to comply with 10 U.S.C. 4864(a)(3).~~

(~~Z~~**[Y]**) Use the clause at 252.225–7039, Defense Contractors Performing Private Security Functions Outside the United States, as prescribed in 225.302–6, to comply with section 2 of ~~Pub. L.~~**[Public Law]** 110–181, as amended.

*[Renumber subsequent paragraphs.]*

(~~NN~~**[MM]**) Use the clause at 252.225–7062, Restriction on Acquisition of Large Medium-Speed Diesel Engines, as prescribed in ~~225.7010–5~~**[225.7004-7(b)]**, to comply with 10 U.S.C. 4864.

**[(NN) Use the clause at 252.225-7063, Restriction on Acquisition of Components of T–AO 205 and T-ARC Class Vessels, as prescribed in 225.7004-7(c), to comply with 10 U.S.C. 4864.**

**(OO) Use the clause at 252.225-7064, Restriction on Acquisition of Certain Satellite Components, as prescribed in 225.7004-7(d), to comply with 10 U.S.C. 4864.]**

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**PART 225—FOREIGN ACQUISITION**

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**SUBPART 225.70—AUTHORIZATION ACTS, APPROPRIATIONS ACTS, AND OTHER STATUTORY RESTRICTIONS ON FOREIGN ACQUISITION**

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**225.7001 Definitions.**

As used in this subpart—

**\* \* \* \* \***

“Component means any item supplied to the Government as part of an end item or of another component**[,]** except that for use in ~~225.7007~~**[225.7004-2(b)(6)]**, the term means an article, material, or supply incorporated directly into an end product.

**\* \* \* \* \***

**[225.7004 Restrictions on the procurement of goods other than U.S. goods.**

**225.7004-0 Scope.**

**This section implements 10 U.S.C. 4864.**

**225.7004-1 Definitions.**

**As used in this section—**

**“National technology and industrial base” means the persons and organizations that are engaged in production activities conducted within the United States, Australia, Canada, New Zealand, and the United Kingdom of Great Britain and Northern Ireland (United Kingdom). (10 U.S.C. 4801)**

**“Star tracker” means a navigational tool used in a satellite weighing more than 400 pounds whose principal purpose is to support the national security, defense, or intelligence needs of the U.S. Government.**

**225.7004-2 Restrictions.**

**Except as provided in 225.7004-3, do not acquire any of the following items, either as end products or components, unless the manufacturer of the items is part of the national technology and industrial base:**

**(a) Buses, if multipassenger motor vehicles are purchased, leased, rented, or made available under contracts for transportation services.**

**(b) Components for naval vessels, to the extent they are unique to marine applications (see also 225.7004-4 for implementation of the restriction for naval vessels):**

**(1) Gyrocompasses.**

**(2) Electronic navigation chart systems.**

**(3) Steering controls.**

**(4) Propulsion and machinery control systems.**

**(5) Totally enclosed lifeboats.**

**(6) Welded shipboard anchor and mooring chain. See also 225.7004-5.**

**(c) Large medium-speed diesel engines for new construction of auxiliary ships using funds available for National Defense Sealift Fund programs or Shipbuilding and Conversion, Navy.**

**(d) For T-AO 205 and T-ARC class vessels:**

**(1) Auxiliary equipment, including pumps, for all shipboard services.**

**(2) Propulsion system components, including engines, reduction gears, and propellers.**

**(3) Shipboard cranes.**

**(4) Spreaders for shipboard cranes.**

**(e) Star trackers.**

**225.7004-3 Exceptions.**

**(a) *Contracts under the simplified acquisition threshold*. The restrictions at 225.7004-2 do not apply to a contract or subcontract that does not exceed the simplified acquisition threshold.**

**(b) *Buses*. The restriction at 225.7004-2(a) does not apply in the following circumstances:**

**(1) Buses manufactured outside the national technology and industrial base are needed for temporary use because buses manufactured in the national technology and industrial base are not available to satisfy requirements that cannot be postponed. Such use may not, however, exceed the lead time required for acquisition and delivery of buses manufactured in the national technology and industrial base.**

**(2) The requirement for buses is temporary in nature. For example, to meet a special, nonrecurring requirement or a sporadic and infrequent recurring requirement, buses manufactured outside the national technology and industrial base may be used for temporary periods of time. Such use may not however, exceed the period of time needed to meet the special requirement.**

**(3) Buses manufactured outside the national technology and industrial base are available at no cost to the U.S. Government.**

**(c) *Components for naval vessels*. The restriction at 225.7004-2(b) does not apply to acquisition of spare or repair parts needed to support components for naval vessels manufactured outside the United States. Support includes the purchase of spare gyrocompasses, electronic navigation chart systems, steering controls, propulsion and machinery control systems, totally enclosed lifeboats, and welded shipboard anchor and mooring chain.**

**(d) *Components for auxiliary ships*. The restriction at 225.7004-2(c) does not apply to large medium-speed engines for icebreakers or special mission ships.**

**(e) *Star trackers.* The restriction at 225.7004-2(e) does not apply to** **acquisition programs that have received Milestone A approval as defined in 10 U.S.C. 4211 before October 1, 2021, as documented by the requiring activity official performing program management responsibilities. The contracting officer shall include the Milestone A approval documentation in the contract file.**

**225.7004-4 Implementation of restriction on certain naval vessel components.**

**(a) The statute at 10 U.S.C. 4864(h)** **prohibits the use of contract clauses or certifications to implement the restriction at 225.7004-2(b) for naval vessel components.**

**(b)** **Agencies shall accomplish implementation of the restriction at 225.7004-2(b) through use of management and oversight techniques that achieve the objectives of this section without imposing a significant management burden on the Government or the contractor involved.**

**225.7004-5 Additional restrictions on anchor and mooring chain.**

**(a) In accordance with section 8041 of the Fiscal Year 1991 DoD Appropriations Act (Pub. L. 101-511) and similar sections in subsequent DoD appropriations acts, do not acquire welded shipboard anchor and mooring chain, unless—**

**(1) It is manufactured in the United States, including cutting, heat treating, quality control, testing, and welding (both forging and shot blasting process); and**

**(2) The cost of the components manufactured in the United States exceeds 50 percent of the total cost of components.**

**(b)** **The statute at 10 U.S.C. 4864 also restricts acquisition of welded shipboard anchor and mooring chain, when used as a component of a naval vessel; however, the Appropriations Act restriction described in paragraph (a) of this section takes precedence over the restriction of 10 U.S.C. 4864 cited in 225.7004-2(b)(6).**

**225.7004-6 Waiver of restrictions.**

**(a) *Welded shipboard anchor and mooring*** ***chain*.**

**(1) In accordance with section 8016 of the Consolidated Appropriations Act, 2023 (Pub. L. 117-328), the secretary of the department responsible for acquisition may waive the restrictions in 225.7004-2(b)(6) and 225.7004-5, on a case-by-case basis, if—**

**(i) Sufficient domestic suppliers are not available to meet DoD requirements on a timely basis; and**

**(ii) The acquisition is necessary to acquire capability for national security purposes.**

**(2) Document the waiver in a written determination and findings containing—**

**(i) The factors supporting the waiver; and**

**(ii) A certification that the acquisition must be made in order to acquire capability for national security purposes.**

**(3) Provide a copy of the determination and findings to the House and Senate Committees on Appropriations.**

**(b) *Star trackers*. The waiver criteria at paragraph (c) of this section apply, except that the USD(A&S) may delegate the authority to waive a restriction for a star tracker for a particular foreign country to the service acquisition executive, without power of redelegation (section 1603, National Defense Authorization Act for Fiscal Year 2021 (Pub. L. 116-283)).**

**(c) *Waiver of restrictions of 10 U.S.C. 4864(a)*. The restrictions on certain foreign purchases at 225.7004-2 may be waived, except as provided in paragraphs (a) and (b) of this section, as follows:**

**(1)(i) USD(A&S), without power of delegation, may waive a restriction for a particular item for a particular foreign country upon determination that—**

**(A) U.S. producers of the item would not be jeopardized by competition from a foreign country, and that country does not discriminate against defense items produced in the United States to a greater degree than the United States discriminates against defense items produced in that country; or**

**(B) Application of the restriction would impede cooperative programs entered into between DoD and a foreign country, or would impede the reciprocal procurement of defense items under a memorandum of understanding providing for reciprocal procurement of defense items under 225.872, and that country does not discriminate against defense items produced in the United States to a greater degree than the United States discriminates against defense items produced in that country.**

**(ii) A notice of the determination to exercise the waiver authority shall be published in the Federal Register and submitted to the congressional defense committees at least 15 days before the effective date of the waiver.**

**(iii) The effective period of the waiver shall not exceed 1 year.**

**(iv) For contracts entered into prior to the effective date of a waiver, provided adequate consideration is received to modify the contract, the waiver shall be applied as directed or authorized in the waiver to—**

**(A) Subcontracts entered into on or after the effective date of the waiver; and**

**(B) Options for the procurement of items that are exercised after the effective date of the waiver, if the option prices are adjusted for any reason other than the application of the waiver.**

**(2) The head of the contracting activity may waive a restriction on a case-by-case basis upon execution of a determination and findings that any of the following applies:**

**(i) The restriction would cause unreasonable delays.**

**(ii) Satisfactory quality items manufactured in the national technology and industrial base are not available.**

**(iii) Application of the restriction would result in the existence of only one source for the item in the national technology and industrial base.**

**(iv) Application of the restriction is not in the national security interests of the United States.**

**(v) Application of the restriction would adversely affect a U.S. company.**

**(3) A restriction is waived when it would cause unreasonable costs. The cost of an item of national technology and industrial base origin is unreasonable if it exceeds 150 percent of the offered price, inclusive of duty, of items that are not of national technology and industrial base origin.**

**225.7004-7 Contract clauses.**

**(a) Unless a waiver has been granted, use the clause at** **252.225-7019, Restriction on Acquisition of Anchor and Mooring Chain****,** **in solicitations and contracts, including solicitations and contracts using FAR part 12 procedures for the acquisition of commercial products and commercial services, that exceed the simplified acquisition threshold and that require welded shipboard anchor or mooring chain.**

**(b) Use the clause at** **252.225-7062, Restriction on Acquisition of Large Medium-Speed Diesel Engines, in solicitations and contracts****, including solicitations and contracts using FAR part 12 procedures for the acquisition of commercial products and commercial services, that exceed the simplified acquisition threshold and that require large medium-speed diesel engines for new construction of auxiliary ships using funds available for National Defense Sealift Fund programs or Shipbuilding and Conversion, Navy unless—**

**(1) An exception at 225.7004-3(d) applies; or**

**(2) A waiver has been granted.**

**(c) Unless a waiver has been granted, use the clause at 252.225-7063,** **Restriction on Acquisition of Components of T–AO 205 and T-ARC Class Vessels, in solicitations and contracts, including solicitations and contracts using FAR part 12 procedures for the acquisition of commercial products and commercial services, that exceed the simplified acquisition threshold and that require components of T-AO 205 and T-ARC class vessels.**

**(d) Use the clause at** **252.225-7064, Restriction on Acquisition of Certain Satellite Components, in solicitations and contracts, including solicitations and contracts using FAR part 12 procedures for the acquisition of commercial products and commercial services, that exceed the simplified acquisition threshold unless—**

**(1) An exception at 225.7004-3(e) applies; or**

**(2) A waiver has been granted.]**

**~~225.7004 Restriction on acquisition of foreign buses.~~**

**~~225.7004-1 Restriction.~~**

~~In accordance with 10 U.S.C. 4864, do not acquire a multipassenger motor vehicle (bus) unless it is manufactured in the United States, Australia, Canada, New Zealand, or the United Kingdom of Great Britain and Northern Ireland (United Kingdom).~~

**~~225.7004-2 Applicability.~~**

~~Apply this restriction if the buses are purchased, leased, rented, or made available under contracts for transportation services.~~

**~~225.7004-3 Exceptions.~~**

~~This restriction does not apply in any of the following circumstances:~~

~~(a) Buses manufactured outside the United States, Australia, Canada, New Zealand, or the United Kingdom are needed for temporary use because buses manufactured in the United States, Australia, Canada, New Zealand, or the United Kingdom are not available to satisfy requirements that cannot be postponed. Such use may not, however, exceed the lead time required for acquisition and delivery of buses manufactured in the United States, Australia, Canada, New Zealand, or the United Kingdom.~~

~~(b) The requirement for buses is temporary in nature. For example, to meet a special, nonrecurring requirement or a sporadic and infrequent recurring requirement, buses manufactured outside the United States, Australia, Canada, New Zealand, or the United Kingdom may be used for temporary periods of time. Such use may not, however, exceed the period of time needed to meet the special requirement.~~

~~(c) Buses manufactured outside the United States, Australia, Canada, New Zealand, or the United Kingdom are available at no cost to the U.S. Government.~~

~~(d) The acquisition is for an amount at or below the simplified acquisition threshold.~~

**~~225.7004-4 Waiver.~~**

~~The waiver criteria at~~ [~~225.7008~~](https://www.acq.osd.mil/dpap/dars/dfars/html/current/225_70.htm#225.7008)~~(a) apply to this restriction.~~

**225.7005 Reserved.**

**225.7006 [Reserved.] ~~Restriction on air circuit breakers for naval vessels.~~**

**~~225.7006-1 Restriction.~~**

~~In accordance with 10 U.S.C. 4864, do not acquire air circuit breakers for naval vessels unless they are manufactured in the United States, Australia, Canada, New Zealand, or the United Kingdom.~~

**~~225.7006-2 Exceptions.~~**

~~This restriction does not apply if the acquisition is—~~

~~(a) For an amount at or below the simplified acquisition threshold; or~~

~~(b) For spare or repair parts needed to support air circuit breakers manufactured outside the United States. Support includes the purchase of spare air circuit breakers when those from alternate sources are not interchangeable.~~

**~~225.7006-3 Waiver.~~**

~~The waiver criteria at~~ [~~225.7008~~](https://www.acq.osd.mil/dpap/dars/dfars/html/current/225_70.htm#225.7008)~~(a) apply to this restriction.~~

**~~225.7006-4 Solicitation provision and contract clause.~~**

~~(a) Use the provision at~~ [~~252.225-7037~~](https://www.acq.osd.mil/dpap/dars/dfars/html/current/252225.htm#252.225-7037)~~, Evaluation of Offers for Air Circuit Breakers, in solicitations, including solicitations using FAR part 12 procedures for the acquisition of commercial products and commercial services, that require air circuit breakers for naval vessels unless—~~

~~(1) An exception applies; or~~

~~(2) A waiver has been granted.~~

~~(b) Use the clause at~~ [~~252.225-7038~~](https://www.acq.osd.mil/dpap/dars/dfars/html/current/252225.htm#252.225-7038)~~, Restriction on Acquisition of Air Circuit Breakers, in solicitations and contracts, including solicitations and contracts using FAR part 12 procedures for the acquisition of commercial products and commercial services, that require air circuit breakers for naval vessels unless—~~

~~(1) An exception at~~ [~~225.7006-2~~](https://www.acq.osd.mil/dpap/dars/dfars/html/current/225_70.htm#225.7006-2) ~~applies; or~~

~~(2) A waiver has been granted.~~

**225.7007 [Reserved.]~~Restrictions on anchor and mooring chain.~~**

**~~225.7007-1 Restrictions.~~**

~~(a) In accordance with Section 8041 of the Fiscal Year 1991 DoD Appropriations Act (Public Law 101-511) and similar sections in subsequent DoD appropriations acts, do not acquire welded shipboard anchor and mooring chain, four inches or less in diameter, unless—~~

~~(1) It is manufactured in the United States, including cutting, heat treating, quality control, testing, and welding (both forging and shot blasting process); and~~

~~(2) The cost of the components manufactured in the United States exceeds 50 percent of the total cost of components.~~

~~(b) 10 U.S.C. 4864 also restricts acquisition of welded shipboard anchor and mooring chain, four inches or less in diameter, when used as a component of a naval vessel. However, the Appropriations Act restriction described in paragraph (a) of this section takes precedence over the restriction of 10 U.S.C. 4864.~~

**~~225.7007-2 Waiver.~~**

~~(a) The Secretary of the department responsible for acquisition may waive the restriction in~~ [~~225.7007-1~~](https://www.acq.osd.mil/dpap/dars/dfars/html/current/225_70.htm#225.7007-1)~~(a), on a case-by-case basis, if—~~

~~(1) Sufficient domestic suppliers are not available to meet DoD requirements on a timely basis; and~~

~~(2) The acquisition is necessary to acquire capability for national security purposes.~~

~~(b) Document the waiver in a written determination and findings containing—~~

~~(1) The factors supporting the waiver; and~~

~~(2) A certification that the acquisition must be made in order to acquire capability for national security purposes.~~

~~(c) Provide a copy of the determination and findings to the House and Senate Committees on Appropriations.~~

**~~225.7007-3 Contract clause.~~**

~~Unless a waiver has been granted, use the clause at~~ [~~252.225-7019~~](https://www.acq.osd.mil/dpap/dars/dfars/html/current/252225.htm#252.225-7019)~~, Restriction on Acquisition of Anchor and Mooring Chain, in solicitations and contracts requiring welded shipboard anchor or mooring chain four inches or less in diameter.~~

**225.7008 [Reserved.]~~Waiver of restrictions of 10 U.S.C. 4864.~~**

~~When specifically authorized by reference elsewhere in this subpart, the restrictions on certain foreign purchases under 10 U.S.C. 4864(a) may be waived as follows:~~

~~(a)(1) The Under Secretary of Defense (Acquisition and Sustainment) (USD(A&S)), without power of delegation, may waive a restriction for a particular item for a particular foreign country upon determination that⎯~~

~~(i) United States producers of the item would not be jeopardized by competition from a foreign country, and that country does not discriminate against defense items produced in the United States to a greater degree than the United States discriminates against defense items produced in that country; or~~

~~(ii) Application of the restriction would impede cooperative programs entered into between DoD and a foreign country, or would impede the reciprocal procurement of defense items under a memorandum of understanding providing for reciprocal procurement of defense items under~~ [~~225.872~~](https://www.acq.osd.mil/dpap/dars/dfars/html/current/225_8.htm#225.872)~~, and that country does not discriminate against defense items produced in the United States to a greater degree than the United States discriminates against defense items produced in that country.~~

~~(2) A notice of the determination to exercise the waiver authority shall be published in the Federal Register and submitted to the congressional defense committees at least 15 days before the effective date of the waiver.~~

~~(3) The effective period of the waiver shall not exceed 1 year.~~

~~(4) For contracts entered into prior to the effective date of a waiver, provided adequate consideration is received to modify the contract, the waiver shall be applied as directed or authorized in the waiver to⎯~~

~~(i) Subcontracts entered into on or after the effective date of the waiver; and~~

~~(ii) Options for the procurement of items that are exercised after the effective date of the waiver, if the option prices are adjusted for any reason other than the application of the waiver.~~

~~(b) The head of the contracting activity may waive a restriction on a case-by-case basis upon execution of a determination and findings that any of the following applies:~~

~~(1) The restriction would cause unreasonable delays.~~

~~(2) Satisfactory quality items manufactured in the United States, Australia, Canada, New Zealand, or the United Kingdom are not available.~~

~~(3) Application of the restriction would result in the existence of only one source for the item in the United States, Australia, Canada, New Zealand, or the United Kingdom.~~

~~(4) Application of the restriction is not in the national security interests of the United States.~~

~~(5) Application of the restriction would adversely affect a U.S. company.~~

~~(c) A restriction is waived when it would cause unreasonable costs. The cost of an item of U.S., Australian, Canadian, New Zealand, or United Kingdom origin is unreasonable if it exceeds 150 percent of the offered price, inclusive of duty, of items that are not of U.S., Australian, Canadian, New Zealand, or United Kingdom origin.~~

**225.7009 Restriction on ball and roller bearings.**

**225.7009-1 Scope.**

This section implements ~~S~~**[s]**ection 8065 of the Fiscal Year 2002 DoD Appropriations Act (Pub. L. 107-117) and the same restriction in subsequent DoD appropriations acts.

**225.7009-2 Restriction.**

(a) Do not acquire ball and roller bearings unless—

(1) The bearings are manufactured in the United States or Canada; and

(2) For each ball or roller bearing, the cost of the bearing components manufactured in the United States or Canada exceeds 50 percent of the total cost of the bearing components of that ball or roller bearing.

(b) The restriction at [225.7003-2](https://www.acq.osd.mil/dpap/dars/dfars/html/current/225_70.htm#225.7003-2) may also apply to bearings that are made from specialty metals, such as high carbon chrome steel (bearing steel).

**225.7009-3 Exception.**

The restriction in [225.7009-2](https://www.acq.osd.mil/dpap/dars/dfars/html/current/225_70.htm#225.7009-2) does not apply to contracts or subcontracts for the acquisition of commercial products, except for commercial ball and roller bearings acquired as end items.

**225.7009-4 Waiver.**

The Secretary of the department responsible for acquisition or, for the Defense Logistics Agency, the Component Acquisition Executive, may waive the restriction in [225.7009-2](https://www.acq.osd.mil/dpap/dars/dfars/html/current/225_70.htm#225.7009-2), on a case-by-case basis, by certifying to the House and Senate Committees on Appropriations that—

(a) Adequate domestic supplies are not available to meet DoD requirements on a timely basis; and

(b) The acquisition must be made in order to acquire capability for national security purposes.

**225.7009-5 Contract clause.**

Use the clause at [252.225-7016](https://www.acq.osd.mil/dpap/dars/dfars/html/current/252225.htm#252.225-7016), Restriction on Acquisition of Ball and Roller Bearings, in solicitations and contracts, including solicitations and contracts using FAR part 12 procedures for the acquisition of commercial products and commercial services, unless—

(a) The items being acquired are commercial products other than ball or roller bearings acquired as end items;

(b) The items being acquired do not contain ball and roller bearings; or

(c) A waiver has been granted in accordance with [225.7009-4](https://www.acq.osd.mil/dpap/dars/dfars/html/current/225_70.htm#225.7009-4).

**225.7010 [Reserved.]~~Restrictions on certain naval vessel and auxiliary ship components.~~**

**~~225.7010-1 Restrictions.~~**

~~In accordance with 10 U.S.C. 4864, unless manufactured in the United States, Australia, Canada, New Zealand, or the United Kingdom, do not acquire:~~

~~(a) The following components of naval vessels to the extent they are unique to marine applications:~~

~~(1) Gyrocompasses.~~

~~(2) Electronic navigation chart systems.~~

~~(3) Steering controls.~~

~~(4) Pumps.~~

~~(5) Propulsion and machinery control systems.~~

~~(6) Totally enclosed lifeboats.~~

~~(b) Large medium-speed diesel engines for new construction of auxiliary ships using funds available for National Defense Sealift Fund programs or Shipbuilding and Conversion, Navy.~~

**~~225.7010-2 Exceptions.~~**

~~(a) The restriction at~~ [~~225.7010-1~~](https://www.acq.osd.mil/dpap/dars/dfars/html/current/225_70.htm#225.7010-1)~~(a) does not apply to—~~

~~(1) Contracts or subcontracts that do not exceed the simplified acquisition threshold; or~~

~~(2) Acquisition of spare or repair parts needed to support components for naval vessels manufactured outside the United States. Support includes the purchase of spare gyrocompasses, electronic navigation chart systems, steering controls, pumps, propulsion and machinery control systems, or totally enclosed lifeboats, when those from alternate sources are not interchangeable.~~

~~(b) The restriction at~~ [~~225.7010-1~~](https://www.acq.osd.mil/dpap/dars/dfars/html/current/225_70.htm#225.7010-1)~~(b) does not apply to—~~

~~(1) Contracts or subcontracts that do not exceed the simplified acquisition threshold; or~~

~~(2) Large medium-speed diesel engines for icebreakers or special mission ships.~~

**~~225.7010-3 Waiver.~~**

~~The waiver criteria at~~ [~~225.7008~~](https://www.acq.osd.mil/dpap/dars/dfars/html/current/225_70.htm#225.7008) ~~apply to the restrictions at~~ [~~225.7010-1~~](https://www.acq.osd.mil/dpap/dars/dfars/html/current/225_70.htm#225.7010-1)~~.~~

**~~225.7010-4 Implementation of restriction on certain naval vessel components.~~**

~~(a) 10 U.S.C. 4864(h) prohibits the use of contract clauses or certifications to implement the restriction at~~ [~~225.7010-1~~](https://www.acq.osd.mil/dpap/dars/dfars/html/current/225_70.htm#225.7010-1)~~(a).~~

~~(b) Agencies shall accomplish implementation of the restriction at~~ [~~225.7010-1~~](https://www.acq.osd.mil/dpap/dars/dfars/html/current/225_70.htm#225.7010-1)~~(a) through use of management and oversight techniques that achieve the objectives of this section without imposing a significant management burden on the Government or the contractor involved.~~

**~~225.7010-5 Contract clause~~**~~.~~

~~Use the clause at~~ [~~252.225-7062~~](https://www.acq.osd.mil/dpap/dars/dfars/html/current/252225.htm#252.225-7062)~~, Restriction on Acquisition of Large Medium-Speed Diesel Engines, in solicitations and contracts that exceed the simplified acquisition threshold, including solicitations and contracts using FAR part 12 procedures for the acquisition of commercial products and commercial services, that require large medium-speed diesel engines for new construction of auxiliary ships using funds available for National Defense Sealift Fund programs or Shipbuilding and Conversion, Navy unless—~~

~~(a) An exception at~~ [~~225.7010-2~~](https://www.acq.osd.mil/dpap/dars/dfars/html/current/225_70.htm#225.7010-2)~~(b)(2) applies; or~~

~~(b) A waiver has been granted.~~

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**PART 252–SOLICITATION PROVISIONS AND CONTRACT CLAUSES**

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subpart 252.2—text of provisions and clauses

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252.225-7019 Restriction on [A]~~a~~cquisition of [A]~~a~~nchor and [M]~~m~~ooring [C]~~c~~hain.

As prescribed in ~~225.7007-3~~[225.7004-7(a)], use the following clause:

RESTRICTION ON ACQUISITION OF ANCHOR AND MOORING CHAIN

(~~DEC 2009~~[MAY 2024])~~)~~

(a) *Definition*. [As used in this clause—]

“Component~~,~~” ~~as used in this clause,~~ means an article, material, or supply incorporated directly into an end product.

(b) Welded shipboard anchor and mooring chain~~, four inches or less in diameter,~~ delivered under this contract—

(1) Shall be manufactured in the United States or its outlying areas, including cutting, heat treating, quality control, testing, and welding (both forging and shot blasting process); and

(2) The cost of the components manufactured in the United States or its outlying areas shall exceed 50 percent of the total cost of components.

(c) The Contractor may request a waiver of this restriction if adequate domestic supplies meeting the requirements in paragraph (b) of this clause are not available to meet the contract delivery schedule.

(d) The Contractor shall insert the substance of this clause, including this paragraph (d), in all subcontracts for items containing welded shipboard anchor and mooring chain~~, four inches or less in diameter~~.

(End of clause)

\* \* \* \* \*

252.225-7037 [[Reserved]]~~Evaluation of Offers for Air Circuit Breakers.~~

~~As prescribed in 225.7006-4(a), use the following provision:~~

~~EVALUATION OF OFFERS FOR AIR CIRCUIT BREAKERS (JUL 2023)~~

~~(a) The offeror shall specify, in its offer, any intent to furnish air circuit breakers that are not manufactured in the United States or its outlying areas, Australia, Canada, New Zealand, or the United Kingdom of Great Britain and Northern Ireland (United Kingdom).~~

~~(b) The Contracting Officer will evaluate offers by adding a factor of 50 percent to the offered price of air circuit breakers that are not manufactured in the United States or its outlying areas, Australia, Canada, New Zealand, or the United Kingdom.~~

~~(End of provision)~~

252.225-7038 [[Reserved]]~~Restriction on Acquisition of Air Circuit Breakers.~~

~~As prescribed in 225.7006-4(b), use the following clause:~~

~~RESTRICTION ON ACQUISITION OF AIR CIRCUIT BREAKERS (JUL 2023)~~

~~Unless otherwise specified in its offer, the Contractor shall deliver under this contract air circuit breakers manufactured in the United States or its outlying areas, Australia, Canada, New Zealand, or the United Kingdom of Great Britain and Northern Ireland.~~

~~(End of clause)~~

\* \* \* \* \*

**252.225-7062 Restriction on Acquisition of Large Medium-Speed Diesel Engines.**

As prescribed in ~~225.7010-5~~**[225.7004-7(b)]**, use the following clause:

\* \* \* \* \*

**[****252.225-7063 Restriction on Acquisition of Components of T–AO 205 and T-ARC Class Vessels.**

**As prescribed in 225.7004-7(c), use the following clause:**

**RESTRICTION ON ACQUISITION OF COMPONENTS OF T--AO 205 AND**

**T-ARC CLASS VESSELS (MAY 2024)**

**(a) *Restriction*.**

**(1) In accordance with 10 U.S.C. 4864, the following components of T–AO 205 and T-ARC class vessels must be manufactured in the United States, Australia, Canada, New Zealand, or the United Kingdom** **of Great Britain and Northern Ireland (United Kingdom):**

**(i) Auxiliary equipment, including pumps, for all shipboard services.**

**(ii) Propulsion system components, including engines, reduction gears, and propellers.**

**(iii) Shipboard cranes.**

**(iv) Spreaders for shipboard cranes.**

**(2) The Contractor shall deliver under this contract only T-AO 205 and T-ARC class vessel components, as described in paragraph (a)(1) of this clause, manufactured in the United States, Australia, Canada, New Zealand, or the United Kingdom (10 U.S.C. 4864).**

**(b) *Subcontracts*. The Contractor shall insert the substance of this clause, including this paragraph (b), in subcontracts for the components described in paragraph (a)(1) of this clause that exceed the simplified acquisition threshold, including subcontracts for commercial products and commercial services.**

**(End of clause)**

**252.225-7064 Restriction on Acquisition of Certain Satellite Components.**

As prescribed in 225.7004-7(d), use the following clause:

RESTRICTION ON ACQUISITION OF CERTAIN SATELLITE COMPONENTS (MAY 2024)

(a) *Definition.* As used in this clause—

“Star tracker” means a navigational tool used in a satellite weighing more than 400 pounds whose principal purpose is to support the national security, defense, or intelligence needs of the U.S. Government.

(b) *Restriction.* In accordance with 10 U.S.C. 4864, a star tracker must be manufactured in the United States, Australia, Canada, New Zealand, or the United Kingdom of Great Britain and Northern Ireland (United Kingdom). The Contractor shall deliver under this contract only star trackers manufactured in the United States, Australia, Canada, New Zealand, or the United Kingdom.

**(c) *Subcontracts.* The Contractor shall insert the substance of this clause, including this paragraph (c), in subcontracts for star trackers that exceed the simplified acquisition threshold, including subcontracts for commercial products and commercial services.**

**(End of clause)]**

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