

AID Small Business Memo

Trade Information for American Suppliers



Issued By
DEPARTMENT OF STATE

Agency for International Development, Office of Small Business
Washington, D. C. 20523

Area Code 202 63-20237



SBM No. 70-6
April 3, 1970
(M/L: Entire OSB List)

REFUBLICATION OF A.I.D. COMMODITY PROCUREMENT SOURCE-ORIGIN POLICY AND AMENDMENTS

This Small Business Memo supersedes the SBM 69-4 series in its entirety. It contains the Agency source-origin policy and individual commodity componentry rulings issued to date in the SBM 69-4 series. Future rulings will be issued in the SBM 70-6 series.

A.I.D. COMMODITY PROCUREMENT SOURCE-ORIGIN POLICY

A commodity, even though produced through manufacturing, processing or assembly in, and shipped to the cooperating country from, an authorized source country, will not be eligible for A.I.D. financing if: (i) it contains any component from countries other than free world countries, as listed in A.I.D. geographic code 899*; or (ii) it contains components which were imported into the country of production from such free world countries other than authorized source countries and (a) such components were acquired by the producer in the form in which they were imported and (b) the total cost of such components (delivered at the point of production) amounts to more than 10 percent, or such other percentage as A.I.D. may prescribe, of the lowest price (excluding the cost of ocean transportation and marine insurance) at which the supplier makes the commodity available for export sale (whether or not financed by A.I.D.).

A.I.D. may from time to time waive or modify this 10 percent limitation if in its view such action is necessary to achieve A.I.D.'s objective of conformity with normal industry practices. Requests for waivers or modification should be addressed to Industrial Resources Division, Agency for International Development, Washington, D. C. 20523.

Listed herein are the commodity source rulings, modifying or waiving the 10 percent componentry limitation, which are currently in effect.

Separate rulings applicable to Latin America are contained in SBM 70-7.

*A.I.D. Geographic Code 899 includes any area or country in the world except the U.S.S.R., Eastern Europe, Poland, North Vietnam, North Korea, China (Mainland) and other Chinese Communist controlled areas, Outer Mongolia, and Cuba.