

AID Small Business Memo

Trade Information for American Suppliers



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WAIVERS OF PUBLICATION REQUIREMENTS FOR PROCUREMENT UNDER CERTAIN SPECIAL SUPPLIER IMPORTER RELATIONSHIPS

(SBM No. 65-3 supersedes in their entirety SBM No. 59-3 dated April 22, 1959; Supplement No. 1 to SBM No. 59-3 dated March 30, 1961, and Supplement No. 2 to SBM No. 59-3 dated August 11, 1961.)

Section 602 of the Foreign Assistance Act of 1961 provides that the Office of Small Business, A.I.D., shall make available to suppliers in the United States, and particularly to small independent enterprises, information as far in advance as possible with respect to purchases proposed to be financed by A.I.D. funds.

To notify U.S. suppliers of opportunities to furnish commodities financed under the Foreign Assistance Program, A.I.D. requires that the foreign government or private importers, before placing any order or agreeing to place any order covered by a subauthorization of more than \$5,000, shall give the A.I.D. Office of Small Business a description of the commodities desired, stated in terms of United States standards. This description is published in the Small Business Circular, requesting formal competitive bids, (usually in the case of procurement by a government agency) or informal quotations, (usually in the case of procurement by a private importer). The Circular is distributed, without charge, to all interested subscribers.

A.I.D. recognizes that certain conditions can exist where publication of proposed purchases in the Small Business Circular would serve no useful purpose, such as where the existence of contractually binding commercial relationships would vitiate competition. Such conditions are recognized in the commercial relationships described in A.I.D. Regulation 1, Section 201.24(c)(1)(i), subsections (a), (b), (c), and (d). Briefly they comprise those situations when procurement concerns commodities imported under the following conditions:

1. A registered brand name commodity for resale by a regularly authorized dealer of the sole distributor of the brand item;
2. A commodity for resale by a regularly authorized distributor of the manufacturer, or of the manufacturer's regularly authorized exporter for the destination involved; and
3. A commodity for assembly, manufacture or conversion, and resale of the end-product, by a regularly authorized importing distributor of the manufacturing supplier or the manufacturer's regularly authorized exporter for the destination involved.

Section 201.24(c)(1)(ii) explains how to apply for a waiver when such conditions exist.

For the convenience of applying suppliers, the enclosed form has been designed to facilitate submission of the information required to permit ready evaluation of qualifying relationships, and to accelerate processing of all applications.