

25.402 General.

(a)

(1) The Trade Agreements Act (19 U.S.C.2501, *et seq.*) provides the authority for the President to waive the Buy American statute and other discriminatory provisions for *eligible products* from countries that have signed an international trade agreement with the *United States*, or that meet certain other criteria, such as being a *least developed country*. The President has delegated this waiver authority to the U.S. Trade Representative. In *acquisitions* covered by the *WTO GPA*, Free Trade Agreements, or the Israeli Trade Act, the U.S. Trade Representative has waived the Buy American statute and other discriminatory provisions for *eligible products*. *Offers of eligible products* receive equal consideration with *domestic offers*.

(2) The *contracting officer shall* determine the origin of services by the country in which the firm providing the services is established. See subpart 25.5 for evaluation procedures for supply contracts covered by trade agreements.

(b) The value of the *acquisition* is a determining factor in the applicability of trade agreements. Most of these dollar thresholds are subject to revision by the U.S. Trade Representative approximately every 2 years. The various thresholds are summarized as follows:

Table 1 to Paragraph (b)

| Trade Agreement | Supply Contract (equal to or exceeding) | Service Contract (equal to or exceeding) | Construction Contract (equal to or exceeding) |
|--|---|--|---|
| <i>WTO GPA</i> | \$174,000 | \$174,000 | \$6,708,000 |
| FTAs | | | |
| Australia FTA | 102,280 | 102,280 | 6,708,000 |
| Bahrain FTA | 174,000 | 174,000 | 13,296,489 |
| CAFTA-DR (Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, and Nicaragua) | 102,280 | 102,280 | 6,708,000 |
| Chile FTA | 102,280 | 102,280 | 6,708,000 |

| | | | |
|-------------------|---------|---------|------------|
| Colombia FTA | 102,280 | 102,280 | 6,708,000 |
| Korea FTA | 100,000 | 100,000 | 6,708,000 |
| Morocco FTA | 174,000 | 174,000 | 6,708,000 |
| USMCA | | | |
| -Mexico | 102,280 | 102,280 | 13,296,489 |
| Oman FTA | 174,000 | 174,000 | 13,296,489 |
| Panama FTA | 174,000 | 174,000 | 6,708,000 |
| Peru FTA | 174,000 | 174,000 | 6,708,000 |
| Singapore FTA | 102,280 | 102,280 | 6,708,000 |
| Israeli Trade Act | 50,000 | - | - |

Parent topic: Subpart 25.4 - Trade Agreements