

47.505 Construction contracts.

(a) Except as stated in paragraph (b) of this section, *construction* contractors, including subcontractors and suppliers, engaged in overseas work *shall* comply with the policies and regulations in this subpart.

(b) These requirements *shall* not apply to military assistance, foreign aid, or similar projects under the auspices of the U.S. Government when the recipient nation furnishes, or pays for, at least 50 percent of the transportation, in which event *foreign-flag vessels may* be used for a portion not to exceed 50 percent of the gross tonnage for the project.

Parent topic: [Subpart 47.5 - Ocean Transportation by U.S.-Flag Vessels](#)