

(e) Contracts on basis of competitive selection procedures

(1) The Congress finds that significantly greater effort must be made in carrying out programs under subchapter I of this chapter to award contracts on the basis of competitive selection procedures. All such contracts should be let on the basis of competitive selection procedures except in those limited cases in which the procurement regulations governing the agency primarily responsible for administering subchapter I of this chapter allow noncompetitive procedures to be used.

(2) Repealed. Pub. L. 97-113, title VII, § 734(a)(1), Dec. 29, 1981, 95 Stat. 1560.

(Pub. L. 87-195, pt. III, § 601, Sept. 4, 1961, 75 Stat. 438; Pub. L. 88-205, pt. III, § 301(a), (b), Dec. 16, 1963, 77 Stat. 385; Pub. L. 88-633, pt. III, § 301(a), (b), Oct. 7, 1964, 78 Stat. 1012; Pub. L. 89-583, pt. III, § 301(a), Sept. 19, 1966, 80 Stat. 803; Pub. L. 90-137, pt. III, § 301(a), Nov. 14, 1967, 81 Stat. 458; Pub. L. 95-424, title I, § 102(g)(2)(B), title V, § 501, Oct. 6, 1978, 92 Stat. 942, 956; Pub. L. 97-113, title VII, § 734(a)(1), Dec. 29, 1981, 95 Stat. 1560.)

REFERENCES IN TEXT

This chapter, referred to in subsecs. (b) and (d), was in the original “this Act”, meaning Pub. L. 87-195, Sept. 4, 1961, 75 Stat. 424, as amended, known as the Foreign Assistance Act of 1961. For complete classification of this Act to the Code, see Short Title note set out under section 2151 of this title and Tables.

REFERENCES TO SUBCHAPTER I DEEMED TO INCLUDE CERTAIN PARTS OF SUBCHAPTER II

References to subchapter I of this chapter are deemed to include parts IV (§ 2346 et seq.), VI (§ 2348 et seq.), and VIII (§ 2349aa et seq.) of subchapter II of this chapter, and references to subchapter II are deemed to exclude such parts. See section 202(b) of Pub. L. 92-226, set out as a note under section 2346 of this title, and sections 2348c and 2349aa-5 of this title.

AMENDMENTS

1981—Subsec. (e)(2). Pub. L. 97-113 struck out par. (2) which required reports to Congress on Agency for International Development contracts over \$100,000 entered into without competitive selection. See section 2394(a)(2)(F) of this title.

1978—Subsec. (b)(5). Pub. L. 95-424 substituted “section 2151t” for “section 2161”.

Subsec. (e). Pub. L. 95-424 added subsec. (e).

1967—Subsec. (c)(3). Pub. L. 90-137 substituted reference to section 5703 for former section 73b-2 of title 5.

1966—Subsec. (b)(2) to (8). Pub. L. 89-583, § 301(a)(1)-(3), added par. (2), redesignated former pars. (2) to (6) as (3) to (7), respectively, and added par. (8).

Subsec. (c). Pub. L. 89-583, § 301(a)(4), substituted provisions relating to International Private Investment Advisory Council on Foreign Aid for former provisions relating to Advisory Committee on Private Enterprise in Foreign Aid.

1964—Subsec. (c)(4). Pub. L. 88-633, § 301(a), substituted “June 30, 1965” for “December 31, 1964”.

Subsec. (d). Pub. L. 88-633, § 301(b), added subsec. (d).
1963—Subsec. (b). Pub. L. 88-205, § 301(a), substituted “to the maximum extent practicable” for “wherever appropriate” in par. (4), and added pars. (5) and (6).

Subsec. (c). Pub. L. 88-205, § 301(b), added subsec. (c).

EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95-424 effective Oct. 1, 1978, see section 605 of Pub. L. 95-424, set out as a note under section 2151 of this title.

DELEGATION OF FUNCTIONS

For delegation of functions of President under this section, see Ex. Ord. No. 12163, Sept. 29, 1979, 44 F.R. 56673, as amended, set out as a note under section 2381 of this title.

TERMINATION OF ADVISORY COUNCIL

Advisory council in existence on Jan. 5, 1973, to terminate not later than the expiration of the 2-year period following Jan. 5, 1973, unless, in the case of a council established by the President or an officer of the Federal Government, such council is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a council established by the Congress, its duration is otherwise provided by law. See sections 3(2) and 14 of Pub. L. 92-463, Oct. 6, 1972, 86 Stat. 770, 776, set out in the Appendix to Title 5, Government Organization and Employees.

§ 2352. Small business**(a) Assistance for participation in furnishing of commodities, defense articles, and services**

Insofar as practicable and to the maximum extent consistent with the accomplishment of the purposes of this chapter, the President shall assist American small business to participate equitably in the furnishing of commodities, defense articles, and services (including defense services) financed with funds made available under this chapter—

(1) by causing to be made 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 with such funds;

(2) by causing to be made available to prospective purchasers in the countries and areas receiving assistance under this chapter information as to such commodities, articles, and services produced by small independent enterprises in the United States; and

(3) by providing for additional services to give small business better opportunities to participate in the furnishing of such commodities, articles, and services financed with such funds.

(b) Office of Small Business

There shall be an Office of Small Business, headed by a Special Assistant for Small Business, in such agency of the United States Government as the President may direct, to assist in carrying out the provisions of subsection (a) of this section.

(c) Information with respect to certain purchases by Department of Defense

The Secretary of Defense shall assure that there is made available to suppliers in the United States, and particularly to small independent enterprises, information with respect to purchases made by the Department of Defense pursuant to subchapter II of this chapter, such information to be furnished as far in advance as possible.

(Pub. L. 87-195, pt. III, § 602, Sept. 4, 1961, 75 Stat. 439.)

REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original “this Act”, meaning Pub. L. 87-195, Sept. 4,

1961, 75 Stat. 424, as amended, known as the Foreign Assistance Act of 1961. For complete classification of this Act to the Code, see Short Title note set out under section 2151 of this title and Tables.

REFERENCES TO SUBCHAPTER II DEEMED TO EXCLUDE CERTAIN PARTS OF SUBCHAPTER II

References to subchapter II of this chapter are deemed to exclude parts IV (§2346 et seq.), VI (§2348 et seq.), and VIII (§2349aa et seq.) of subchapter II, and references to subchapter I of this chapter are deemed to include such parts. See section 202(b) of Pub. L. 92-226, set out as a note under section 2346 of this title, and sections 2348c and 2349aa-5 of this title.

DELEGATION OF FUNCTIONS

For delegation of functions of President under this section, see Ex. Ord. No. 12163, Sept. 29, 1979, 44 F.R. 56673, as amended, set out as a note under section 2381 of this title.

REPORTS ON PARTICIPATION BY SMALL BUSINESSES IN PROCUREMENT CONTRACTS OF USAID

Pub. L. 107-228, div. A, title VI, §687, Sept. 30, 2002, 116 Stat. 1411, provided that:

“(a) INITIAL REPORT.—Not later than 120 days after the date of the enactment of this Act [Sept. 30, 2002], the Administrator shall submit to the designated congressional committees a report that contains the following:

“(1) For each of the fiscal years 2000, 2001, and 2002:

“(A) The total number of the contracts that were awarded by the Agency to—

“(i) all small businesses;

“(ii) small business concerns owned and controlled by socially and economically disadvantaged individuals;

“(iii) small business concerns owned and controlled by women;

“(iv) small businesses participating in the program under section 8(a) of such Act [probably means section 8(a) of the Small Business Act] (15 U.S.C. 637(a)); and

“(v) qualified HUBZone small business concerns.

“(B) The percentage of all contracts awarded by the Agency that were awarded to the small businesses in each category of small businesses specified in clauses (i) through (v) of subparagraph (A), as computed on the basis of dollar amounts.

“(C) Of all contracts awarded by the Agency for performance in the United States, the percentage of the contracts that were awarded to the small businesses in each category of small businesses specified in clauses (i) through (v) of subparagraph (A), as computed on the basis of dollar amounts.

“(D) To the extent available—

“(i) the total number of grant and cooperative agreements that were made by the Agency to the small businesses in each category of small businesses specified in clauses (i) through (v) of subparagraph (A);

“(ii) the percentage of all grant and cooperative agreements awarded by the Agency that were awarded to small businesses in each category of small businesses specified in clauses (i) through (v) of subparagraph (A), as computed on the basis of dollar amounts; and

“(iii) of all grant and cooperative agreements made by the Agency to entities in the United States, the percentage of the grant and cooperative agreements that were awarded to small businesses in each category of small businesses specified in clauses (i) through (v) of subparagraph (A), as computed on the basis of dollar amounts.

“(E) To the extent available—

“(i) the total dollar amount of all subcontracts entered into with the small businesses in each category specified in clauses (i) through (v) of

subparagraph (A) by the prime contractors for contracts entered into by the Agency; and

“(ii) the percentage of all contracts entered into by the Agency that were performed under subcontracts described in clause (i), as computed on the basis of dollar amounts.

“(2) An analysis of any specific industries or sectors that are underrepresented by small businesses in the awarding of contracts by the Agency and, to the extent such information is available, such analysis pertaining to the making of grants and cooperative agreements by the Agency.

“(3) A specific plan of outreach, including measurable achievement milestones, to increase the total number of contracts that are awarded by the Agency, and the percentage of all contracts awarded by the Agency (computed on the basis of dollar amount) that are awarded, to—

“(A) all small businesses;

“(B) small business concerns owned and controlled by socially and economically disadvantaged individuals;

“(C) small business concerns owned and controlled by women;

“(D) small businesses participating in the program under section 8(a) of such Act (15 U.S.C. 637(a)); and

“(E) qualified HUBZone small business concerns, in order to meet the statutory and voluntary targets established by the Agency and the Small Business Administration, with a particular focus on the industries or sectors identified in paragraph (2).

“(4) Any other information the Administrator determines appropriate.

“(b) PLAN TO INCREASE SMALL BUSINESS CONTRACTING.—The plan required for the report under subsection (a)(3) shall include the following matters:

“(1) Proposals and milestones that apply to all contracts entered into by or on behalf of the Agency in Washington, D.C., and proposals and milestones that apply to all contracts entered into by or on behalf of the Agency by offices outside Washington, D.C.

“(2) Proposals and milestones of the Agency to increase the amount of subcontracting to businesses described in such subsection (a)(3) by the prime contractors of the Agency.

“(3) With the milestones described in paragraph (2), a description of how the Administrator plans to use the failure of a prime contractor to meet goals as a ranking factor for evaluating any other submission from the contractor for future contracts by the Agency.

“(c) ANNUAL REPORTS.—Not later than January 31, 2004, January 31, 2005, and January 31, 2006, the Administrator shall submit to the designated congressional committees a report for the preceding fiscal year that contains a description of the percentage of total contract and grant and cooperative agreement dollar amounts that were entered into by the Agency, and the total number of contracts and grants and cooperative agreements that were awarded by the Agency, to small businesses in each category specified in clauses (i) through (v) of subsection (a)(1)(A) during such fiscal year. The report for a fiscal year shall include, separately stated for contracts and grant and cooperative agreements entered into by the Agency, the percentage of the contracts and grant and cooperative agreements, respectively, that were awarded to small businesses in each such category, as computed on the basis of dollar amounts. The report shall also include a description of achievements toward measurable milestones for direct contracts of the Agency entered into by offices outside of Washington, D.C., and for subcontracting by prime contractors of the Agency.

“(d) DEFINITIONS.—In this section:

“(1) ADMINISTRATOR.—The term ‘Administrator’ means the Administrator of the United States Agency for International Development.

“(2) AGENCY.—The term ‘Agency’ means the United States Agency for International Development.

“(3) DESIGNATED CONGRESSIONAL COMMITTEES.—The term ‘designated congressional committees’ means—

“(A) the Committee on International Relations [now Committee on Foreign Affairs] and the Committee on Small Business of the House of Representatives; and

“(B) the Committee on Foreign Relations and the Committee on Small Business [now Committee on Small Business and Entrepreneurship] of the Senate.”

OFFICE IN AGENCY FOR INTERNATIONAL DEVELOPMENT

For location of the Office of Small Business, provided for in subsec. (b), in the United States Agency for International Development, see section 1-200(d) of Ex. Ord. No. 12163, Sept. 29, 1979, 44 F.R. 56673, as amended, set out as a note under section 2381 of this title.

PROCUREMENTS FROM SMALL BUSINESSES

Pub. L. 94-329, title VI, §602, June 30, 1976, 90 Stat. 766, provided that: “In order to encourage procurements from small business concerns under chapter 4 of the Foreign Assistance Act of 1961 [part IV of subchapter II of this chapter], the Administrator of the Agency for International Development shall report to the Congress every six months on the extent to which small businesses have participated in procurements under such chapter [part] and on what efforts the Agency has made to foster such procurements from small business concerns. The Small Business Administration shall lend all available assistance to the Agency for the purposes of carrying out this section.”

[For termination, effective May 15, 2000, of reporting provisions in section 602 of Pub. L. 94-329, set out above, see section 3003 of Pub. L. 104-66, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and page 130 of House Document No. 103-7.]

§ 2353. Shipping on United States vessels

The ocean transportation between foreign countries of commodities and defense articles purchased with foreign currencies made available or derived from funds made available under this chapter or the Food for Peace Act, as amended [7 U.S.C. 1691 et seq.], and transfers of fresh fruit and products thereof under this chapter, shall not be governed by the provisions of section 55305 of title 46, or any other law relating to the ocean transportation of commodities on United States flag vessels.

(Pub. L. 87-195, pt. III, §603, Sept. 4, 1961, 75 Stat. 439; Pub. L. 110-246, title III, §3001(b)(1)(A), (2)(Q), June 18, 2008, 122 Stat. 1820.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 87-195, Sept. 4, 1961, 75 Stat. 424, as amended, known as the Foreign Assistance Act of 1961. For complete classification of this Act to the Code, see Short Title note set out under section 2151 of this title and Tables.

The Food for Peace Act, as amended, referred to in text, is act July 10, 1954, ch. 469, 68 Stat. 454, which is classified principally to chapter 41 (§1691 et seq.) of Title 7, Agriculture. For complete classification of this Act to the Code, see Short Title note set out under section 1691 of Title 7 and Tables.

CODIFICATION

In text, “section 55305 of title 46” substituted for “section 901(b) of the Merchant Marine Act of 1936, as amended (46 U.S.C. 1241)” on authority of Pub. L. 109-304, §18(c), Oct. 6, 2006, 120 Stat. 1709, which Act enacted section 55305 of Title 46, Shipping.

AMENDMENTS

2008—Pub. L. 110-246 substituted “Food for Peace Act” for “Agricultural Trade Development and Assistance Act of 1954”.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110-246 effective May 22, 2008, see section 4(b) of Pub. L. 110-246, set out as an Effective Date note under section 8701 of Title 7, Agriculture.

§ 2354. Procurement

(a) Limitations on procurement outside United States

(1) Funds made available for assistance under this chapter may be used by the President for procurement—

(A) only in the United States, the recipient country, or developing countries; or

(B) in any other country but only if—

(i) the provision of such assistance requires commodities or services of a type that are not produced in and available for purchase in any country specified in subparagraph (A); or

(ii) the President determines, on a case-by-case basis, that procurement in such other country is necessary—

(I) to meet unforeseen circumstances, such as emergency situations, where it is important to permit procurement in a country not specified in subparagraph (A); or

(II) to promote efficiency in the use of United States foreign assistance resources, including to avoid impairment of foreign assistance objectives.

(2) For purposes of this subsection, the term “developing countries” shall not include advanced developing countries.

(b) Purchases in bulk

No funds made available under this chapter shall be used for the purchase in bulk of any commodities at prices higher than the market price prevailing in the United States at the time of purchase, adjusted for differences in the cost of transportation to destination, quality, and terms of payment.

(c) Agricultural commodities or products thereof available for disposition under Food for Peace Act

In providing for the procurement of any agricultural commodity or product thereof available for disposition under the Food for Peace Act, as amended [7 U.S.C. 1691 et seq.], for transfer by grant under this chapter to any recipient country in accordance with its requirements, the President shall, insofar as practicable and when in furtherance of the purposes of this chapter, authorize the procurement of such agricultural commodity only within the United States except to the extent that such agricultural commodity is not available in the United States in sufficient quantities to supply emergency requirements of recipients under this chapter.

(d) Marine insurance

In providing assistance in the procurement of commodities in the United States, United States