

SPECIAL NOTICE

USDA, Farm Service Agency, Commodity Operations, Kansas City Commodity Office Notice of Changes to Country of Origin Requirements for Packaging and Containers Used by Contractors Supplying Agricultural Products to KCCO

Effective with contracts awarded on or after November 5, 2007—with the exception of contracts to be awarded under International Procurement Division's Solicitation Number 117—the Farm Service Agency, Kansas City Commodity Office (KCCO), will revise its commodity contract requirements regarding 100 percent U.S. domestic origin for packaging and containers utilized by KCCO's agricultural commodity prime contractors. Commodity vendors selling packaged agricultural products to KCCO for use in foreign and domestic feeding programs may utilize packaging and containers manufactured in foreign countries as governed by various free trade agreements (FAR Subpart 25.4). Packaging and containers from foreign sources must still comply with applicable regulations promulgated by the U.S. Food and Drug Administration (FDA).

KCCO will revise the Master Solicitation for Commodity Procurements (MSCP) and all Commodity Requirements Documents to implement packaging specifications allowing commodity vendors to utilize containers, packaging and packing materials from countries party to the following trade agreements:

Free Trade Agreement (FTA)

- Australia
- Bahrain
- Chile
- Morocco
- Singapore

Central American Free Trade Agreement- Dominican Republic (CAFTA-DR)

- El Salvador
- Dominican Republic
- Guatemala
- Honduras

Israeli Trade Act

North American Free Trade Agreement (NAFTA)

- Canada
- Mexico

World Trade Organization Government Procurement Agreement (WTO GPA)

- Canada

- European Communities including Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxemburg, the Netherlands, Portugal, Spain, Sweden, the United Kingdom, Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovak Republic, Slovenia, Bulgaria, and Romania
- Hong Kong
- China
- Iceland
- Israel
- Japan
- Korea
- Liechtenstein
- the Netherlands with respect to Aruba
- Norway
- Singapore
- Switzerland
- Least Developed Countries

Note: This list is subject to change as the United States enters into new trade agreements, or as the above agreements are amended.

The removal of restrictions on packaging and containers obtained from foreign sources does not apply to the empty 50-kilogram capacity woven polypropylene bags purchased directly by KCCO for use in international food aid programs (see FAR 25.401, “Exceptions”) as those acquisitions are a total set aside for small businesses pursuant to FAR Subsection 19.502-2. One hundred percent domestic origin contract requirements for these KCCO procurements remain in effect.

Agricultural products themselves, including their ingredients, continue to be subject to the 100 percent domestic origin requirement, as they are specifically exempted from the aforementioned trade agreements. A waiver would have to be obtained from this Office to deviate in any way from the 100 percent domestic origin requirement for agricultural products or their ingredients, unless a waiver has already been incorporated into Section 7, “Domestic Origin,” of the MSCP.

The revised MSCP and Commodity Requirements Documents which contain the new packaging requirements will be available on the Commodity Operations Website as of November 5, 2007.

Any questions regarding the new contract terms and conditions should be directed to Christine Gouger, Chief, Procurement Oversight and Support Staff, Kansas City Commodity Office at (816) 926-3379 or Christine.gouger@kcc.usda.gov.