



**U.S. TRADE AND DEVELOPMENT AGENCY**  
**Arlington, VA 22209-3901**

**NATIONALITY, SOURCE, AND ORIGIN REQUIREMENTS**  
*As of April 13, 2020*

The purpose of USTDA's nationality, source, and origin requirements is to ensure the maximum practicable participation of American contractors, technology, equipment, and materials in the prefeasibility, feasibility, and implementation stages of a project.

**USTDA STANDARD RULE (GRANT AGREEMENT STANDARD LANGUAGE):**

Except as USTDA may otherwise agree, the following provisions shall govern the delivery of goods and professional services funded by Grant Funds under this Grant Agreement:

- (A) the Contractor and all Subcontractors that are legal entities must be U.S. Firms;
- (B) all natural persons who perform any part of an activity as the Contractor, as a Subcontractor, or as an employee of the Contractor or any Subcontractor, in each case, must be (i) U.S. citizens, (ii) non-U.S. citizens lawfully admitted for permanent residence in the United States, or (iii) non-U.S. citizens lawfully admitted to work in the United States;
- (C) notwithstanding the provisions of paragraphs (A) and (B), up to twenty percent (20%) of the Grant Funds may be used to pay for work performed in connection with the activity by (i) Subcontractors that are organized as legal entities under the laws of the Host Country, and/or (ii) natural persons working as a Subcontractor, or as employees of the Contractor or any Subcontractor, in each case, who are citizens of the Host Country;
- (D) a Host Country Subcontractor may only be used for specific services from the Terms of Reference identified in the Subcontract;
- (E) no part of the Grant Funds disbursed in connection with the performance of the activity may be used to pay (i) any legal entity that is incorporated or organized under the laws of a jurisdiction other than one of the United States or the Host Country, or (ii) a natural person who is a citizen of a country other than the United States (except as expressly provided in paragraph (B)) or the Host Country; and
- (F) goods purchased for the performance of the activity and associated delivery services (*e.g.*, international transportation and insurance) must have their nationality, Source and Origin in the United States; provided, however, that goods and services incidental to activity support (*e.g.*, local lodging, food and transportation) in the Host Country are not subject to the foregoing restrictions.

## **NATIONALITY:**

### 1) Application

A U.S. Firm that submits a proposal must meet USTDA's nationality requirements as of the date of submission of the proposal and, if selected, must continue to meet such requirements throughout the duration of the USTDA-funded activity. These nationality provisions apply to all portions of the Terms of Reference that are funded with the USTDA grant.

### 2) Definitions

For purposes of these nationality requirements, the term "U.S. Firm" means:

- (i) a privately owned firm or partnership that is formed, incorporated or organized in the U.S., with its principal place of business in the U.S., and which is:
  - (a) more than fifty percent (50%) owned by U.S. citizens and/or non-U.S. citizens lawfully admitted for permanent residence in the United States; or
  - (b) satisfies each of the following criteria:
    - (I) has been incorporated or organized in the U.S. for more than three (3) years prior to the issuance date of the request for proposals;
    - (II) has performed similar services in the U.S. for that three (3) year period;
    - (III) employs U.S. citizens in more than half of its permanent full-time positions in the U.S.; and
    - (IV) has the existing capability in the U.S. to perform the work in question; or
- (ii) a nonprofit organization that is incorporated in the U.S. and managed by a governing body, a majority of whose members are U.S. citizens and/or non-U.S. citizens lawfully admitted for permanent residence in the United States.

## **SOURCE AND ORIGIN:**

### Definitions

"Source" means the country from which a shipment is made.

"Origin" means (i) the place of production of a good, whether through manufacturing, assembly or otherwise, or (ii) the place from which delivery of a service is administered, as applicable.

*Questions regarding these nationality, source, and origin requirements may be addressed to the USTDA Office of General Counsel.*