United States Department of State

Washington, D.C. 20520

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TO: All contractor supporting DOS Overseas Building Operations (OBO) programs

SUBJECT: U.S. Flag Carrier Air Transportation requirements and U.S. Flag Commercial Vessel Shipment requirements and documentation ALL Contracts

The U.S. Department of State (DOS) is providing this reminder to all contractors supporting OBO missions worldwide.

When air or sea transportation and/or shipment is required under DOS projects, all contractors shall closely follow contract clauses 52.247-63, Preference for U.S.-Flag Air Carriers and 52.247-64., Preference for Privately Owned U.S.-Flag Commercial Vessels. The requirements of these clauses apply to all firms, including subcontractors at any tier, involved in OBO projects that require shipment of materials. Contractors shall include the substance of these clauses in each subcontract supporting a DOS project that may involve international transportation.

Referencing 52.247-63, Preference for U.S.-Flag Air Carriers, and Section 5 of the International Air Transportation Fair Competitive Practices Act of 1974 (49 U.S.C. 40118) (Fly America Act), DOS and all Government contractors and subcontractors shall us U.S.-flag air carriers for U.S. Government-financed international air transportation of personnel (and their personal effects) or property, to the extent that service by those carriers is available. If U.S. carriers are not available for international air transportation, contractors shall submit a, "Statement of Unavailability of U.S.-Flag Air Carrier," with its pay request involving such transportation.

When a DOS project will require Government-impelled oceanborne cargoes, please pay close attention to the U.S. Cargo shipment requirements specified in 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels. DOS and all Government contractors and subcontractors shall use U.S.-flag vessels for at least 50% of U.S. Government-financed ocean transportations, to the extent that service by those U.S.-flag vessels is available. The U.S. –flag portion or the cargo is to be shipped first. **If U.S.-flag vessels are not available for oceanborne cargoes, a waiver from the Maritime Administration is required.**

The contractor shall submit the one legible copy of an onboard rated and freighted ocean bill of lading for each shipment to both the Contracting Officer Representative (COR) and the Maritime Administration (MARAD). <u>The documentation must be furnished within 20 working days of the date of loading for shipments origination in the US, and 30 working days for shipments originating outside the US. All subcontractor bills of lading shall be submitted through the Prime Contractor. Submittals to MARAD can be mailed, emailed, or faxed to:</u>

Address:	US DOT – Maritime Administration Office of Cargo Preference & Domestic Trade/Civilian Agencies Division MAR 730, W23-453 1200 New Jersey Ave., SE Washington, DC 20590
Email:	CARGO.MARAD@DOT.GOV
Fax:	(202) 366-5522

For additional information regarding shipments please visit:

Cargo Preference:	www.MARAD.DOT.gov/CargoPreference
US Flag Vessel Listing:	www.MARAD.DOT.gov/USFlag Services

The full text of clauses 52.247-63 and 52.247-64 and all other Federal Acquisition Regulation (FAR) clauses can be found at http://farsite.hill.af.mil/vffara.htm or http://www.acquisition.gov/far.

Contractors shall direct their questions regarding these transportation requirements to the designated COR and/or the Contracting Specialist/Officer administering subject contract.

David W. Vivian
Contracting Officer