

its place. The revised text reads as follows:

**52.222-19 Child Labor—Cooperation with Authorities and Remedies.**

\* \* \* \* \*

**CHILD LABOR—COOPERATION WITH AUTHORITIES AND REMEDIES (MAR 2012)**

\* \* \* \* \*

[FR Doc. 2012-4492 Filed 3-1-12; 8:45 am]

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**DEPARTMENT OF DEFENSE**

**GENERAL SERVICES ADMINISTRATION**

**NATIONAL AERONAUTICS AND SPACE ADMINISTRATION**

**48 CFR Parts 22, 25, and 52**

[FAC 2005-56; FAR Case 2011-030; Item VI; Docket 2011-0030, Sequence 1]

RIN 9000-AM16

**Federal Acquisition Regulation; New Designated Country (Armenia) and Other Trade Agreements Updates**

**AGENCIES:** Department of Defense (DoD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

**ACTION:** Final rule.

**SUMMARY:** DoD, GSA, and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to add Armenia as a designated country, due to the accession of Armenia to membership in the World Trade Organization Government Procurement Agreement. The rule also updates the FAR lists of countries that are party to the Agreement on Trade in Civil Aircraft.

**DATES:** *Effective Date:* March 2, 2012.

**FOR FURTHER INFORMATION CONTACT:** Ms. Cecelia L. Davis, Procurement Analyst, at 202-219-0202 for clarification of content. For information pertaining to status or publication schedules, contact the Regulatory Secretariat at 202-501-4755. Please cite FAC 2005-56, FAR Case 2011-030.

**SUPPLEMENTARY INFORMATION:**

**I. Background**

On September 15, 2011, Armenia became a party to the World Trade Organization Government Procurement Agreement (WTO GPA). The Trade Agreements Act (19 U.S.C. 2501 *et seq.*) provides the authority for the President to waive the Buy American Act and

other discriminatory provisions for eligible products from countries that have signed an international trade agreement with the United States (such as the WTO GPA). The President has delegated this waiver authority to the U.S. Trade Representative (see FAR 25.402).

On September 22, 2011, because Armenia became a party to the WTO GPA and because the U.S. Trade Representative has determined that Armenia will provide appropriate reciprocal competitive Government procurement opportunities to United States products and services and suppliers of such products and services, the U.S. Trade Representative published a notice in the **Federal Register** (76 FR 58856) waiving the Buy American Act and other discriminatory provisions for eligible products from Armenia.

In addition, the Office of the U.S. Trade Representative has provided an updated list of countries that are party to the Agreement on Trade in Civil Aircraft. The U.S. Trade Representative has waived the Buy American Act for civil aircraft and related articles from countries that are parties to the Agreement on Trade on Civil Aircraft.

**II. Discussion and Analysis**

FAR 25.003 defines WTO GPA countries by listing the parties to the WTO GPA, and defines “designated country” as a WTO GPA country, a Free Trade Agreement country, a least designated country, or a Caribbean Basin country (including the lists of countries in each category).

Because Armenia is now a WTO GPA country and therefore also a designated country, as determined by the U.S. Trade Representative, this final rule adds Armenia to the lists of WTO GPA countries and designated countries at FAR 22.1503, 25.003, 52.222-19, 52.225-5, 52.225-11, and 52.225-23.

This final rule also updates the FAR lists of countries that are party to the Agreement on Trade in Civil Aircraft at FAR 25.407 and 52.225-7, Waiver of Buy American Act for Civil Aircraft and Related Articles.

Conforming changes have also been made to the associated clause dates for the revised clauses in the lists at FAR 52.212-5, Contract Terms and Conditions Required to Implement Statutes or Executive Orders—Commercial Items, and FAR 52.213-4, Terms and Conditions—Simplified Acquisitions (Other Than Commercial Items).

**III. Publication of This Final Rule for Public Comment Is Not Required by Statute**

“Publication of proposed regulations”, 41 U.S.C. 1707, is the statute which applies to the publication of the Federal Acquisition Regulation. Paragraph (a)(1) of the statute requires that a procurement policy, regulation, procedure or form (including an amendment or modification thereof) must be published for public comment if it relates to the expenditure of appropriated funds, and has either a significant effect beyond the internal operating procedures of the agency issuing the policy, regulation, procedure or form, or has a significant cost or administrative impact on contractors or offerors. This final rule is not required to be published for public comment, because it recognizes actions taken by the United States Trade Representative that do not have a significant effect on contractors or offerors.

**IV. Executive Orders 12866 and 13563**

Executive Orders (E.O.s) 12866 and 13563 direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). E.O. 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. This is a significant regulatory action and, therefore, was subject to review under Section 6(b) of E.O. 12866, Regulatory Planning and Review, dated September 30, 1993. This rule is not a major rule under 5 U.S.C. 804.

**V. Regulatory Flexibility Act**

The Regulatory Flexibility Act does not apply to this rule because this final rule does not constitute a significant FAR revision within the meaning of FAR 1.501-1 and 41 U.S.C. 1707 and does not require publication for public comment.

**VI. Paperwork Reduction Act**

Notwithstanding any other provision of law, no person is required to respond to, nor shall any person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*) unless the collection of information displays a currently valid Office of Management and Budget (OMB) Control Number. The Paperwork

Reduction Act does apply, because the final rule affects the certification and information collection requirement in the provision at FAR 52.225-11, Buy American Act—Construction Materials Under Trade Agreements, currently approved under OMB clearance 9000-0141, Buy American Act—Construction. The FAR Council has determined that the impact on the approved paperwork burden is negligible. Comments regarding the burden estimates or any other aspect of this collection of information, including suggestions for reducing the burden, in response to approved OMB clearance 9000-0141, should be sent, not later than May 1, 2012 to: FAR Desk Officer, OMB, Room 10102, NEOB, Washington, DC 20503, and a copy to the General Services Administration, Regulatory Secretariat Division (MVCB), Attn: Hada Flowers, 1275 First Street, NE., 7th Floor, Washington, DC 20417.

Requesters may obtain a copy of the supporting statement for the burden approved under OMB clearance 9000-0141 from the General Services Administration, Regulatory Secretariat (MVCB), Attn: Hada Flowers, 1275 First Street, NE., 7th Floor, Washington, DC 20417. Please cite OMB Control Number 9000-0141, Buy American Act—Construction, in all correspondence.

**List of Subjects in 48 CFR Parts 22, 25, and 52**

Government procurement.

Dated: February 21, 2012.

**Laura Auletta,**

*Director, Office of Governmentwide Acquisition Policy, Office of Acquisition Policy, Office of Governmentwide Policy.*

Therefore, DoD, GSA, and NASA amend 48 CFR parts 22, 25, and 52 as set forth below:

■ 1. The authority citation for 48 CFR parts 22, 25, and 52 continues to read as follows:

**Authority:** 40 U.S.C. 121(c); 10 U.S.C. chapter 137; and 42 U.S.C. 2473(c).

**PART 22—APPLICATION OF LABOR LAWS TO GOVERNMENT ACQUISITIONS**

**22.1503 [Amended]**

■ 2. Amend section 22.1503 by removing from paragraph (b)(4) the word “Aruba,” and adding the words “Armenia, Aruba,” in its place.

**PART 25—FOREIGN ACQUISITION**

**25.003 [Amended]**

■ 3. Amend section 25.003 by removing from paragraph (1) of the definition “Designated country”, and the

definition “World Trade Organization Government Procurement Agreement (WTO GPA) country” the word “Aruba,” and adding the words “Armenia, Aruba,” in their place.

■ 4. Revise section 25.407 to read as follows:

**25.407 Agreement on Trade in Civil Aircraft.**

Under the authority of Section 303 of the Trade Agreements Act, the U.S. Trade Representative has waived the Buy American Act for civil aircraft and related articles that meet the substantial transformation test of the Trade Agreements Act, from countries that are parties to the Agreement on Trade in Civil Aircraft. Those countries are Albania, Austria, Belgium, Bulgaria, Canada, Cyprus, Czech Republic, Denmark, Egypt, Estonia, Finland, France, Georgia, Germany, Greece, Hungary, Ireland, Italy, Japan, Latvia, Lithuania, Luxembourg, Macao China, Malta, the Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, Taiwan (Chinese Taipei), and the United Kingdom.

**PART 52—SOLICITATION PROVISIONS AND CONTRACT CLAUSES**

■ 5. Amend section 52.212-5 by revising the date of the clause, and paragraphs (b)(27) and (b)(41) to read as follows:

**52.212-5 Contract Terms and Conditions Required To Implement Statutes or Executive Orders—Commercial Items.**

\* \* \* \* \*

**CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS—COMMERCIAL ITEMS APR 2012**

\* \* \* \* \*

(b) \* \* \*  
— (27) 52.222-19, Child Labor—Cooperation with Authorities and Remedies APR 2012 (E.O. 13126).

\* \* \* \* \*

— (41) 52.225-5, Trade Agreements APR 2012 (19 U.S.C. 2501, *et seq.*, 19 U.S.C. 3301 note).

\* \* \* \* \*

■ 6. Amend section 52.213-4 by revising the date of the clause and paragraph (b)(1)(i) to read as follows:

**52.213-4 Terms and Conditions—Simplified Acquisitions (Other Than Commercial Items).**

\* \* \* \* \*

**TERMS AND CONDITIONS—SIMPLIFIED ACQUISITIONS (OTHER THAN COMMERCIAL ITEMS) APR 2012**

\* \* \* \* \*

(b) \* \* \*  
(1) \* \* \*

(i) 52.222-19, Child Labor—Cooperation with Authorities and Remedies APR 2012 (E.O. 13126). (Applies to contracts for supplies exceeding the micro-purchase threshold.)

\* \* \* \* \*

■ 7. Amend section 52.222-19 by revising the date of the clause to read as set forth below; and removing from paragraph (a)(4) the word “Aruba,” and adding the words “Armenia, Aruba,” in its place.

**52.222-19 Child Labor—Cooperation With Authorities and Remedies.**

\* \* \* \* \*

**CHILD LABOR—COOPERATION WITH AUTHORITIES AND REMEDIES APR 2012**

\* \* \* \* \*

■ 8. Amend section 52.225-5 by revising the date of the clause to read as set forth below; and in paragraph (a) removing from paragraph (1) of the definition “Designated country” the word “Aruba,” and adding the words “Armenia, Aruba,” in its place.

**52.225-5 Trade Agreements.**

\* \* \* \* \*

**TRADE AGREEMENTS APR 2012**

\* \* \* \* \*

■ 9. Amend section 52.225-7 by revising the date of the provision, and the second sentence of paragraph (b) to read as follows:

**52.225-7 Waiver of Buy American Act for Civil Aircraft and Related Articles.**

\* \* \* \* \*

**WAIVER OF BUY AMERICAN ACT FOR CIVIL AIRCRAFT AND RELATED ARTICLES APR 2012**

\* \* \* \* \*

(b) \* \* \* Those countries are Albania, Austria, Belgium, Bulgaria, Canada, Cyprus, Czech Republic, Denmark, Egypt, Estonia, Finland, France, Georgia, Germany, Greece, Hungary, Ireland, Italy, Japan, Latvia, Lithuania, Luxembourg, Macao China, Malta, the Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, Taiwan (Chinese Taipei), and the United Kingdom.

\* \* \* \* \*

■ 10. Amend section 52.225-11 by revising the date of the clause to read as set forth below; and in paragraph (a) removing from paragraph (1) of the definition “Designated country” the

word “Aruba,” and adding the words “Armenia, Aruba,” in its place.

**52.225–11 Buy American Act—Construction Materials Under Trade Agreements.**

\* \* \* \* \*

**BUY AMERICAN ACT—CONSTRUCTION MATERIALS UNDER TRADE AGREEMENTS APR 2012**

\* \* \* \* \*

■ 11. Amend section 52.225–23 by revising the date of the clause to read as set forth below; and in paragraph (a) removing from paragraph (1) of the definition “Designated country” and paragraph (1) of the definition “Recovery Act designated country” the word “(Aruba,” and adding the words “(Armenia, Aruba,” in its place.

**52.225–23 Required Use of American Iron, Steel, and Manufactured Goods—Buy American Act—Construction Materials Under Trade Agreements.**

\* \* \* \* \*

**REQUIRED USE OF AMERICAN IRON, STEEL, AND MANUFACTURED GOODS—BUY AMERICAN ACT—CONSTRUCTION MATERIALS UNDER TRADE AGREEMENTS APR 2012**

\* \* \* \* \*

[FR Doc. 2012–4495 Filed 3–1–12; 8:45 am]

BILLING CODE 6820–EP–P

**DEPARTMENT OF DEFENSE**

**GENERAL SERVICES ADMINISTRATION**

**NATIONAL AERONAUTICS AND SPACE ADMINISTRATION**

**48 CFR Parts 2, 31, 32, 45, 49, 51, 52, and 53**

[FAC 2005–56; FAR Case 2010–009; Item VII; Docket 2010–0009, Sequence 1]

RIN 9000–AL95

**Federal Acquisition Regulation; Government Property**

**AGENCIES:** Department of Defense (DoD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

**ACTION:** Final rule.

**SUMMARY:** DoD, GSA, and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to clarify reporting, reutilization, and disposal of Government property.

**DATES:** *Effective Date:* April 2, 2012.

**FOR FURTHER INFORMATION CONTACT:** Mr. Curtis E. Glover, Sr., Procurement

Analyst, at 202–501–1448 for clarification of content. For information pertaining to status or publication schedules, contact the Regulatory Secretariat at 202–501–4755. Please cite FAC 2005–56, FAR Case 2010–009.

**SUPPLEMENTARY INFORMATION:**

**I. Background**

DoD, GSA, and NASA published a proposed rule in the *Federal Register* at 76 FR 18497 on April 4, 2011. Eight respondents submitted comments on the proposed rule. The comments received were grouped by topic area.

**II. Discussion and Analysis**

The Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (the Councils) reviewed the comments in the development of the final rule. A discussion of the comments and the changes made to the rule as a result of those comments are provided as follows:

*A. Summary of Significant Changes*

1. A definition of “surplus property” is added at FAR 2.101 to apply throughout the FAR.

2. Terminology used is updated and used consistently throughout the FAR, e.g., “loss of Government property” is defined at FAR 45.101, and “loss” is used consistently in lieu of “loss, damage, destruction, or theft.”

3. Clarified, and distinguished among, the responsibilities and authorities of the contracting officer, property administrator, plant clearance officer, and contractor.

4. Reorganized and clarified procedures and responsibilities for Government property disposal (see FAR subpart 45.6).

5. Reorganized, clarified, and updated the Government property clause at FAR 52.245–1 to conform with revisions to FAR part 45.

*B. Government Responsibilities*

*Comments:* A respondent recommended a number of revisions to the Government responsibilities, primarily those in FAR subpart 45.6, Reporting, Reutilization, and Disposal. The respondent recommended revising FAR 45.606–1(a) to require that the property administrator work in coordination with the plant clearance officer to ensure that contractor scrap disposal processes are effective and properly documented. Another recommendation was to revert to the current regulation’s use of “should” in lieu of “may” at FAR 45.602–1(c)(1) in order to ensure the Government’s agreement before Government property

is removed from a contractor’s inventory schedule. The respondent recommended modifying FAR 45.606–1(b) to require that any deviation from the contractor’s standard property plan and processes be identified as early as possible in the procurement process.

*Response:* The first two recommendations are adopted in this final rule. The final recommendation is not adopted because the Property Administrator can make that determination at any time.

*Comments:* The same respondent recommended a number of other revisions to the Government responsibilities, also primarily in FAR subpart 45.6, Reporting, Reutilization, and Disposal. The respondent proposed to revise FAR 45.600, Scope of subpart (which was not included in the proposed rule) to allow for either the contracting officer or the plant clearance officer to perform plant clearance officer duties. The respondent recommended removing the proposed rule’s requirement, at FAR 45.603(b), for the plant clearance officer to obtain approval at one level higher than the contracting officer before allowing the abandonment of sensitive property that does not require demilitarization. The respondent requested the addition of more examples of items considered to be incidental to the place of performance (see FAR 45.000).

*Response:* The above recommendations are not incorporated into the final rule because (1) contracting officers generally rely on the Government property expertise of plant clearance officers, (2) additional review and approval requirements can provide a broader perspective, and (3) too often, lists of examples are treated inappropriately as exhaustive lists.

*C. Contractor Property Management Systems*

*Comments:* Two respondents recommended revisions to FAR subpart 45.1, General. One recommendation was to revise FAR 45.105(b) to prevent the Government from notifying a contractor of deficiencies in its property management system unless the deficiencies were “material.” The other recommendation was to modify FAR 45.104(b) to add the following: “When determining noncompliance, FAR part 1 concepts apply, e.g., risk management, materiality, best value, and benefits of changes must justify their cost”.

*Response:* FAR part 1 is always applicable to all parts of the FAR. There is no need to repeat the statement in FAR part 45. “Materiality” is not defined in FAR part 2. If the Government determines that