



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

**NATIONALITY, SOURCE, AND ORIGIN REQUIREMENTS**  
*As of November 8, 2023*

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 in writing, the following provisions shall govern the delivery of goods and professional services funded by Grant Funds under any Grant Agreement.<sup>1</sup>

- (A) All legal entities who perform any part of the Activity as the Contractor or a Subcontractor shall be U.S. Firms.
- (B) All natural persons who perform any part of the Activity as the Contractor or a Subcontractor, or as an employee of the Contractor or of a Subcontractor, shall be either (i) U.S. citizens, or (ii) non-U.S. citizens lawfully authorized to work, or admitted for permanent residence, in the United States.
- (C) Notwithstanding the provisions of Articles (A) and (B) above, up to thirty percent (30%) of the Grant Funds may be used to pay for work performed in connection with the Activity by:
  - (1) any Subcontractor organized under the laws of either (i) the Host Country or (ii) any Target Country; and
  - (2) any natural person working as (a) a Subcontractor, or (b) an employee of the Contractor or of a Subcontractor, as long as such natural person is either (i) a citizen of the Host Country or a Target Country, or (ii) lawfully authorized to work, or admitted for permanent residence, in the Host Country or a Target Country.
- (D) Except for goods and services incidental to Activity support (*e.g.*, local lodging, food and transportation in the Host Country or a Target Country), goods purchased for the performance of

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<sup>1</sup> The capitalized terms used here shall have the meanings given them under the applicable Grant Agreement between USTDA and the grantee.

the Activity and associated delivery services (e.g., international transportation and insurance) shall have their nationality, source and origin in the United States.

(E) “U.S. Firm” means either (1) or (2) below.

(1) A private-sector for-profit legal entity or partnership organized under the laws of the United States, with its principal place of business in the United States, and which satisfies either (a) or (b) below.

(a) It is more than fifty percent (50%) owned or controlled by (i) U.S. citizens, (ii) non-U.S. citizens lawfully authorized to work, or admitted for permanent residence, in the United States, or (iii) any combination of (i) and (ii) of this sentence.

(b) It (i) has been organized under the laws of the United States for more than three years prior to either (x) the date on which the initial proposal in respect of the Activity is received by USTDA, or (y) the date on which the Contractor submits its bid in response to USTDA’s request for proposals in connection with the Activity, as applicable, (ii) has performed similar services in the United States for such three-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 United States to perform the work in question.

(2) A nonprofit organization that is organized under the laws of the United States and managed by a governing body, a majority of whose members are (i) U.S. citizens, (ii) non-U.S. citizens lawfully authorized to work, or admitted for permanent residence, in the United States, or (iii) any combination of (i) and (ii) of this sentence.

(F) “Target Country” means a country, other than the Host Country, (i) that is an integral part of the Project’s scope and (ii) whose local labor is required for work to be performed in connection with the Activity. A Project may have one or more Target Countries.

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