## **47.304-3 Shipments from CONUS for overseas delivery.**

(a) When Government *acquisitions* involve *shipments* from CONUS to overseas destinations, delivery f.o.b. origin *may* afford not only the economies of lower *freight* rates available to the Government within CONUS, but also flexibility for selection of-

(1) The port of export; and

(2) The ocean transportation providing the lowest overall cost to the Government.

(b)

(1) Unless there are valid reasons to the contrary (see <u>47.304-5</u>), *acquisition* of *supplies* originating within CONUS for ultimate delivery to destinations outside CONUS *shall* be made on the basis of f.o.b. origin. This policy applies to *supplies* and equipment to be shipped either directly to a port area for export or to a storage or holding area for subsequent forwarding to a port area for export.

(2) Justification for the *solicitation* of *offers* on other than an f.o.b. origin basis *shall* be recorded and the contract file documented accordingly.

(c) Export cargo involves considerations of operational and cost factors from the point of origin within CONUS to the overseas port destination. The lowest cost of shipping can be determined only by evaluating and comparing the various prospective landed costs (including inland, terminal, and ocean costs). Also, agencies *may* have export licensing privileges for *shipments* to foreign destinations. The *contracting officer shall* obtain advice from the transportation officer to ensure full use of these privileges.

Parent topic: <u>47.304 Determination of delivery terms.</u>