

25.101 General.

(a) The Buy American statute restricts the purchase of supplies that are not domestic end products. For manufactured

end products, the Buy American statute uses a two-part test to define a domestic end product.

(1) The article must be manufactured in the United States; and

(2) The cost of domestic components must exceed 50 percent of the cost of all the components. In accordance with [41 U.S.C 1907](#), this component test of the Buy American statute has been waived for acquisitions of COTS items (see [12.505\(a\)](#)).

(b) The Buy American statute applies to small business set-asides. A manufactured product of a small business concern is a U.S.-made end product, but is not a domestic end product unless it meets the component test in paragraph (a)(2) of this section.

(c) Exceptions that allow the purchase of a foreign end product are listed at [25.103](#). The unreasonable cost exception is implemented through the use of an evaluation factor applied to low foreign offers that are not eligible offers. The evaluation factor is not used to provide a preference for one foreign offer over another. Evaluation procedures and examples are provided in [subpart 25.5](#).

Parent topic: [Subpart 25.1 - Buy American-Supplies](#)