



SECTION 889

Partner Update

August 31, 2020

BACKGROUND

Section 889 of the NDAA for 2019 prohibits USAID and our implementing partners from procuring or using certain “covered telecommunications equipment or services.” Section (a)(1)(B) of the law, which went into effect on August 13, 2020.

- Only applies to awards made **after August 13, 2020.**
- **Does not apply to modifications,** such as: changes in scopes of work or budgets, **as long as it does not involve an extension.**

IMPACT ON ASSISTANCE

Background: Effective August 13, 2020, 2 CFR 200.216 for U.S. organizations and the mandatory standard provision “Prohibition on Certain Telecommunication and Video Surveillance Services or Equipment (AUGUST 2020) for non-U.S. organizations implemented the statutory prohibition 889(b)(1) that prohibits the use of award funds, including direct and indirect costs, cost-share and program income, to procure covered telecommunication and video surveillance services or equipment.

Guidance/Resources:

- [ADS 303 Grants and Cooperative Agreements to Non-Governmental Organizations](#)
- [ADS 303mab, Standard Provisions for Non-U.S. Nongovernmental Organizations](#)
- [ADS 303maa, Standard Provisions for U.S. Nongovernmental Organization](#)
- [Assistance Implementing Partner Notice Portal:](#)
 - Issued 8/21/2020: Notice # 10: Assistance Prohibition On Covered Telecommunications And Video Surveillance Services and Equipment

IMPACT ON ACQUISITION

Background: Effective August 13, 2020, FAR 4.2102(a)(2) implemented the statutory prohibition 889(a)(1)(B) for agencies to “enter into a contract to procure or obtain, or extend or renew a contract to procure or obtain any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system,” unless an exception or waiver as described in FAR applies.

Guidance/Resources:

- [ADS 302: USAID Direct Contracting](#)
- [ADS 302mbp: Waivers for Covered Telecommunications and Video Surveillance Services or Equipment under FAR 4.2104](#)
- [Acquisition Implementing Partner Notices:](#)
 - Issued 8/11/2020: Bilateral Modification #7: For IDIQ Awards Only.
 - Issued 8/14/2020: Bilateral Modification #8: For BPA Awards Only.
 - Issued 8/21/2020: Notice #16: FAR Part 4.2101 Prohibition On Covered Telecommunications And Video Surveillance Services and Equipment

Additional Information

Partner Resources and Frequently Asked Questions are available on USAID.gov:

<https://www.usaid.gov/work-usaid/resources-for-partners/section-889-partner-information>

Questions can be submitted to: IndustryLiaison@usaid.gov

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