greater than the simplified acquisition threshold but less than $7,777,000.

* * * * *

(b)(1) Use the clause at 252.225–7045, Balance of Payments Program—Construction Material Under Trade Agreements, in solicitations and contracts for construction to be performed outside the United States with a value of $7,777,000 or more, including acquisitions of commercial items or components.

(2) For acquisitions with a value of $7,777,000 or more, but less than $10,074,262, including acquisitions of comercial items or components, use the clause with its Alternate I, unless the acquisition is in support of Afghanistan.

(3) If the acquisition is for construction with a value of $10,074,262 or more and is in support of operations in Afghanistan, use the clause with its Alternate II.

(4) If the acquisition is for construction with a value of $7,777,000 or more, but less than $10,074,262, and is in support of operations in Afghanistan, use the clause with its Alternate III.

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DEPARTMENT OF DEFENSE

Defense Acquisition Regulations System

48 CFR Part 252

[Docket No. DARS–2011–0082–0002]

RIN 0750–AH48

Defense Federal Acquisition Regulation Supplement: New Designated Country—Armenia (DFARS Case 2011–D057)

AGENCY: Defense Acquisition Regulations System, Department of Defense (DoD).

ACTION: Final rule.

SUMMARY: DoD is issuing a final rule amending the Defense Federal Acquisition Regulation Supplement (DFARS) to add Armenia as a World Trade Organization Government Procurement Agreement (WTO GPA) country and a designated country, due to the accession of Armenia to membership in the World Trade Organization Government Procurement Agreement.

DATES: *Effective Date:* January 30, 2012.

FOR FURTHER INFORMATION CONTACT: Ms. Amy G. Williams, Defense Acquisition Regulations System, OUSD (AT&L) DPAP/DARS, Room 3B855, 3060 Defense Pentagon, Washington, DC 20301–3060. Telephone (703) 602–0328; facsimile (703) 602–0350.

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.

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.

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 within the definition of ''designated country'' at DFARS 252.225–7021, Trade Agreements, and 252.225–7045, Balance of Payments Program—Construction Material Under Trade Agreements. Conforming changes were also made to the clause date at 252.225–7001(b)(12)(i).

III. 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.

IV. Regulatory Flexibility Act

The Regulatory Flexibility Act does not apply to this rule because an initial regulatory flexibility analysis is only required for proposed or interim rules that require publication for public comment (5 U.S.C. 603) and a final regulatory flexibility analysis is only required for final rules that were previously published for public comment, and for which an initial regulatory flexibility analysis was prepared (5 U.S.C. 604).

Publication of this final rule for public comment is not required by statute (41 U.S.C. 1707) because it recognizes actions taken by the United States Trade Representative that do not have a significant effect on contractors or offerors or a significant effect beyond the internal operating procedures of the Government. Therefore, publication for public comment under 41 U.S.C. 1707 is not required.

V. Paperwork Reduction Act

The Paperwork Reduction Act does apply because the final rule affects the certification and information collection requirement in the provisions at DFARS 252.225–7020, Trade Agreements Certificate, currently approved under OMB clearance 0704–0229, DFARS Part 225, Foreign Acquisition, and associated clauses. DFARS provision 252.225–7020 relies on the definition of ''designated country'' in DFARS 252.225–7021, which now includes Armenia. The impact, however, 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 0704–0229, should be sent, not later than March 30, 2012 to Ms. Jasmeet Seehra at the Office of Management and Budget, Desk Officer for DoD, Room 10236, New Executive Office Building, Washington, DC 20503, with a copy to the Defense Acquisition Regulations System, Attn: Ms. Amy Williams, OUSD (AT&L) DPAP (DARS), Room 3B855, 3060 Defense Pentagon, Washington, DC 20301–3060.

Requesters may obtain a copy of the supporting statement for the burden

approved under OMB clearance 0704–0229 from the point of contact identified in this notice. Please cite OMB Control Number 0704–0229, in all correspondence.

List of Subjects in 48 CFR Part 252

Government procurement.

Ynette R. Shelkin,

Editor, Defense Acquisition Regulations System.

Therefore, 48 CFR part 252 is amended as follows:

PART 252—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

■ 1. The authority citation for 48 CFR part 252 is revised to read as follows:

Authority: 41 U.S.C. 1303 and 48 CFR chapter 1.

252.212–7001 [Amended].

■ 2. In section 252.212–7001, remove the clause date ''(DEC 2011)'' and add ''(JANUARY 2012)'' in its place and in paragraph (b)(13)(i) remove the clause date ''(OCT 2011)'' and add ''(JANUARY 2012)'' in its place.

■ 3. In section 252.225–7021, remove the clause date ''(OCT 2011)'' and add ''(JAN 2012)'' in its place and in paragraph (a), in the definition for ''Designated country'', revise paragraph (i) to read as follows:

252.225–7021 Trade agreements.

* * * * *

(a) * * *

Designated country * * *

(i) A World Trade Organization Government Procurement Agreement (WTO GPA) country (Armenia, Aruba, Austria, Belgium, Bulgaria, Canada, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hong Kong, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea (Republic of), Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Singapore, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Taiwan (known in the World Trade Organization as ''the Separate Customs Territory of Taiwan, Penghu, Kinmen, and Matsu'' (Chinese Taipei)), or the United Kingdom);

* * * * *

■ 4. In section 252.225–7045, remove the clause date ''(JUN 2011)'' and add ''(JAN 2012)'' in its place and in paragraph (a), in the definition for ''Designated country'', revise paragraph (1) to read as follows:

252.225–7045 Balance of Payments Program—Construction Material Under Trade Agreements.

* * * * *

(a) * * *

Designated country * * *

(1) A World Trade Organization Government Procurement Agreement (WTO GPA) country (Armenia, Aruba, Austria, Belgium, Bulgaria, Canada, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hong Kong, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea (Republic of), Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Singapore, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Taiwan (known in the World Trade Organization as ''the Separate Customs Territory of Taiwan, Penghu, Kinmen, and Matsu'' (Chinese Taipei)), or the United Kingdom);

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[FR Doc. 2012–1488 Filed 1–27–12; 8:45 am]

BILLING CODE 5001–06–P

DEPARTMENT OF DEFENSE

Defense Acquisition Regulations System

48 CFR Part 231

RIN 0750–AG96

Defense Federal Acquisition Regulation Supplement; Independent Research and Development Technical Descriptions (DFARS Case 2010–D011)

AGENCY: Defense Acquisition Regulations System, Department of Defense (DoD).

ACTION: Final rule.

SUMMARY: DoD is issuing a final rule amending the Defense Federal Acquisition Regulation Supplement (DFARS) to require major contractors to report independent research and development (IR&D) projects.

DATES: *Effective date:* January 30, 2012.

FOR FURTHER INFORMATION CONTACT: Mr. Mark Gomersall, (703) 602–0302.

SUPPLEMENTARY INFORMATION:

I. Background

DoD published a proposed rule at 76 FR 11414 on March 2, 2011, to revise requirements for reporting IR&D projects to the Defense Technical Information Center (DTIC). Beginning in the 1990s, DoD reduced its technical exchanges with industry, in part to ensure independence of IR&D. The result has been a loss of linkage between funding and technological purpose. The reporting requirements of this rule, issued in accordance with 10 U.S.C. 2372, will provide in-process information from IR&D projects, for which reimbursement, as an allowable indirect cost, is sought from DoD, to increase effectiveness by providing visibility into the technical content of industry IR&D activities to meet DoD needs and promote the technical prowess of our industry. Without the collection of this information, DoD will be unable to maximize the value of the IR&D funds it disburses without infringing on the independence of contractors to choose which technologies to pursue in IR&D programs. The public comment period closed May 2, 2011. Four respondents submitted comments on the proposed rule. A discussion of the comments is provided in Section II.

II. Discussion and Analysis

DoD reviewed the public 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. Threshold

Comment: The proposed rule should clarify whether the reporting requirement is triggered by a major contractor's aggregate IR&D costs or the costs of an individual IR&D project. The threshold for triggering the reporting requirement is low and should be increased. The low threshold of $50,000 magnifies the burden to contractors, ACOs, and DCAA auditors, as this threshold would require the reporting of almost any IR&D project. Respondents recommended a number of alternative thresholds.

Response: The $50,000 contractor annual IR&D threshold has been removed from the final rule. DFARS 231.205–18(c)(iii) applies only to major contractors, which are defined as those contractors whose covered segments allocated a total of more than $11,000,000 in IR&D/Bid and Proposal (B&P) costs to covered contracts during the preceding fiscal year. However, contractors who do not meet the threshold as a major contractor are encouraged to use the DTIC on-line input form to report IR&D projects to provide DoD with visibility into the technical content of the contractors' IR&D activities.

B. Proprietary Information

Comment: The proposed rule should ensure that contractor trade secret and proprietary information is protected. It is apparent that DoD is seeking to