

DOCUMENT RESUME

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[Protest against Award of Contract by a Foreign Government Grantee]. B-186822. August 23, 1977. 2 pp.

Decision re: International Commodities Export Co.; by Robert F. Keller, Acting Comptroller General.

Issue Area: Federal Procurement of Goods and Services (1900).

Contact: Office of the General Counsel: Procurement Law II.

Budget Function: General Government: Other General Government (806).

Organization Concerned: AFRO-American Purchasing Center; Agency for International Development; Dominican International Corp.

Authority: Foreign Assistance Act of 1961, sec. 639A(b), as amended (22 U.S.C. 2399-1a (Supp. IV)). 55 Comp. Gen. 391.

The protester objected to the award of a contract on behalf of a foreign government grantee under an Agency for International Development (AID) grant. Since the award was not subject to AID approval, GAO had no basis to review the protest by the disappointed bidder. (Author/SC)

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**DECISION**



**THE COMPTROLLER GENERAL OF THE UNITED STATES**  
WASHINGTON, D. C. 20548

P Sherry # 7475A

FILE: B-186822

DATE: August 23, 1977

MATTER OF: International Commodities Export Company

**DIGEST:**

When an award by a foreign government grantee under an AID grant is not subject to AID approval, GAO has no basis to review protest by disappointed bidder.

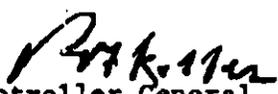
International Commodities Export Company (ICEC) protests the award of a contract by AFRO-American Purchasing Center (AAPC), acting on behalf of the Government of Upper Volta (GOUV), to Dominican International Corporation (DIC) for fertilizer under invitation for bids (IFB) No. IWS-3970. ICEC contends that several provisions of the IFB made it difficult for all potential suppliers to offer the product sought. In this connection ICEC points out that manufacturers' certificates were required for the very small quantities of fertilizer that were sought and that small amounts of four different kinds of fertilizer were required to be offered as a unit. ICEC also notes that award was made to the highest bidder who was also the only bidder to meet all the requirements of the IFB. In this regard ICEC contends that the difference between DIC's bid and the other offers received was approximately \$19,000.

This protest is not for consideration by our Office. The contract is being financed under a grant by the Agency for International Development (AID) to GOUV pursuant to section 639A(b) of the Foreign Assistance Act of 1961, as amended (22 USC sec. 2399-1a 1970, Supp. IV). We have held that where competitive bidding is required as a condition to receipt of a grant, certain basic principles of Federal procurement law must be followed by the grantee in solicitations issued pursuant to the grant. Copeland Systems Inc., 55 Comp. Gen. 391 (1975), 75-2 CPD 237. In such cases our reviews are made for the purpose of insuring that contract awards by grantees have complied with competition bidding requirements made applicable by law, regulations or the terms of the grant agreement. Copeland Systems, Inc., supra.

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However, in this instance the grant agreement between AID and GOUV does not reserve to AID the right to review or approve the terms of the solicitation or the award selection; nor does the agreement set forth any instructions to the grantee concerning the procurement procedures the grantee must or should use in buying the fertilizer. Accordingly it appears that AID has not retained control over the procurement procedures used by GOUV. In addition we are unaware of any statutory or regulatory provision which affects the procurement procedures to be used by GOUV here. Under the circumstances we do not have any basis upon which to review the propriety of this contract award.

The protest is dismissed.

  
Acting Comptroller General  
of the United States