

7238  
DECISION



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

FILE: B-103315

DATE: August 7, 1973

MATTER OF: Procurement of official overseas air travel  
from travel agents in foreign countries

DIGEST:

Official passenger travel may be purchased from travel agents where American-flag carriers cannot furnish the transportation and it is administratively determined that substantially lower air fares are offered through the travel agents.

The Agency for International Development (AID), Department of State, requests an exception from regulations which prohibit the use of travel agents in the procurement of official passenger travel except when the travel cannot be purchased from branch offices or general agents of American-flag carriers in foreign countries. See 4 C.F.R. 52.3 (1977); 6 Foreign Affairs Manual 128.2-1 (1970).

The Director of the AID office in Thailand reports that personnel of his office are involved in substantial foreign travel in Southeast Asia, the majority of which cannot be furnished by American-flag carriers. He points out that by adhering to a policy of purchasing this transportation from branch offices and general agents of American-flag carriers, the Government is paying fares published by the International Air Traffic Association (IATA), which he reports are approximately 30 percent higher than the fares available from a number of reputable travel agents for the regional travel furnished by foreign-flag carriers. AID requests that an exception be made in the regulation to authorize procurement of official passenger travel from the travel agents where American-flag carriers do not furnish any part of the transportation and lower air fares are available through the travel agents.

In 47 Comp. Gen. 204 (1967), the use of travel agents was authorized where it was administratively determined that the group travel arrangements available from travel agents offered substantial savings over regular air fares. Tickets for the transportation were to be purchased by the traveler, and appropriate travel advances to cover the cost of the procurement were authorized. Government transportation requests were not to be used.

Subsequent to that decision, however, Congress passed the International Air Transportation Fair Competitive Practices Act of 1974, Pub. L. 93-623, 88 Stat. 2102 (1975). Section 5 of that Act, known as the "Fly America Act," requires among other things that all Government-financed air travel of passengers and property, between two places outside the United States, be on American-flag carriers to the extent service on those carriers is available. The Act further requires the Comptroller General to disallow any expenditure from appropriated funds for payment of air transportation to a foreign-flag carrier unless there is a showing of satisfactory proof of the necessity for the use of the foreign-flag carrier.

AID advises that American-flag carriers are and will continue to be used where those carriers can perform all or any part of the transportation. AID further advises that it has been administratively determined that substantial savings will accrue to the Government if official passenger travel is purchased from reliable travel agents instead of from the branch offices and general agents of American-flag carriers which do not furnish any part of the actual transportation.

Based on the information that American-flag carriers do not furnish the transportation under consideration, and that it has been administratively determined that substantial savings accrue to the Government, the procurement of official passenger travel from the travel agents is approved.

Deputy

  
Comptroller General  
of the United States