

DECISION



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

60428

FILE: B-183247

DATE: January 27, 1976

MATTER OF: International Explosive Services, Inc.

099300
09406

DIGEST:

99194

Prior decision denying claim is affirmed where allegation by claimant that it was advised by State Department personnel to submit proposal for reconstruction of Suez Canal is unfounded since evidence furnished by State Department indicates that any such contact with claimant was routine suggestion that to receive consideration proposal should be submitted to Egyptians and, therefore, claimant was mere volunteer not entitled to compensation.

This decision is in response to a further request by International Explosive Services, Inc. (IES), for another reconsideration of claim No. Z-2563200 in the amount of \$53,928.77, plus late charges, for expenses allegedly incurred in connection with a proposed project for the reconstruction of the Suez Canal.

IES initially based its claim on the fact that it attempted to secure participation as a private contractor in the rehabilitation and reconstruction project, but was precluded from entering into commercial arrangements with the Government of Egypt when the United States Government decided to perform these functions at the United States' expense. The Transportation and Claims Division of our Office disallowed the claim on the ground that there was no legal basis for liability on the part of the Government.

By letter of February 3, 1975, IES stated that it was in accord with the United States Government's policy of providing the service to Egypt and it indicated that its claim was based on the fact that the work was given to Murphy Pacific Marine Salvage Co. (Murphy) by the United States without IES being provided an opportunity to bid. By decision B-183247, May 13, 1975, 75-1 CPD 293, our Office held that since the United States had an existing term contract (N00024-71-C-0234) with Murphy for the services contemplated in the Suez Canal, competitive bidding on the Suez Canal project was unnecessary. On this basis the denial of the claim by the Transportation and Claims Division was sustained.

B-183247

IES, by letter dated July 22, 1975, requested reconsideration of its claim on the following basis:

"IES, Inc. made a full proposal of a six phase program to the Egyptian government to assist them in their post war reconstruction efforts. Within ten days of this proposal, the United States Newspapers described our identical plan in detail. Naturally IES, Inc. felt that it would be sharing in this program."

This request of IES was denied by decision dated August 19, 1975, 55 Comp. Gen. 164 (1975), 75-2 CPD 114, wherein it was held that a decision by the United States Government, acting in its sovereign capacity, to rehabilitate the Suez Canal is not a taking of a valuable contractual right requiring compensation since the claimant had only an anticipated contract for services, loss of which is not the responsibility of the United States Government. Furthermore, it was stated that the submission of an unsolicited proposal makes the claimant a mere volunteer thereby affording no basis upon which payment may be authorized.

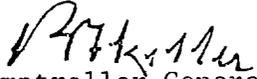
However, by letter dated September 5, 1975, IES has requested that our Office reconsider its claim on the following basis:

"Your claim that we submitted an unsolicited proposal to the Egyptian Government or the U.S. Government is false. We have documentation of phone contact to us by Mr. Norman Anderson, United States Dept. of the State, at the request of Ambassador Herman Eilts, with urgency to work out and present our proposal regarding Suez Canal' Re-Construction (March 18, 1974)."

The State Department at the request of our Office contacted Ambassador Eilts and Mr. Anderson regarding the allegations made by IES. Neither Ambassador Eilts nor Mr. Anderson recalls ever having been in contact with IES. However, they do not exclude the possibility that someone from the Ambassador's staff had talked to representatives of IES. However, we are advised that this would have been in the ordinary course of business in response to a request from an American firm interested in doing business in Egypt, and that any response routinely would have been the suggestion that to receive consideration a proposal should be submitted to the Egyptians. In these circumstances, it is still our view that by submitting an unsolicited proposal, IES became a mere volunteer and as such is not entitled to compensation.

B-183247

Accordingly, our decision of August 19, 1975, is sustained.


Deputy Comptroller General
of the United States