

Justification and Approval (J&A) for Other than Full and Open Competition for IESC Procurements exceeding \$100,000

TO: Contract File
FROM: Gabriela Kliewer, Program Director
PREPARED BY: Lily Alcock, Senior Program Associate
ISSUED: March 4, 2022
SUBJECT: Justification and Approval for Other than Full and Open Competition: PROCOMEX

This document sets forth the facts and rationale justifying the use of other than full and open competition, in accordance with **IESC's internal procurement policy, 1106 Competition Requirements and Signatory Threshold, B. Exception & C. Exception: (1) and 2 CFR 200.319 and 2 CFR 200.320**. This document was prepared by IESC's Trade-Facilitating Agricultural Systems Project.

1. The nature and/or description of the action being approved:

This is a request to approve a sole source award to PROCOMEX for \$122,056.26. Under this action IESC's T-FAST project will provide PROCOMEX expert services to the Industrial Union of Paraguay (UIP) for the purpose of researching and authoring an air transportation trade study.

2. Description of the supplies or services required, including an estimated value:

The general objective of the consultancy is to carry out, in collaboration with the public and private sectors, a comprehensive diagnosis of the current procedures for import and export by air in the Republic of Paraguay, identifying bottlenecks, opportunities for improvement, new procedures optimized, as well as a cost-benefit analysis.

3. Authority permitting other than full and open competition:

IESC's internal procurement policy, 1106 Competition Requirements and Signatory Threshold, B. Exception & C. Exception: (1) and 2 CFR 200.320.

4. A demonstration that the proposed contractor's unique qualifications or the nature of the procurement that requires use for other than full and open competition:

The Paraguayan Industrial Union (UIP), in collaboration with the Foreign Trade Logistics Pro-Modernization Alliance (PROCOMEX), developed a comprehensive diagnosis of import and export procedures for maritime and land cargo in the Republic of Paraguay (2017-2019). This work has served as the basis for numerous reforms to modernize and simplify procedures applied by different border control entities. However, this analysis did not include procedures with air cargo, which represents an increasingly common means of transport in foreign trade, mainly due to the growth of electronic commerce. This consultancy aims to continue the work started and finish the comprehensive diagnosis of the import

and export processes, including air cargo.

5. Description of the efforts made to ensure that offers are solicited from as many potential sources as practicable, including whether a notice was or will be publicized.

A notice was not and will not be publicized. After careful consideration of the options for how to proceed with contracting a firm to perform the required services, the only practicable source to solicit a quote is PROCOMEX. They are uniquely positioned to conduct the air transportation study given the previously conducted maritime and land transportation studies. Although they have garnered the trust of ultimate beneficiary UIP through a previous working relationship, this decision was made by the T-FAST project leadership in consultation with technical specialists in the interest of producing a consistent, quality deliverable.

6. A determination by the Associate Vice President, Global Awards that the anticipated cost to the Government will be fair and reasonable:

IESC confirms that the cost to the government will be fair and reasonable. The basis for this assertion is based on a review of the proposed cost, a series of clarifications and close collaboration between the contractor and IESC to ensure that the final, accepted cost elements are within market rates.

7. Description of the market research conducted, and the results or a statement of the reasons market research was not conducted:

The proposed labor rates and other costs are in line with costs for expertise on similar, recent T-FAST contracts for services based out of Paraguay. PROCOMEX presented a proposed budget along with their technical proposal. IESC reviewers included DC-based technical, contracts, and administrative personnel; and Paraguay-based technical, contracts, and administrative personnel.

IESC pursued three rounds of budget clarifications with PROCOMEX during January and February 2022. IESC's aim was to understand proposed cost reasonableness and allowability. Given the size and source of this contract it was absolutely essential for the technical evaluators and cost evaluators to agree that the proposed budget represented best value and best use of USDA funds.

Based on a detailed budget, subcontractor budget, and budget narratives and clarifications, IESC is satisfied that the cost is reasonable, all elements are allowable, and that cost represents best value for USDA.

The cost is reasonable based on an analysis of cost elements, which included a review of labor rates, airfare, lodging and M&IE, and indirect costs. IESC found that labor rates were well within market rates based on experience implementing other high-value contracts which employ technical expertise; airfare is consistent with independent price research; lodging and M&IE are consistent with recent US State Department guidance; and indirect costs were deemed reasonable based on a letter presented by PROCOMEX from their certified CPA auditors.

8. Other facts supporting the use of other than full and open competition:

The selected contractor is uniquely positioned to conduct the air transportation study given the previously conducted maritime and land transportation studies.

This represents a best value selection by IESC on behalf of USDA given the costs and operational efficiencies of this contract, which follows on contracts funded by other entities.

9. Sources, if any, that expressed an interest, in writing, in the contract:

This is a sole source procurement and IESC did not identify or approach any other sources.

CONTRACT MANAGER CERTIFICATION:

I hereby certify that the justification is accurate and complete to the best of my knowledge and belief.

DocuSigned by:
Gabriela Kliewer
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Gabriela Kliewer
IESC Project Director

2/28/2022

Date

APPROVED/DISAPPROVED:

DocuSigned by:
Pamela Stevens
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Pamela Stevens
IESC AVP Global Awards

2/28/2022

Date