

TITLE: CIB 93-10 Purchase of Oral Rehydration Salts under Grants

APR 19 1993

U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

MEMORANDUM FOR ALL CONTRACTING OFFICERS AND NEGOTIATORS

TO: Distribution List FAC

FROM: DAA/FA, John F. Owens, Procurement Executive

SUBJECT: Purchase of Oral Rehydration Salts under Grants

CONTRACT INFORMATION BULLETIN 93-10

Because of the possible dangers involved in purchasing oral rehydration salts (ORS) from unreliable sources, AID has instituted some controls and safeguards. A central contract is in place to handle AID's procurement of ORS. Also, because ORS is considered to be a pharmaceutical, AID/W approval is required prior to purchase. The requirement for AID/W approval is set forth in Handbook 1, Supplement B, Chapter 4C. The requirement for prior approval is levied on grantees through special provisions which mandate grant officer prior approval of certain types of commodities including all pharmaceutical purchases.

It has come to our attention that grantees and USAIDs may not be aware that ORS is considered a pharmaceutical and, thus, are not implementing the requirement for prior approval. We recognize that neither the current grant standard provisions, nor the AID Commodity Eligibility Listing make it clear that ORS should be treated as a pharmaceutical. We will be implementing appropriate changes to clarify that ORS is considered a pharmaceutical.

Until these changes are implemented, for any grant which could conceivably encompass the purchase of ORS, grant officers should revise the standard provisions, "AID Eligibility Rules for Goods and Services" and "Local Cost Financing" by annotating the list of restricted goods to specify that pharmaceuticals includes ORS.