**Millennium Challenge Account – *[COMPACT COUNTRY]***

**INTERIM BID CHALLENGE SYSTEM**

Effective Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**BACKGROUND**

On ***[date]*** the United States of America, acting through the Millennium Challenge Corporation **(“MCC”)**, and the ***[Compact Country]*** (the ***“Government”***) signed a Compact pursuant to which MCC agreed to provide a grant of up to $ ***[funding amount]*** to the Government for a program to reduce poverty through economic growth in ***[Compact Country]***. The Government has designated the Millennium Challenge Account – ***[Compact Country]*** (***“MCA-[Compact Country]***”) to oversee and implement the compact program in accordance with the terms of the Compact. The Compact requires the Government (including any designee) to ensure that it procures all goods, works and services to implement the compact program in accordance with the MCC Program Procurement Guidelines (“***PPG***”). The PPG further require that ***MCA [Compact Country]*** establish and publish a Bid Challenge System (“***BCS***”) that provides Bidders on ***MCA [Compact Country]*** procurements with the ability to challenge and seek review of ***MCA [Compact Country]*** procurement actions and decisions.

To comply with these requirements and until the period before the BCS has been adopted and becomes operational, the ***MCA [Compact Country]*** has established the rules and procedures set forth in this document, also referred to as its interim BCS (“***IBCS***”), to govern the review of all challenged ***MCA [Compact Country]*** procurement actions and decisions, and which will be incorporated in all solicitation documents distributed to Potential Bidders.

Capitalized terms used in this BCS have the meanings set forth in the Definitions section.

**Protests**

The ***MCA [Compact Country]*** shall consider a Protest from any Bidder or Potential Bidder that claims to have suffered or that it may suffer loss or injury due to a breach of a duty by the ***MCA [Compact Country]*** in the conduct of this procurement. The IBCS is not intended to examine or review the implementation or conduct of any contract once awarded. A Protest shall:

1. Identify the procurement out of which the bid challenge arises;
2. Describe the nature of the bid challenge and supporting facts, including the bidding documents or portion of the procurement process that was allegedly in non-compliance;
3. Identify the specific provision(s), as set forth in the PPG or the bidding documents, which were allegedly breached;
4. Indicate the requested remedy or relief, which may include (1) compensation for any reasonable and verifiable cost of bid preparation and Appeal, subject to a price reasonableness analysis in accordance with the PPG and excluding attorney fees or lost profits; (2) revision of the procurement proceedings to conform to the applicable guidelines; (3) termination of the procurement; or (4) order a new procurement
5. Explain why the bid challenge was timely ; and
6. Include the name, address, telephone and facsimile numbers, as well as the email address of the Challenger.

The English language will be used for all documents Filed or provided in accordance with this IBCS.

Any Bidder that claims to have suffered or that it may suffer loss or injury because of a Procurement Action may File a Protest, except that: (a) sub-contractors, sub-consultants and members of the general public are not permitted to File a Protest; (b) a Protest cannot be used to cure a deficiency in the Challenger’s bid or proposal; (c) a Protest cannot be used to allege fraud, corruption or intent of wrong doing in the procurement process, which allegation must be processed in accordance with MCC’s Policy on Preventing, Detecting and Remediating Fraud and Corruption in MCC Operations, a copy of which is available on MCC’s website ([www.mcc.gov](http://www.mcc.gov)).

The following Procurement Actions may not be the subject of a Protest:

1. the selection of a method of procurement (e.g., QCBS, QBS, etc.);
2. the selection of the type of procurement (e.g., goods, works, non-consultant services, or consultant services);
3. the decision by ***MCA [Compact Country]*** to reject all bids, proposals or quotations;
4. scores assigned by the technical evaluation panel, unless the determination of such scores is alleged to have been arbitrary or capricious or characterized by an abuse of discretion; and

Bidders are strongly advised to request a Debriefing before initiating a formal Protest by submitting a written request for Debriefing to the ***MCA [Compact Country]*** within two (2) Business Days after receipt of the notice of intent of award, notice of pre-qualification/shortlisting results, or (in the case of a two-stage selection process) notice of the results of the first stage. The ***MCA [Compact Country]*** shall provide a written explanation of why the Bidder was not selected within two (2) Business Days of receiving the request for Debriefing. Such a request is not a bid challenge.

The Secretariat shall no later than 5:00 p.m. (local time at the ***MCA [Compact Country]*** location) on the first Business Day after the date that a Protest is Filed:

1. Send a Notice of the Filing of the Protest; and
2. Send to the [Procurement Agent or the ***MCA [Compact Country]*** Procurement Director, as applicable], and all Bidders who submitted bids for the Challenged Procurement a copy of such Notice and instructions (if any), and if the automatic suspension of the Challenged Procurement was lifted by the Level 1 Authority prior to such Business Day, notice thereof. A copy of the Protest itself shall also be provided to the [Procurement Agent or the ***MCA [Compact Country]*** Procurement Director, as applicable].

A Protest shall be submitted to the ***MCA [Compact Country]***, in writing, within five (5) Business Days of the date of: 1. the issuance of the original bidding document, 2. the modification to the original bidding document, or 3. when the Bidder learned or should have learned of the results of the pre-qualification or short listing, technical evaluation or other decision or action including but not limited to the written explanation giving rise to the challenge.

Upon the Filing of a Protest, the Challenged Procurement will be automatically suspended until a final decision with respect to the Protest is issued, unless the Level 1 Authority lifts the suspension after determining that:

1. the Protest does not clearly show that the Challenger will suffer irreparable harm if the Challenged Procurement is not suspended;
2. the claim is frivolous;
3. the ***MCA [Compact Country]*** or Bidders other than the Challenger may sustain disproportionately greater harm by the suspension, compared to the harm to be possibly sustained by the Challenger;
4. the suspension of the Challenged Procurement will be detrimental to public interest; or
5. there are urgent or compelling reasons not to suspend the Challenged Procurement, including potential harm to the ***MCA [Compact Country]****.*

For the avoidance of doubt, any Protest that was not Filed in accordance with the procedures under Bid Challenges (a-f) or Appeals (a-e) and in a timely manner and that was rejected as a result of such failure, will not result in any suspension of the relevant Procurement Action.

For a Protest to prevail, a Challenger must prove by clear and convincing evidence that: (a) the Procurement Action (i) violates the Procurement Rules; or (ii) is arbitrary or capricious or characterized by an abuse of discretion; and (b) the Challenger has suffered or will suffer loss or injury because of the Procurement Action.

The ***MCA [Compact Country]*** shall, within fifteen (15) Business Days after submission of the Protest, issue a written decision to the Challenger stating the reasons for the decision and, if the bid challenge is upheld in whole or in part, indicating the corrective measures that are to be taken. The ***MCA [Compact Country]*** must submit a report of the handling and disposition of any bid challenge to MCC. The report must be submitted to MCC (a) if there is no Appeal, within 3 days after the deadline for Filing an Appeal.

**Appeals**

In certain cases, a Bidder or potential Bidder may seek review by MCC after it has exhausted all remedies with the ***MCA [Compact Country]*** MCC’s review will be limited to claims that (a) ***MCA [Compact Country]*** failed to consider its Protest, (b) the ***MCA [Compact Country]*** failed to issue a written decision on the Protest within the time specified in this system, or (c) the ***MCA [Compact Country]*** violated the procedures set out in the solicitation documents. The appeal to MCC must be received in writing (may be in electronic form) within five (5) Business Days of the date the Bidder or Potential Bidder learned or should have learned of an adverse decision by the ***MCA [Compact Country]***. MCC will issue a final decision within (15) Business Days of the submission of the Appeal.

A bid Appeal shall:

a. Identify the procurement out of which the bid challenge arises;

b. Describe the nature of the Appeal and supporting facts, including full correspondence and decision of the ***MCA [Compact Country]***;

c. Indicate the requested remedy or relief, which may include (1) compensation for any reasonable and verifiable cost of bid preparation and Appeal, subject to a price reasonableness analysis in accordance with the PPG and excluding attorney fees or lost profits; (2) revision of the Procurement Action to conform to the PPG; (3) termination of the procurement; or (4) order a new procurement;

d. Explain why the Appeal is timely; and

e. Include the name, address, telephone and facsimile numbers, as well as the email address of the Challenger.

The Appeal should be addressed to:

Millennium Challenge Corporation

Attention: Vice President, Department of Compact Operations

(with a copy to the Vice President and General Counsel)

1099 14th Street NW

Suite 700

Washington, DC 20005-3550

United States of America

Fax: (202) 521-3700

Email: [VPOperations@mcc.gov](mailto:VPOperations@mcc.gov) (Vice President for Compact Operations)

[VPGeneralCounsel@mcc.gov](https://www.mcc.gov/resources/doc/VPGeneralCounsel@mcc.gov) (Vice President and General Counsel)

**Definitions**

***Appeal****:* a challenge to a Level 1 Authority decision and request for review of that decision by the Millennium Challenge Corporation.

***Bidder****:* any consultant, contractor or supplier that (i) participates in an ***MCA [Compact Country]*** procurement process to provide goods, works or services in furtherance of the Compact or (ii) would have participated in an ***MCA [Compact Country]*** procurement process to provide goods, works or services in furtherance of the Compact but for an alleged mistake or violation of ***MCA [Compact Country]*** in the application of the Procurement Rules.

***Business Day:*** means any day in ***[Compact Country]*** that is not a (i) public holiday, (ii) weekend, or (iii) day when work is suspended by public authorities due to natural calamities.

***Challenged Procurement***: the procurement out of which a Protest arises.

***Challenger****:* a Bidder who Files a Protest.

***Compact:*** the Millennium Challenge Compact between the ***[Compact Country]*** and the United States of America, acting through MCC, signed on ***[Date]***, as the same may be amended from time to time.

***Debriefing:*** A mechanism by which Bidders have an opportunity to meet or discuss with the ***MCA [Compact Country]*** to ascertain the grounds on which its bid was not selected.

***Filed or Filing:*** means the receipt, either by mail services or other delivery services (fax and email), of any document by the addressee before the close of its Business Day.

***Interim Bid Challenge System (IBCS):*** this Interim bid challenge system and the rules and procedures set forth herein.

***Level 1 Authority:*** The ***MCA [Compact Country]*** Chief Executive Officer. Each Protest decision will be issued by the MCA-***[Compact Country]*** Chief Executive Officer (in this capacity, the ***“Level 1 Authority”***), and will be decided in consultation with the MCA-***[Compact Country]*** Procurement Director and Legal Counsel ***[and the Procurement Agent]*** and such other technical experts as the Chief Executive Officer deems appropriate.

***MCA-[Compact Country]*:** Millennium Challenge Account-***[Compact Country].***

***MCC***: Millennium Challenge Corporation.

***Notice:*** means a written communication sent to participating Bidders when a Protest is received by the MCA Entity. The Notice shall contain the nature of the Protest, the name of the Challenger and if applicable, the issuance of any written instruction by the Level 1 Authority regarding the suspension of the Challenged Procurement.

***Potential Bidder:*** the Bidders who would have participated in the solicitation process but for an alleged mistake of the ***MCA [Compact Country].***

***PPG***: the MCC Program Procurement Guidelines, as the same may be amended from time to time

***Procurement Action:*** means any action or decision by ***MCA [Compact Country]*** relating to the ***MCA [Compact Country]*** process of procuring goods, works, or services in furtherance of the Compact.

***Procurement Agent:*** means the natural or legal person engaged by ***MCA [Compact Country]*** as procurement agent in accordance with the Compact.

***Procurement Rules***: the PPG, or the solicitation documents applicable to the challenged Procurement Action, or both.

***Protest:*** the initial challenge to a Procurement Action and request that such Procurement Action be reviewed in accordance with this IBCS.

***Secretariat****:* the ***MCA [Compact Country]*** personnel designated by the ***MCA [Compact Country] [Managing or Executive Director, as appropriate]*** to act as the secretariat for proceedings under this IBCS.