

# SECONDARY PROCUREMENT

**Introductory Training for Award Winners  
under EaP Territorial Cooperation Programme  
Armenia - Georgia**



This Programme is funded by the European Union  
and the German Government



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## IMPORTANT NOTICE

**Information given in this presentation file is  
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**Always consult with individual Grant Contract  
and to PRAG for relevant regulations!**



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## RULES COMMON TO ALL TENDER PROCEDURES (1)

**DOCUMENTS** – to be drafted in accordance with best international practice

Beneficiaries may use the models published on the European Commission's web site relating to external actions.

**TIME LIMITS** – to be long enough to allow interested parties a reasonable and appropriate period to prepare and submit their tenders

**AWARD CRITERION** – always, the most economically advantageous tender (i.e. the tender offering the best price-quality ratio)



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## RULES COMMON TO ALL TENDER PROCEDURES (2)

- PRINCIPLES TO BE FOLLOWED – transparency and fair competition, avoidance of any conflict of interests
- THE EVALUATION PROCESS – based on the exclusion, selection and award criteria announced in advance
- THE EVALUATION COMMITTEE - odd number of voting members (at least 3)
- NATIONALITY RULE – mandatory
- ORIGIN RULE - mandatory



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## RULES COMMON TO ALL TENDER PROCEDURES (3)

### NATIONALITY RULE

Participation in tender procedures – is open to international organisations and to all natural persons who are nationals of, and legal persons which are effectively established in, an eligible country (see the detailed list in Annex A2a):

Exception:

The rule does not apply to experts proposed by service providers taking part in tender procedures.



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## RULES COMMON TO ALL TENDER PROCEDURES (4)

### Rule of Origin

“The tenderer must state the origin of supplies”

The origin of the supplies – European Union or eligible countries

Certificate of origin:

- issued by the competent authorities of the country of origin
- proves the origin of supplies
- submitted no later than when the first invoice is presented



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## BEST PRACTICES TO BE FOLLOWED (1)

### TRANSPARENCY AND NON-DISCRIMINATION

- **Maximum publicity of the tender procedure** (in national and English language)
- **Opening the competition** to as many tenderers as possible
- **Availability of tender documents** - for all the tenderers (at the headquarters of the Contracting Authority, website, sent directly to any interested tenderer)
- **Equal level of information for all tenderers** – when clarifications/supplementary information are required



## BEST PRACTICES TO BE FOLLOWED (2)

### EQUAL TREATMENT

- **Transparency of information** - all tenderers receive same information
- **Absence of restrictive conditions** - Terms of Reference (services) / technical specifications (equipment and goods, works) as widely accessible as possible
- **Selection and award criteria** – provided at the start of the procedure and kept unchanged until the end of the process
- **Equal conditions in financial offers** – stay away from any preferential discounts or preferential conditions of any nature





## BEST PRACTICES TO BE FOLLOWED (3)

### AVOIDING CONFLICT OF INTERESTS

- **Independent and confidential** preparation of selection criteria and conditions (Terms of References or Technical Specifications)
- **Independent and confidential** evaluation of tenders
- **Impartiality** of the persons who prepared or participate in tender procedures



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## BEST PRACTICES TO BE FOLLOWED (4)

### RECOMMENDATIONS

When selecting a procedure, **do not split the budget** just to avoid a complex procurement procedure !!!

Use **visibility rules of the programme** even in the tender documents and contracts! !!

Nationality rule and origin rules **are mandatory** !!!



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## THRESHOLDS IN TENDER PROCEDURES

<b>Services</b>	<b>≥ 300.000 €</b>	<b>&lt; 300.000 € but &gt; 60.000 €</b>		<b>&lt;60.000 €</b>
	International restricted tender	Negotiated procedure without publication		Procedures established by the Beneficiary
<b>Supplies</b>	<b>≥ 300.000 €</b>	<b>&lt;300.000 € but ≥ 100.000 €</b>	<b>&lt;100.000 € but &gt; 60.000 €</b>	<b>&lt;60.000 €</b>
	International open tender	Open tender published locally	Negotiated, without publication	Procedures established by the Beneficiary
<b>Works</b>	<b>≥ 5. 000.000 €</b>	<b>&lt;5. 000.000 € but ≥ 300.000 €</b>	<b>&lt; 300.000€ but &gt; 60.000 €</b>	<b>&lt;60.000 €</b>
	International open tender	Open tender, published locally	Negotiated, without publication	Procedures established by the Beneficiary

## TENDER PROCEDURES (1)

- International open tender procedure
- International restricted tender procedure
- Open tender procedure published locally
- Negotiated procedure without publication
- Single tender



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## TENDER PROCEDURES (2)

### INTERNATIONAL OPEN TENDER

- **Publication of the procurement notice** – in all appropriate media (web site, international press, national press, specialized publications)
- **Submission of tenders** – any candidate who meets the selection criteria published

When to use this procedure?

supplies over 300,000 €

works over 5,000,000 €



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## TENDER PROCEDURES (3)

### INTERNATIONAL RESTRICTED TENDER

- **Publication of the procurement notice** - in all appropriate media (web site, international press, national press, specialized publications)
- **Number of candidates:** 4-8
- **Submission of tenders** - any candidate who meets the published selection criteria and is invited in writing by the beneficiary

When to use this procedure?

**Services - 300,000 € or more**



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## TENDER PROCEDURES (4)

### OPEN TENDER PROCEDURE PUBLISHED LOCALLY

- **Publication of the procurement notice** - in all appropriate media (only in the country where the Action is carried out)

#### When to use this procedure?

supplies between 100,000 € and 300,000 €

works between 300,000 € and 5,000,000 €



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## TENDER PROCEDURES (5)

### NEGOTIATION WITHOUT PUBLICATION

- At least 3 service providers are consulted of Beneficiary choice and the terms of the contract are negotiated with one or more of them

### When to use this procedure?

supplies between 60,000 € and 100,000 €

works between 60,000 € and 300,000 €



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## PROCUREMENT CONTRACT

The following requirements are mandatory for a contract:

- Number of registration and date
- General and special provisions
- Name of the project and the contract code
- Purpose of the contract
- Total cost and unit cost (it should not exceed unit rate provided by Annex III)
- Costs in EURO (without VAT) and in the national currency
- Duration of the contract (within the implementation period of the contract)
- Signatures and stamps of the both parties



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## PROCUREMENT FILE

- **Tender documentation** – proving basis on which the procedure was followed
- **Proofs of publication** – in media, on the web
- **Any correspondence with the tenderers** – invitations, request for clarifications, answers
- **Evaluation reports, including tenders** – reports, notes of the evaluation committee, a copy of each offer
- **Contracts**



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**THANK YOU FOR YOUR ATTENTION!**



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