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Open Procedure

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Unit C.4: Price statistics; Purchasing Power Parities. Housing statistics

**Invitation to tender for the supply of statistical services for
COORDINATION OF PURCHASING POWER PARITIES (PPPs)
CONSUMER GOODS PRICE SURVEYS
(ESTAT/C/2017/015)**

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SECTION 1 INTRODUCTION

1.1 Presentation of Eurostat

Eurostat is a Directorate-General of the European Commission (“Commission”). Its mission is to provide the European Union with a high quality statistical information service.

Together with the national statistical offices, Eurostat is responsible for the European statistical system: see [Regulation \(EC\) No 223/2009](#) of the European Parliament and of the Council of 11 March 2009 on European statistics (OJ L 87/164, 31.3.2009). Eurostat implements standards, methods and classifications for the production of comparable, reliable and relevant data. Users of Eurostat’s output include the Commission and other institutions of the European Union, national governments of the Member States, international organisations, businesses, universities and a wide range of other users. Eurostat also supports non-member countries, including the candidate countries, in adapting their statistical systems.

More information can be found on the Eurostat's website: <http://ec.europa.eu/eurostat>

Eurostat carries out some of its activities by awarding contracts for the provision of services relating to the various fields of the European statistical programme.

1.2 Subject of the contract

This invitation to tender covers the supply of statistical services for the COORDINATION OF PPP CONSUMER GOODS PRICE SURVEYS.

1.3 Glossary

AT: Aggregation Tool

CIRCABC: Communication and Information Resource Centre for Administrations, Businesses and Citizens

CM: Countries' meeting

CPI: Consumer price index

DET: Data Entry Tool

eDAMIS: Electronic Data Files Administration and Management Information System

ESA: European System of Accounts

ILMT: Item List Management Tool

NSI: National Statistical Institute

QT: Quaranta Table

SPD: Structured Product Description

TM: Technical meeting

VT: Validation Tool

MET: Metadata entry tool (in development, tool will be finalised during the execution of the contract)

See also the glossary included in the [Eurostat-OECD Methodological Manual on Purchasing Power Parities](#).

SECTION 2 TECHNICAL INFORMATION

2.1 General information and objectives

2.1.1 General information

What are Purchasing Power Parities?

Purchasing Power Parities (PPPs) are indicators of price level differences across countries. PPPs tell us how many currency units a given quantity of goods and services costs in different countries. PPPs can thus be used as currency conversion rates to convert expenditures expressed in national currencies into an artificial common currency (the Purchasing Power Standard, PPS), eliminating the effect of price level differences across countries.

The main use of PPPs is to convert national accounts aggregates, like the Gross Domestic Product (GDP) of different countries, into comparable volume aggregates. Applying nominal exchange rates in this process would overestimate the GDP of countries with high price levels relative to countries with low price levels. The use of PPPs ensures that the GDP of all countries is valued at a uniform price level and thus reflects only differences in the actual volume of the economy.

PPPs are also applied in analyses of relative price levels across countries. For this purpose, the PPPs are divided by the current nominal exchange rate to obtain a price level index (PLI) which expresses the price level of a given country relative to another, or relative to a group of countries like the EU28.

The production of PPPs is a multilateral exercise involving the National Statistical Institutes of the participating countries, Eurostat and the OECD.

Country coverage

Eurostat is in charge of the annual calculation and dissemination of PPPs for 37 European countries. These include the 28 EU Member States, 3 EFTA Member States (Iceland, Norway and Switzerland), 5 EU candidate countries (the Former Yugoslav Republic of Macedonia, Montenegro, Albania, Serbia and Turkey) and a potential candidate country (Bosnia and Herzegovina). In addition, Kosovo under UNSCR 1244 participates in consumer goods price surveys, but is not a full member of the PPP programme yet.

For the purposes of correction coefficients for salaries and pensions of EU officials, data is also collected in EU service stations other than the capital city in Germany (2 other cities) and Italy (1 other city).

Legal basis

The common rules for the provision of basic information (input data), the calculation and dissemination of PPPs are laid down in [Regulation \(EC\) No 1445/2007](#) of the European Parliament and of the Council of 11 December 2007.

Within the framework of the Regulation, the methodologies and the publishing policies are agreed within the PPP Working Group. The results as calculated by Eurostat are distributed to the NSIs for validation and approval prior to dissemination.

The full methodology of the PPP programme is published in the "[Eurostat-OECD Methodological Manual on Purchasing Power Parities](#)". A summary description can be found in the [metadata](#) on the Eurostat website.

Classification of expenditure: basic headings

PPPs are produced in accordance with the final expenditure classification of the European System of Accounts (ESA2010¹). PPPs are classified by type of final expenditure – actual individual consumption expenditure, actual collective consumption expenditure and capital expenditure – and, in the case of actual individual consumption expenditure, by purchaser – households, non-profit institutions serving households (NPISHs) and general government. The prices underlying the calculation of PPPs adhere to the definitions, concepts, classifications and accounting rules of ESA2010.

The main expenditure aggregates comprising GDP are broken down into *basic headings*. The basic heading is the lowest level of aggregation, at which products are sampled and product prices collected. It is the lowest level for which countries should provide numerical expenditure weights. Below the basic heading level are the individual items of the product sample. For example, cheese is a basic heading and cheddar, camembert, feta, gorgonzola, gouda, etc. are individual products within it.

The basic heading classification was revised in 2015 (see [Commission Regulation 2015/1163 of 15 July 2015](#)). PPPs are published at the level of 61 "analytical categories" which comprise aggregates of basic headings and include some of the main expenditure aggregates like GDP, actual individual consumption, household final consumption, collective consumption and gross fixed capital formation. The full list of basic headings and analytical categories can be found [here](#).

Source data

Countries are required to carry out price surveys and provide price input data for household final consumption expenditure, individual government consumption, collective consumption and gross fixed capital formation (investment). Reference (imputed) PPPs are used for final consumption expenditure of non-profit institutions serving households (NPISH), changes in inventories, and net exports. Below is a summary for each major component. All details are provided in the PPP manual and can be found [here](#).

All data are submitted by countries to Eurostat using the eDAMIS system, Eurostat's Single Entry Point application. This provides a secure data transmission. Upon arrival at Eurostat, all data are directly loaded into the central PPP database.

Household final consumption expenditure

For consumer (market) goods and services, special price surveys are carried out. The product sample is determined in collaboration among the participant countries, the OECD and Eurostat. The final product sample should consist of comparable goods and services and, to the largest extent possible, be equally representative of the expenditure patterns of all participant countries. Subsequently, the data collection is carried out by the NSIs. Prices are collected from a variety of outlets (markets, corner shops, supermarkets, specialist shops, departmental stores, service establishments, internet, etc.), usually by actually visiting the shops, but also via questionnaires and phone or electronic surveys.

In most countries, prices are collected only in the capital city and its surroundings. In order to obtain national average prices, these countries have to supply spatial adjustment factors for all basic headings.

¹ Regulation EU NO 549/2013 of the European Parliament and of the Council of 21 May 2013 on the European system of national and regional accounts in the European Union.

To reduce the response burden, prices are collected over a period of three years. The product sample is divided into six separate surveys, and each year, two surveys are carried out. The list of products used in the 2014-2016 cycle of surveys can be found [here](#).

In the calculation of PPPs, extrapolations of the most recent survey data are used for the product groups that were not surveyed in the reference year. A temporal adjustment factor at basic heading level, based on data from the Harmonised Consumer Price Index (HICP), is used for this purpose. A similar temporal adjustment is needed in order to calculate annual average prices for the whole reference year, based on the prices collected in the survey month.

Housing receives special treatment. In most of the countries, a survey of actual rents for rented houses and "imputed" rents for owner-occupied houses (based on rents for similar rented houses) is carried out annually. For countries with unrepresentative rental markets, however, a "quantity approach" based on dwelling stock estimates is used instead for owner-occupied houses.

Government final consumption expenditure

The services produced by general government are non-market services and as such, they have no economically significant market price. Because there are no market prices, the convention is to value non-market services in national accounts at cost, or input prices. This convention is applied in the production of PPPs for collective services only. Countries report the compensation of employees including social contributions for a sample of occupations in collective services provided by the government. These compensation figures then enter the calculation of PPPs as price estimates of government services.

For education services, an approach based on direct estimation of volumes (number of students relative to total population) with quality adjustment based on the PISA survey is used. For health services, since 2013 PPPs are estimated on the basis of quasi-prices of a set of medical outputs (medical or surgical treatments).

Gross fixed capital formation

Countries report national purchasers' prices for investment goods and services once every two years. There are two price surveys, one for equipment goods, and one for construction. The prices collected are mid-year prices because it is too costly to monitor prices over the whole year.

Prices for equipment goods are obtained from producers, importers, distributors or actual purchasers. Prices for construction are collected using a set of standard construction projects covering different types of buildings and civil engineering works.

GDP expenditure weights

In addition to the prices and adjustment factors enumerated above, participating countries have to provide expenditure weights at basic heading level. The expenditure weights are taken from the expenditure breakdown of national accounts.

Calculation of PPPs

The source data thus obtained feed into the overall calculation of PPPs.

The calculation of PPPs is undertaken in three stages. The first stage is at the product level, where price relatives are calculated for individual goods and services. The second stage is at the product group (or basic heading) level, where the price relatives calculated for the products in the basic heading are averaged to obtain unweighted PPPs for that particular basic heading, and at the third stage, the basic heading PPPs are weighted and averaged to obtain weighted PPPs for each aggregation level. The weights used to aggregate the PPPs in this last stage are expenditures from each country's national accounts.

The calculation of basic heading PPPs is based on binary Fisher type indices for which both a Laspeyres type index and a Paasche type index must first be calculated based on the reported price data. Subsequently, PPPs are calculated for a basic heading using the Èltetö-Köves-Szulc (EKS) method. These PPPs for a basic heading are combined with those of other basic headings to provide weighted PPPs for each level of aggregation up to the level of GDP. The EKS method is applied at this stage as well.

Explicit consumption weights are not applied when calculating parities for the basic headings but are taken into account at any higher level of aggregation. In principle, it would be desirable to weigh the price relatives within basic headings, but the expenditure data required to do this is not generally available. Instead, at the basic heading level, countries are required to differentiate between "representative" and "unrepresentative" products. A product in the product sample is said to be representative if it is purchased in sufficient quantities so that its price level is typical for that type of product in the national market. Failure to take representativity into account may produce a bias in the results, because representative products are generally assumed to have lower relative prices than unrepresentative ones. In order to avoid this bias, products that are representative are assigned a quasi-expenditure weight of "1" and products that are not representative are given a quasi-expenditure weight of "0".

Sometimes, no prices are available for a basic heading and thus no parities can be calculated. In these cases reference parities will be used, i.e. parities initially calculated for a comparable basic heading.

The calculation and aggregation methods are described in detail in chapter 12 of the PPP manual can be found [here](#).

Publication and revision strategy

Overall PPP calculations take place in June and December of each year. They are released through the dissemination database on Eurostat's website, and may be accompanied by a press release and/or a Statistics-in-Focus publication.

PPPs for a given year (t) are published in four steps:

- After t+6 months: First preliminary results, based on extrapolations from year t-1 and on the new data for year t that are available at that time.
- After t+12 months: Preliminary results, incorporating all new price and expenditure data of year t.
- After t+24 months: Revised, preliminary results, incorporating the most recent expenditure estimates.
- After t+36 months: Final results for year t. These results are "final" in the sense that there will be no further updates when countries revise their national accounts estimates.

Indicators in Eurostat's dissemination database

The indicators published in the price domain on Eurostat's website are the following:

- Purchasing power parities (PPPs) scaled to the sum of expenditures of the EU Member States expressed in euro. This means that the PPP of one particular country indicates how many units of national currency one would need in that country in order to maintain the purchasing power of one euro in the EU.
- Price level indices (PLIs), calculated as the PPP divided by the nominal market exchange rate.
- Nominal expenditure in national currency and in euro, as extracted from each country's national accounts.
- Nominal expenditure as percentage of GDP.
- Nominal expenditure per capita.

- Real expenditure, defined as nominal expenditure divided by the PPP.
- Real expenditure per capita.
- Volume indices of real expenditure per capita.
- The price convergence indicator, defined as the coefficient of variation of the PLIs of household final consumption expenditure (HFCE). It provides an estimate of the price convergence within a group of countries. For example, if the price convergence indicator for EU28 decreases over time, the national price levels in the Member States are converging. Additional convergence indicators (such as coefficient of variation of the volume indices of GDP, etc.) will be included in database in June 2017.

PPP Inventories and survey reports

Each participating country provides an annual update of its "PPP Inventory", which describes the data sources and methods used to produce its PPP data.

The Inventories have a common structure which can be found [here](#).

In addition, after each price survey on consumer or capital goods, participating countries provide a report on the execution of that particular survey. These reports also follow a standard structure which can be found in boxes 5.11, 10.5 and 11.6 of the PPP Manual.

The Inventories and survey reports are currently shared among the participating countries through CIRCABC – a Commission application used to create collaborative workspaces where communities of users can work together over the web and share information and resources.

The PPP database and associated tools

All data and procedures related to the Eurostat PPP exercise are incorporated into the central PPP database and associated tools. The current database schema can be found [here](#). The PPP database is an Oracle 10 relational database including all input data (item lists and definitions, price observations, expenditure weights, consumer price indices, spatial adjustment factors, etc.), output data (basic heading and higher level aggregate PPPs, real expenditures, volume indices, etc.) and metadata (users, access rights, user profiles, countries, etc.).

Associated tools are:

- The Item List Management Tool (ILMT): a web application that manages the entire process of creating item lists, including the creation of pre-survey lists, the entering of the pre-survey results by countries, the creation of draft and final lists and the translation of final item lists by countries into their own language(s). For some screenshots, please consult documents which can be found [here](#).
- A Data Entry Tool (DET): an (off-line) Java application that is used to enter and validate the prices observed for the products on the final list. This tool communicates with the Item List Management Tool to retrieve item lists. For some screenshots, please consult documents which can be found [here](#).
- The Validation Tool (VT): a web application which is used to visualise the countries' price observations, to validate them using Quaranta Tables and to communicate with the countries. For some screenshots, please consult documents which can be found [here](#).
- The Aggregation Tool (AT): a web application used to manage the process of aggregating the results from the different surveys to all published analytical categories up to GDP, including the production of the outputs for Eurostat's dissemination database. For some screenshots, please consult documents which can be found [here](#).
- National account tool: a web application that is used to enter and validate the national account data.

- Auxiliary tool: a web application that is used to enter and validate the input data such as population figures, exchange rates and different deflators.
- Metadata Editing Tool (MET): a web application will be used for reporting and editing the countries' Survey Reports or any other metadata. For some screenshots, please consult documents which can be found [here](#).

The web applications do not only allow visualising and editing data but are designed as collaboration and communication tools: countries, contractors and Eurostat communicate with each other through these tools to collaboratively compile item lists and validate price observations and resulting PPPs.

Data files are sent by countries to Eurostat exclusively via the eDAMIS system (Eurostat's Single Entry Point for data transmission). All data flows use the SDMX-ML standard.

2.1.2 Objectives

Countries are required to carry out price surveys and provide price input data for household consumption, individual government consumption, collective consumption and gross fixed capital formation (investment). Reference (imputed) PPPs are used for NPISH consumption, inventories and net exports. The source data obtained from the surveys feed into the overall calculation of PPPs.

The objective of this contract is the coordination of the PPP surveys on consumer goods prices and to obtain PPPs in the area of household final consumption expenditure for 37 countries participating in the PPP Programme.

The contractor prepares co-ordinates and reports on the consumer goods price surveys undertaken in the participating countries and validates the prices observed in close cooperation with them.

The full survey process as it is organised till 2014 is described in chapter 5 of the PPP Manual. From 2014, the coordination of the consumer goods price surveys is carried out by one contractor for all countries participating in the program.

As explained above, prices for consumer goods and services are collected over a period of three years. The basket of products comprising household final consumption expenditure is divided into six parts with prices for two parts being surveyed each year. This requires the organisation of six separate price surveys for each cycle. Each survey takes about 24 months to complete.

Each consumer goods price survey is based on a list of definitions of products (item list) on which a certain number of price observations must be collected by each country. For each survey, there are around 300-500 items on the list and countries normally provide at average 10 price observations per item. Items are defined using Structured Product Descriptions (SPDs). SPDs are lists of characteristics to be used to describe a set of similar products. See pages 102-103 of the PPP Manual for examples. The SPDs are defined by Eurostat using input from the contractor.

Conducting a statistical survey needs a thorough preparation in order to maximise the efficiency and obtain a successful outcome. Provided a price survey is well prepared it may cause less trouble, take less time, cost less and produce results that are more reliable. The preview, planning and pre-survey stages aim to define the sample of representative and comparable products.

For any given type of product there is typically a three years interval between the collections of prices. It can be assumed that during this period significant changes in the composition and performance of goods and services on the market have happened which – due to the principle

of representativity – should require changes to the item list of the last comparable survey. Changes to the previous item list can be implemented by adding new goods and services to the list, by deleting old ones and by modifying existing definitions, e.g. by adding, deleting or modifying characteristics.

Information about the actual situation on the market can be obtained by the contractor and countries in different ways. The most obvious practice is to take the existing list, go to the outlets and compare the list with the actual supply of goods and services. Such a field exercise will clearly show which items are still available and sold in sufficient quantities in order to be representative, which new items appeared on the market and need to be registered. It may also come out that certain items have been withdrawn from the market.

Information from other official statistical sources (household budget survey, retail trade surveys, CPI databases, and detailed expenditure data from the NA) can be used to identify changes in consumption patterns and economic trends although such data bases may not be timely and/or detailed enough.

Another alternative is to exploit data which is collected by professional companies (marketing research institutes, commercial organisations, consumer organisations, etc.). This information is normally available on special order and can be bought, although some information may be freely available (extracts published in newspapers etc.).

It is also possible to get information about actual market trends and new products via expert interviews (with shop owners, sales managers, producers, importers, marketing experts, etc.), visits to trade fairs, the internet and via the collection of consumer magazines, trade magazines, catalogues, marketing documentation, brochures, etc.

A mosaic strategy can be used by the contractor and NSIs, combining all or several of the above-mentioned methods.

Twice per year (in March and September), the contractor organises meetings with all countries participating in the programme to discuss all on-going surveys. For organisational reasons the participants from the countries should be divided into two groups within a rotation system. Before and after these meetings, the contractor meets with Eurostat to co-ordinate.

To maintain relations with the countries and to get acquainted with the markets in each country, the contractor is also required to visit each country at least once every two years.

The work has to be carried out in a very tight timeframe according to the PPP Workplan of Eurostat. The PPP Working Group, consisting of the countries participating in the Eurostat PPP programme and Eurostat, decides on the Workplan for the next calendar year every autumn. These decisions will form part of the contracts under this call for tender. As an example, the PPP Workplan for the calendar year 2017 can be found [here](#).

The contracts under this call for tender have all a maximum duration of 12 months and follow the calendar year. The PPP consumer price surveys are organised in another sequence of time (see Table 1.1).

The work of the contractor has also to ensure the continuation of all work in the area of PPP consumer price surveys. This requires that the contractor is able to start the work in the middle of a process without delaying it. The contractor has to take over and finish under the first contract for the calendar year 2018 work related to the first and second PPP consumer price survey with the reference year 2017; and the Contractor will stop his activities by the end of 2021 under the last contract. At this point in time, the work for the first and second survey for the reference year 2021 is still ongoing and the preparation of the surveys of 2022 has started. Table 1.2 gives a detailed view of the activities related to each survey that will fall under this call for tender.

Eurostat will ensure that the contractor will receive all necessary data and documents concerning the first and second survey of 2017 which are to be continued under the first contract. Under all follow-up contracts the Contractor has to ensure that all data and documents related to work under the respective contract is made available to Eurostat in electronic format.

2.2 Volume of the contract

The total volume of the work for the entire contract period is estimated to cover:

- Around 7 person-year (i.e. the total volume is around 28 person-years).
- 18 up to 21 country missions of duration of two days (i.e. the total volume is around 74 up to 84).
- 4 countries' meetings of duration of two days (i.e. the total volume is around 16).

The **estimated** total value is EUR 3,200,000 for the entire duration of the contract (48 months).

2.3 Tasks and expected results

The general objective of the contractor's work is to obtain PPPs in the area of household final consumption expenditure for 37 countries participating in the PPP Programme.

The contract will include the three following activities:

Activity 1: Preparation, co-ordination and validation of consumer goods price surveys

This activity comprises following sub-tasks:

Tasks 1.1 Preview, planning and pre-survey.

Tasks 1.2 Creation of European item list and specific survey guidelines.

Tasks 1.3 Price collection and intra-country validation.

Tasks 1.4 Data validation.

Tasks 1.5 Survey evaluation.

Table 1.1 describes the timetable for the consumer goods price surveys that will be handled in 2018. The timetable for the other contract years will be similar. The colours refer to surveys that are indicated with a code starting with "E". For example, survey E19-1 is the first survey of the year 2019 and survey E18-2 is the second survey of the year 2018.

Below, the content of subtasks is described in more detail using the example of the first survey in year 2019 (on House and Garden).

Surveys are carried out on a rolling basis. At any point in time, there are four or five surveys in progress, but at different steps of the process. Table 1.2 gives an overview of the surveys that will be covered by this call for tender.

The exact work plan for each calendar year is determined by the PPP Working Group of November of the year before. The work plan for the calendar year 2017 can be found [here](#) and provides a concrete timing example for one calendar year.

Task 1.1 Pre-view, planning and pre-survey

During the Technical Meeting (TM) between the contractor and Eurostat in February 2018 the survey is initialized with a discussion of the main features of the forthcoming survey and any possible methodological changes to be carried through (e.g. due to changes in the market). A starting point for the discussion is a preview document prepared by the contractor (deliverable D1.1a) on the basis of the evaluation report of the previous similar survey (E16-1) - that was

discussed during the meetings with the countries exactly one year before - and on initial market research.

The first conclusions of the TM are presented to the countries in the Countries' Meetings (CMs) in March 2018 (organised by the contractor; see Activity 2), to obtain first feedback from the countries, which will be included in the minutes of the CMs.

In April 2018, the contractor will send the draft preview questionnaire to Eurostat for approval. In May 2018 the contractor will send a preview questionnaire (deliverable D1.1b) including general questions to the NSIs on the markets concerned. Countries reply to the preview document by July 2018 by sending their answers to the contractor. The exchange of information in the preview stage takes place by e-mail. Having received the answers from the countries, the contractor shall process them and based on this input prepares a summary document (deliverable D1.1c).

The results of the preview stage described in the summary document are discussed in August during the TM with Eurostat. Here, decisions are taken on methodological issues as well as on the target numbers of items to be priced per basic heading and the definition of the SPDs. This is traditionally called the "planning" stage. The planning decisions are to be presented by the contractor in the CMs of September 2018 (deliverable D1.1d).

From this stage on, all work related to the creation of the survey item list (including countries' pre-surveys) is carried out in the on-line Item List Management Tool (ILMT).

The European pre-survey list is prepared by the contractor before the end of November 2018 (deliverable D1.1e). The pre-survey list is a list of items that are proposed for pricing, including also further detailed questions to NSIs about markets and products. The pre-survey list is based on the product list of the previous similar survey. It is also based on market research carried by the contractor. The result is an amended and updated version of the previous European item list taking into account that:

- Some products will have been deleted either because they are no longer available on the market or because they proved to be too difficult to specify the last time they were surveyed.
- Some products will have been proposed for deletion because either their availability or their importance to consumers is questioned.
- Some products will have had their specifications redefined either because a new model with different technical parameters has appeared on the market or because there is a need to tighten up the existing specification so as to reduce the price variation observed when it was previously priced.
- New products that did not exist before or were just beginning to appear on the market at the time of the previous survey will have been added together with their specifications.

The pre-survey list is in effect an annotated preliminary draft of the European item list for the forthcoming price survey. The list is prepared in English.

Countries carry out the pre-survey work until the end of January 2019. This entails investigating the availability and importance of the products proposed by the contractor and other countries, to propose possible new products and to answer the questions from the contractor. As a minimum, countries are required to indicate the availability of each proposed product. During the pre-survey work, the contractor shall assist the countries in case of questions.

By the end of the pre-survey the contractor prepares a document summarising the results of the pre-survey (deliverable D1.1f) that serves as a basis for the preparation of the European item list.

Documents for the TM will be sent to Eurostat 5 working days prior to the meeting.

Hence, for each survey, this task includes the following deliverables:

D1.1a Preview document.

D1.1b Preview questionnaire.

D1.1c Summary of the preview.

D1.1d Planning file.

D1.1e Pre-survey list.

D1.1f Summary of countries' pre-survey work.

Tasks 1.2 European item list creation and specific survey guidelines

The contractor creates the first draft of the European item list on the basis of the results of the pre-survey, by the middle of February 2019. This involves choosing the products of which availability and importance, as indicated by countries during the pre-survey, are highest among the countries and to adapt product definitions according to the information obtained. The draft list should be compiled such that the property of "equi-representativity" is maintained. This property is defined by the PPP Regulation as: "a property required of the composition of the item list for a basic heading, each Member State being able to price that number of representative products which is commensurate with the heterogeneity of the products and price levels covered by the basic heading and its expenditure on the basic heading."

The draft European item list should furthermore have a well-balanced structure of branded and generic product definitions to cover the different market situations in the countries and to allow NSIs to price items representative of their consumption pattern.

The first draft European item list (deliverable D1.2a1) will be discussed during the TM with Eurostat in February 2019. The contractor shall also present the first draft of the specific survey guidelines (deliverable D1.2b1) for consultation with Eurostat. The survey guidelines include specific instructions on the conduction of the survey and outline pricing rules for selected groups of products included in the survey. It is an essential document serving as a common reference for all participating countries on the rules for the survey. An example of specific survey guidelines can be found [here](#). Both the item list and survey guidelines will be sent to Eurostat 5 working days prior to the TM.

Second drafts of the European item list and of the specific survey guidelines are discussed with the countries in the CMs in March 2019. Both the item list and survey guidelines will be sent to NSIs and Eurostat 5 working days prior to the CM. After these meetings the contractor shall prepare the final European item list and specific survey guidelines, taking the comments from the countries on board, in consultation with Eurostat. The list (deliverable D1.2a2) and guidelines (deliverable D1.2b2) should be ready by 31st March 2019.

Hence, for each survey, this task includes the following deliverables:

D1.2a1 Draft European item list.

D1.2b2 Draft specific survey guidelines

D1.2a1 Final European item list.

D1.2b2 Specific survey guidelines.

Tasks 1.3 Price collection and intra-country validation

For price collection and intra-country validation by the countries there are two and a half-months' time. Price collection is the responsibility of the participating countries. Upon

finalisation of the final European item list, countries are required to price it at a sample of outlets which, even if selected purposively, reflects the purchasing habits of households. They are expected to price as many items on the product list as comparability and availability allow.

The contractor shall be available to the countries for advice concerning questions arising during the price collection phase. Such questions may e.g. concern the understanding of item definitions or problems with availability of products and replacement proposals.

The contractor particularly shall

- Secure that the same methodological principles are followed by all countries.
- Provide answers concerning questions arising in one country, if applicable, to all countries and Eurostat.

Countries use the electronic tool (the "Data Entry Tool", see General information and objectives) provided by Eurostat to report the prices. For each product, countries have to indicate if the product is representative. For each price observation, countries enter the code for the outlet where the price was observed, the quantity observed and the price observed and any other required information. These data are used by the software to calculate the average price per product and to perform outlier tests.

Countries should submit the data from the survey by 15th June 2019, together with a report on the conduction of the survey. The latter has a standard format defined by Eurostat (see Box 5.11 in the PPP Manual) and should be submitted via eDamis or the Metadata editing tool. At this stage, only the sections relating to pre-survey and price collection are to be submitted. The country survey reports help the contractor with the validation of the survey prices. The survey reports also provide institutional memory that can be recalled the next time the price survey is to be held.

Data are submitted by countries to Eurostat using eDamis (see General information and objectives). Eurostat will ensure automatic forwarding to the contractor. Countries' data files shall be uploaded by the contractor directly to the central PPP database (using a tool provided by Eurostat). Countries' survey reports should be made available on CIRCABC by the contractor.

At the end of this stage, the contractor shall provide Eurostat with a report on the given assistance to countries during the pre-survey and price collection including a summary of the data submissions (deliverable D1.3).

Hence, for each survey, this task includes the following deliverable:

D1.3 Report on assistance to the countries.

Tasks 1.4 Data validation

Validation by the contractor starts immediately after receipt of the price data. The first validation stage involves in the main checking the correctness of the data entry by the countries (for example, by checking outliers) and does not yet consider the plausibility of the data. Countries are also required to check their own data against e.g. neighbouring countries' data and make corrections where required. Countries are obliged to answer to all questions raised by the contractor. The central tool for validation, used by all parties in the process, is the on-line Validation Tool (VT) (see General information and objectives). During this stage, the contractor will consult Eurostat only in the case of additional clarification or methodological issues related to the survey.

In July 2019, after any data entry errors have been identified and corrected, the data should be sufficiently reliable for Eurostat to calculate the first official "Quaranta Table" including all participating countries. Eurostat uses the Quaranta Table (QT) to validate the prices that

participating countries report. The QT is designed to screen average survey prices for possible errors and to assess the reliability of the PPPs they provide. It does this by comparing the prices for the same product in different countries and by analysing the dispersion of price ratios across countries and across products. The QT is described in detail in Annex IV of the PPP Manual.

On the basis of this first official QT, the contractor starts a more in-depth analysis of countries' data, to be completed by end August 2019. This analysis focuses on the plausibility of the results, judged against previous survey results and overall price levels. The validation stage also ensures that countries have priced products that correspond to the product descriptions, have followed the survey guidelines and have allocated the representativity indicators correctly. The contractor can calculate special ad-hoc (non-official) QTs, for example containing only a set of countries and/or basic headings and using the most up-to-date prices, for additional analysis. It is important to note that only countries can edit their data; the contractor can point to errors in countries' data or raise questions, but cannot make any corrections. Countries and the contractor communicate using the VT.

In mid-August an interim QT is calculated by Eurostat to enable the contractor validation of updated results and preparation of a document on validation progress (deliverable D1.4a) in time for the TM with Eurostat in August 2019. The contractor will also prepare the analysis of survey results compared to results of previous similar survey (deliverable D1.4b). Both deliverables will be sent Eurostat 5 working days prior to the TM. The TM can agree on further questions to be asked on the data to individual countries.

The state of the survey data is subsequently discussed with the countries in the CMs in September 2019 based on documents prepared by the contractor and summarising the survey data and the issues still to be resolved.

After the discussions in the CMs and the correction of data by the countries, a new official QT is calculated by Eurostat. Validation continues on the basis of this new official QT. The contractor resolves outstanding issues together with the NSIs to ensure correct and plausible results.

By the end of the October 2019, the validation should be completed. Finally, NSIs should formally approve and thereby finalise their data in the VT.

Countries are to submit the second part of the survey report by the end of November 2019. This includes a description of the steps taken during the validation stage. These reports should be uploaded to CIRCABC by the contractor or Eurostat.

Hence, for each survey, this activity includes the following deliverable:

D1.4a Interim report on validation.

D1.4b Analysis of survey results compared to results of previous similar survey.

Tasks 1.5 Survey evaluation

The contractor submits a final survey report to Eurostat by the end of December 2019. This should include a summary of all stages of the survey, from preview and pre-survey to price collection and validation and provide an evaluation of the entire process. The report shall also contain proposals from the contractor on organisational and/or methodological improvement to the survey. It shall clearly outline difficulties encountered during the preparation, execution and validation of the survey and propose solutions how to overcome them for the next comparable survey.

The evaluation conclusions should be presented by the contractor to the countries in the CMs held in March 2021.

Hence, for each survey, this activity includes the following deliverable:

D1.5 Final survey report.

Activity 2: Organisation of countries' meetings

The aim of this activity is to prepare and conduct meetings bringing together the countries participating in the programme to discuss in detail the various on-going consumer goods price surveys. To ensure the efficiency of these countries' meetings (CMs) in view of the high number of participating countries, the countries should be divided into two groups that meet at separate locations, but around or at the same time. To ensure the transparency of information between two groups, the contractor has to prepare detailed minutes to be communicated to the 2nd group of countries. The participation of countries in the groups should be on a rotating basis in order to allow all countries to meet all other countries on a regular basis.

The CMs have to be organised by the contractor each year in March and in September (i.e. 4 meetings per year). These meetings will usually be held for 2 days and have to be convened in one of the capital cities of the EU Member States. One additional day is to be organised after the second meeting between the Contractor, Eurostat and OECD to decide any outstanding issues and to finalise the survey guidelines; and to evaluate both meetings and propose solutions for improvement.

The contractor has to provide meeting facilities (provide or rent a meeting room, equipped with PC, beamer and conference audio-system). Eurostat and OECD may participate in the meetings.

At each CM, at least the following agenda points are discussed:

- Evaluation of the survey of one year ago.
- Validation of the survey of half a year ago.
- The European item list and specific survey guidelines for the next survey.
- Planning of the survey to be carried out in half a year's time.
- Preview of the survey to be carried out in a year's time.

Documents for the CMs need to be distributed by the contractor to the participating countries at the very latest five working days prior to the meetings.

The deliverables for this activity are, for each meeting:

D2a All documents and presentations prepared.

D2b Minutes of countries' meetings (3 weeks after the 2nd meeting).

Activity 3: Missions to countries

The contractor is expected to make 74 up to 84 missions in the course of the four years, at least one mission every two years to each participating country with duration of two working days. The missions are distributed over the whole calendar year and could take into account a direct need for a visit due to particular reasons (changes in a country's PPP team, specific methodological, practical problems requiring monitoring, etc.).

The country missions are needed to reach all main objectives of the contractor's work:

- The contractor obtains information on product availability in the countries that is vital for the establishment of the item lists. This information may be gathered by visiting shops together with country representatives.
- The contractor provides assistance and advice to the countries on all aspects of the PPP consumer goods price surveys.
- The contractor uses the missions to discuss survey results and ask validation questions.

- The contractor collects views and suggestions from the countries on the organisation and methodology of the consumer goods price surveys.

The deliverables for this activity are:

D3 Detailed mission reports (submitted no later than 3 weeks after the mission).

2.4 Meetings and missions

In order to achieve the objectives the contractor has to organise and conduct a number of meetings per year and has to undertake a number of missions per year. A list of those meetings and missions is given below. The financial offer of the tenderers shall allow for the cost of organising meetings, participation in meetings and undertaking missions, including overheads such as infrastructure, administration, management costs and travel.

List of contractual meetings and missions per calendar year:

- A kick-off meeting (maximum duration one day) will be organised in Luxembourg at Eurostat's premises soon after the start of the execution of the tasks.
- A touch-down meeting (one day) with Eurostat, in Luxembourg, at the end of the fourth contract.
- Participation in two regular technical meetings with Eurostat (and possibly OECD) of two days each will be organised in Luxembourg or Paris.

For these meetings the contractor will prepare discussion materials to be sent to Eurostat at least 5 working days prior to the meetings. The minutes of each of these meetings will be prepared by the contractor and sent to Eurostat for approval at the latest 3 weeks after the meeting.

Travel expenses for such meetings and missions should be included in the financial proposal of the tender.

This list does not include the countries' meetings and missions to the countries included in Activities 2 and 3.

2.5 Duration and timetable

The contract is expected to be signed in the 4th quarter of 2017.

Execution of the tasks is to start on 2nd January 2018. The maximal overall duration of the work will be 48 months, divided into 4 contracts (original + up to 3 optional renewals) covering work periods of 12 months each. Implementation of each contract, whether total or partial, following the initial contract, is subject to budgetary constraints and/or satisfaction with the quality of the services rendered under the previous contract and/or unilateral discretionary decision of the Commission. The tenderer awarded the contract must carry out the contracts following the initial one if the Commission decides to sign these following contracts.

The timetable of the work for the year 2018 is indicated in table 1.1. The timetables for other contract years are similar.

A detailed timetable should be provided by the tenderer in the offer.

In addition, the tenderer is requested to fill in Annex 10 "Compulsory reply form - checklist for deliverables" of the tender specifications.

2.6 Minimum requirements

Offers deviating from the requirements or not covering all minimum requirements described below may be rejected on the basis of non-compliance with the tender specifications and will not be further evaluated.

- The contractor has to prepare, co-ordinate and validate all consumer goods price surveys according to the process and timetable defined in these specifications.
- The contractor has to organise countries' meetings according to the process and timetable defined in these specifications.
- The contractor shall undertake 74 up to 84 assistance missions to countries according to the process and timetable defined in these specifications.

Furthermore, the offer shall comply with applicable environmental, social and labour legislation established under Union legislation, national legislation, collective agreements or the applicable international social and environmental conventions listed in Annex X to Directive 2014/24/EU².

2.7 Technical implementation reports

The work carried out by the contractor under the contract will be the subject of the following technical implementation reports, which must be sent to Eurostat by the contractor in electronic format.

- Two months after the starting date of the execution of the tasks referred to in Article 1.3 of the contract, the contractor shall provide, in view of the progress of the tasks referred to in 2.3 of this tender specification and as soon as possible after this date, a first interim technical implementation report relating to the execution of the contract describing the results obtained and the means which were implemented for the execution of the contract.
- Six months after the starting date of the execution of the tasks referred to in Article 1.3 of the contract, the contractor shall provide, in view of the progress of the tasks referred to in 2.3 of this tender specification and as soon as possible after this date, a second interim technical implementation report relating to the execution of the contract describing the results obtained and the means which were implemented for the execution of the contract.
- Twelve months after the starting date of the execution of the tasks referred to in Article 1.3 of the contract, the contractor shall provide, as soon as possible and within sixty days of completion of the tasks referred to in 2.3 of this tender specification, a final technical implementation report relating to the execution of the contract describing the results obtained and the means which were implemented for the execution of the contract.

These technical implementation reports shall accompany the corresponding invoice.

2.8 Assessment of results

The progress of work under this project shall be monitored and followed by means of regular communication either by e-mail, telephone, videoconferences or meetings between the contractor and Eurostat.

² OJ L 94 of 28.03.2014, p. 65

Evaluation of the results will be based on the following criteria:

- The quality of the item lists: a balanced structure, including comparable items that are representative for the participating countries, with a length according to agreed targets.
- The quality of the validation, evaluated by numbers of validation questions asked and induced data changes by countries (taking into account that the number of validation questions depends on the quality of the countries' input data).
- The clarity of presentation of deliverables and reports.
- The respect of deadlines.

2.9 Specific conditions

- Resources made available by Eurostat

Eurostat will provide a list of contact points in the countries.

Eurostat will provide and maintain all the electronic tools necessary to carry out the work. All data are stored in the central PPP database managed by Eurostat. All tools communicate with the central database. This includes in particular:

- The Item List Management Tool (ILMT): a web application that manages the entire process of creating item lists, including the creation of pre-survey lists, the entering of the pre-survey results by countries, the creation of draft and final lists and the translation of final item lists by countries into their own language(s). For some screenshots, please consult documents which can be found [here](#).
- A Data Entry Tool (DET): an (off-line) Java application that is used to enter and validate the prices observed for the products on the final list. This tool communicates with the Item List Management Tool to retrieve item lists. For some screenshots, please consult documents which can be found [here](#).
- The Validation Tool (VT): a web application which is used to visualise the countries' price observations, to validate them using Quaranta Tables and to communicate with the countries. For some screenshots, please consult documents which can be found [here](#).
- Metadata Editing Tool (MET): a web application will be used for reporting and editing the countries' Survey Reports or any other metadata. For some screenshots, please consult documents which can be found [here](#).

- Specific conditions for the execution of the contract

All deliverables and reporting shall be in English.

- Confidential data

In accordance with Regulation (EC) No 223/2009 of the European Parliament and of the Council of 11 March 2009 on European statistics (OJ L 87, 31.3.2009, p.164) it is forbidden to use confidential statistical data for purposes other than the tasks expressly set out in the contract for the provision of services and is forbidden to process, disseminate or otherwise make available or use these data in any way whatsoever. These obligations remain in force after the termination of the contract. Corresponding declaration has to be signed by the contractor (see Annex V of the contract). Corresponding declaration has to be signed by the contractor (see Annex V of the contract).

It is forbidden to use confidential or sensitive information transmitted by the Member States for purposes other than the tasks expressly set out in the contract for the provision of services and is forbidden to process, disseminate or otherwise make available or use these data in any way whatsoever. These obligations remain in force after the termination of the contract.

Eurostat confidentiality declarations have to be signed by the contractor(s) having access to any kind of sensitive information.

Table 1.1: Detailed timetable for year 2018 (timetables for the other contract years are similar)

		2018											
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Activity 1: Preparation, co-ordination and validation of consumer goods price surveys													
1.1 Preview, planning and pre-survey													
	E19-1	E19-2	E19-2	E19-2	E19-2	E19-2							
	D1.1a	D1.1a	D1.1b	D1.1c+d	D1.1e	D1.1f			D1.1a	D1.1b	D1.1c	D1.1d	D1.1e
	E18-2	E18-2											
	E18-1												
	D1.1f												
1.2 Creation of Item list and specific survey guidelines													
	E18-1	E18-2	E18-2	E18-2	E18-2	E18-2							
	D1.2a1+b1	D1.2a2+b2	D1.2a1+b1										
1.3 Price collection and intra-country validation													
	E18-1	E18-2	E18-2	E18-2	E18-2	E18-2							
	D1.3	D1.3											
1.4 Data validation													
	E17-2	E17-2	E17-2	E17-2	E17-2	E17-2	E18-1	E18-1	E18-1	E18-1	E18-1	E18-1	E18-1
	D1.4a+b	D1.4a+b											
1.5 Survey evaluation													
	E17-2	E18-1	E18-1										
	D1.5	D1.5											
Activity 2: Organisation of countries' meetings													
	CM (2)	CM (2)											
	D2a	D2b (2)	D2b (2)										
Activity 3: Missions to countries													
	x	x	x	x	x	x	x	x	x	x	x	x	x
	D3	D3											
Contractual meetings													
	KO	TM	TM										
	RTM1	RTM2	RTM3	RTM3									
Contractual reports													
	1st Interim	2nd Interim	Final										
	R1	R2	R3										

Legend to table 1.1:

Meetings:

KO	Kick-off meeting
CM	Countries' meeting
TM	Technical meeting

Activity 1 deliverables

D1.1a	Preview document
D1.1b	Preview questionnaire
D1.1c	Summary of the preview
D1.1d	Planning file
D1.1e	Pre-survey item list
D1.1f	Summary of countries' pre-survey work
D1.2a1	Draft European item list
D1.2a2	Final European item list
D1.2b1	Draft specific survey guidelines
D1.2b2	Final specific survey guidelines
D1.3	Report on assistance during the price collection
D1.4a	Report on interim validation
D1.4b	Analysis of survey results compared to results of previous similar survey
D1.5	Final survey report

Activity 2 deliverables

D2a	Documents and presentations countries' meetings (five working days prior to the meetings)
D2b	Minutes of countries' meetings (3 weeks after the 2nd meeting)

Activity 3 deliverables

R	Report on each country mission (3 weeks after each mission)
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Contractual meetings deliverables

RTM	Minutes of contractual meetings (3 weeks after the meeting)
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Table 1.2: Surveys covered by this call for tender

Survey	Contract year 2018		Contract year 2019		Contract year 2020		Contract year 2021	
	First half	Second half						
E17-1 Services	Evaluation							
E17-2 Furniture and Health	Validation	Evaluation						
E18-1 Food beverages and tobacco	Item list creation and price collection	Validation	Evaluation					
E18-2 Personal appearance	Planning and pre-survey*	Item list creation and price collection	Validation	Evaluation				
E19-1 House and Garden	Preview	Planning and pre-survey*	Item list creation and price collection	Validation	Evaluation			
E19-2 Transport, Hotels and Restaurants		Preview	Planning and pre-survey*	Item list creation and price collection	Validation	Evaluation		
E20-1 Services			Preview	Planning and pre-survey*	Item list creation and price collection	Validation	Evaluation	
E20-2 Furniture and Health				Preview	Planning and pre-survey*	Item list creation and price collection	Validation	Evaluation
E21-1 Food, beverages and tobacco					Preview	Planning and pre-survey*	Item list creation and price collection	Validation
E21-2 Personal appearance						Preview	Planning and pre-survey*	Item list creation and price collection
E22-1 House and Garden							Preview	Planning and pre-survey*
E22-2 Transport, Hotels and Restaurants								Preview

* The pre-survey extends into the next half year.

SECTION 3 INFORMATION ON THE CONTRACT

3.1 General information

The submission of the tender implies acceptance of all the terms and conditions set out in the procurement documents (contract notice, invitation to tender, tender specifications, draft contract) and, where appropriate, waiver of the tenderer's own general or specific terms and conditions. **The submitted tender is binding on the tenderer to whom the contract is awarded for the duration of the contract.**

Once the Commission has opened the tender, the document shall become the property of the Commission and it shall be treated confidentially.

The Contractor is to carry out the tasks in accordance with:

1. the contract;
2. the technical specifications;
3. the tender.

In the event of conflict between these three documents, their provisions will apply in descending order.

No variants are allowed in relation to the services or the price schedule proposed in accordance with this tender specification

The place of the work will be the Contractor's usual workplace, unless stated otherwise in section 2.9

3.2 Payments

Contracts will be expressed in euro. All payments under these contracts will also be made in euro.

Payments under the contract will be made in accordance with Articles I.5 and II.21 of the draft contract in Annex 9.

3.3 Replacement of persons assigned to carry out the work

The Commission expects the contract to be executed by those persons identified in the tender. Whenever a replacement is necessary, the Contractor must ensure a high degree of stability of the services and an effective transfer of information.

Any replacement must be submitted to the Commission for written approval. The Contractor shall provide a timely replacement with at least equivalent qualifications and experience if:

- for duly justified reasons, a person is unable to continue providing the services;
- any person specified in the contract is found by the Commission to be incompetent in discharging or unsuitable for the performance of his/her duties under the contract or if carrying out his tasks under the contract prejudices the good and timely performance of the contract. Unless otherwise stated, if the Commission requests a replacement in writing, the Contractor must propose a replacement within one month of the receipt of the Commission's request. Failure to make such a proposal within this period will be considered a breach of contract.

Such a replacement will not oblige the Commission to pay any remuneration, fees or costs additional to those laid down in the initial contract. The Contractor must bear any additional

costs arising from or incidental to such replacement. Such costs will include the costs of the return journey of the replaced member of staff and his family, the costs of the replacement's training and, if necessary, the expenses arising from the need to maintain simultaneously at the place of work the member of staff to be replaced and his replacement.

3.4 Personal data and intellectual property rights

3.4.1 Personal data

If processing your reply to the invitation to tender involves the recording and processing of personal data (such as your name, address and CV), such data will be processed pursuant to Regulation (EC) No 45/2001 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data. Unless indicated otherwise, your replies to the questions and any personal data requested are required to evaluate your tender in accordance with the specifications of the invitation to tender and will be processed solely for that purpose by the unit involved. Details concerning the processing of your personal data are available at:

https://ec.europa.eu/info/departments/data-protection-officer_en

All personal data may be registered in the Early Detection and Exclusion System (EDES) if you are in one of the situations mentioned in Article 106 of the Financial Regulation³. For more information, see the Privacy Statement on

http://ec.europa.eu/budget/explained/management/protecting/protect_en.cfm

3.4.2 Intellectual property rights

Your attention is drawn on Article I.10 of the contract's special conditions which contains specific provisions on intellectual property rights related to the results of the contract and their use.

3.5 E-prior

The execution of the contract between the Commission and the contractors could be automated by the use of the following application: e-Invoicing, e-Catalogue, e-Ordering, e-Request based on an electronic exchange platform (e-Prior). Information on the technical and functional characteristics of the above-mentioned system can be found at:

<https://webgate.ec.europa.eu/fpfs/wikis/x/8pBsAQ>

At the request of the Commission, the use of the above applications could be mandatory for contractors during the lifetime of the contract.

The e-Invoicing application may be used for this contract (the decision to use this application can be taken at the start of the contract or during the lifetime of the contract (through an amendment)). Further information on this application are available in the general conditions of the draft contract (Annex 9) in Art II.1 and II.5 and through the link above-mentioned.

If provided for in the special conditions of the contract, the exchange of electronic documents (e-documents) such as invoices between the parties is automated through the use of the e-

³ Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 (OJ L 298 of 26.10.2012, p. 1) as amended 28 October 2015

PRIOR platform. This platform provides two possibilities for such exchanges: either through web services (machine-to-machine connection) or through a web application (the *supplier portal*).

Other applications as e-Sourcing and e-Fulfilment, which are currently under development may be implemented on a voluntary basis during the contract execution.

SECTION 4 INFORMATION ON THE TENDER PROCEDURE

4.1 General information

The legal basis for EU procurement consists of the relevant articles of the Financial Regulation and its Rules of Application (“RAP”), i.e.:

- Financial Regulation – Regulation (EU, Euratom) No 966/2012 of the European Parliament and the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union¹, Part One, Title V (Procurement) (Articles 101 to 120), as amended by Regulation (EU, Euratom) No 2015/1929 of the European Parliament and the Council of 28 October 2015.
- Rules of Application – Commission Delegated Regulation (EU, Euratom) No 1268/2012 of 29 October 2012², Part One, Title V (Procurement) (Articles 121 to 172), amended by Commission Delegated Regulation (EU) C(2015)7555 of 30 October 2015.
- Judgments, mainly of the General Court in procurement cases.

The Financial Regulation and the Rules of Application incorporate the rules from Directive 2014/24/EU⁴, hereinafter referred to as “the Directive” and Directive 2014/23/EU on concessions⁵.

This invitation to tender is intended to be competitive. Any attempt by a tenderer to obtain confidential information, enter into unlawful agreements, collude or make arrangements with competitors, canvass or solicit Commission staff or influence the evaluation committee or its individual members in any way during the tendering process will render his or her tender invalid.

The tender must be clear and concise, with continuous page numbering, and assembled so as to constitute a coherent whole (e.g. bound or stapled, etc.). Since tenderers will be judged on the content of their written offers, these must clearly state that the tenderer is able to meet the requirements of the specifications and is capable of carrying out the work.

Tenders must be written in one of the official languages of the European Union. They must include all the information and documents required by the Commission for the evaluation of tenders on the basis of the exclusion, selection and award criteria, in accordance with these specifications, in the absence of which the Commission may decide to exclude the tender from the award procedure for the contract. For details, see item 4.4 “Structure of the tender”.

4.2 Who may participate in this invitation to tender

Participation in this invitation to tender (including each member of a group of economic operators if applicable) is open on equal terms to all natural and legal persons coming within the scope of the Treaties, as well as to international organisations.

It is also open to all natural and legal persons established in a third country which:

- has a special agreement with the European Union in the field of public procurement on the conditions laid down in that agreement or,
- has ratified the plurilateral Agreement on Government Procurement (GPA) concluded within the World Trade Organisation (WTO), under the terms of that Agreement.

⁴ OJ L 94, 28.03.2014, p. 65, see <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014L0024&from=EN>

⁵ OJ L 94, 28.03.2014, p. 1, see <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014L0023&from=EN>

A service provider may consider submitting a tender as a single entity or decide to collaborate with other service providers to present an offer: either by submitting a joint tender (via a group of economic operators) or through subcontracting. These two approaches may be combined.

In all cases the tender must clearly specify whether the providers involved in the tender are acting as members of the group of economic operators (joint tender) or as subcontractors (this also applies where the companies involved belong to the same group or where one of these companies is the parent company of the others).

A **joint tender** is a situation where an offer is submitted by a group of economic operators (natural or legal persons). Joint tender may include subcontractors in addition to the members of the group.

In case of joint tender, all members of the group assume joint and several liabilities towards the Contracting Authority for the performance of the contract as a whole, i.e. both financial and operational liability.

Group members in joint tenders may submit only one tender for a single contract. The tender must indicate which member ("the leader") will represent the group of economic operators in dealing with the Contracting Authority. The tender must describe the form the cooperation is to take in order to achieve the desired results and how technical, administrative and financial aspects will be organised.

If the tender does not mention that all members are jointly and severally liable, all other parties included in the tender than the party signing the tender (tenderer) will be considered subcontractors.

The Contracting Authority will not request consortia to have a given legal form in order to be allowed to submit a tender, but reserves the right to require a grouping to adopt a given legal form **before the contract is signed** if this change is necessary for proper performance of the contract. This can take the form of an entity with or without legal personality but offering sufficient protection of the Commission's contractual interests (depending on the Member State concerned, this may be, for example, a consortium or a temporary association).

The documents required and listed in the present specifications must be supplied by every member of the grouping (see 4.4); the checklist in Annex 10 will help verifying the level of information to be provided according to the role of each entity in the tender.

To this end all members of the grouping should sign a **power of attorney** (see models in annex 6). For groupings not having formed a common legal entity, model 1 should be used, and for groupings with a legal entity in place model 2.

Partners in a joint offer assume joint and several liability towards the Commission for the performance of the contract as a whole.

Statements, saying for instance: "that one of the partners of the joint offer will be responsible for part of the contract and another one for the rest", or "that more than one contract should be signed if the joint offer is successful", are thus incompatible with the principle of joint and several liability. The Commission will disregard any such statement contained in a joint offer, and reserves the right to reject such offers without further evaluation, on the grounds that they do not comply with the tendering specifications

After the award, the Contracting Authority will sign the contract either with all members of the group, or with the leader on behalf of all members of the group, authorised by the other members via powers of attorney.

Subcontracting is the situation where a contract has been or is to be concluded between the Commission and a contractor and where the contractor, in order to carry out the contract, enters

into legal commitments with other legal or natural persons for performing part of the service (in particular, any work performed by an expert who is not an employee of the tenderer will be considered as subcontracted). The Commission has no direct legal relationship with the subcontractor(s).

If certain tasks provided for in the contract are entrusted to subcontractors, the Contractor shall remain bound by its contractual obligations to the Commission under the Contract and shall be solely responsible for the performance of the contract (see Article II. 10 of the draft contract in Annex 9).

During contract performance, the change of any subcontractor identified in the tender or additional subcontracting will be subject to prior written approval of the Contracting Authority.

Tenderers are required to identify all subcontractors.

See Section 4, item 4.4 which information must be provided in case of group of economic operators and subcontracting.

4.3 How to send a tender

4.3.1 General Information

If you are interested in this contract, you should submit one original and four copies of your tender (see structure below) on paper (for each lot concerned, if several lots are proposed).

In addition you must submit one (1) electronic version on USB key. In case of discrepancy between the paper version and the electronic file, the paper version will take precedence.

You must indicate on the parcel the title of the call for tender, the reference number, the lot number (if any) and the name of the tenderer. It should also bear the words “Invitation to tender – not to be opened by the mail service”. If a self-adhesive envelope is used as parcel, it must be sealed with adhesive tape and the sender must sign across this tape.

The tender must meet the deadline mentioned in the contract notice and be submitted:

- either **by registered mail or by courier service**, postmarked or registered by the courier service not later than **17/07/2017** to the following address:

European Commission
Eurostat
Bâtiment Ariane 00/B063 Tri central
Route D'Esch 400
L-2920 Luxembourg

The outer envelope should bear, in addition to this address, the project title and the reference number of the invitation to tender.

- or **by hand delivery**, i.e. by delivery in person or by an authorised representative, not later than **4:30 p.m.** on than **17/07/2017** to the following address:

European Commission
Eurostat
Bâtiment Ariane 00/B063 Tri central
Route D'Esch 400
L-1014 Luxembourg

where a signed and dated receipt must be obtained from an official in the Commission's central mail department who takes delivery. This department is open from 08:30 a.m. to 04:30 p.m. Monday to Friday. It is closed on Saturday, Sunday and Commission holidays.

If the offer is delivered by hand in person, it must actually reach the address indicated above no later than the hour and day indicated. See the summary table below:

	Final date	Proof concerning	
		submission of tender	compliance with deadline
Registered letter deposited in the post office network	The tender must be posted on the final date at the latest (regardless of the time)	Receipt issued by the post office	Postmark
Mail deposited with a messenger service	The tender must be deposited with the messenger service on the indicated date at the latest (regardless of the time)	Receipt issued by the messenger service	Date of the receipt
Delivery by hand, by the tenderer or by an authorised representative	The tender must arrive at the above-mentioned office address no later than the specified time on the final date.	Receipt signed by an official of the above-mentioned Commission service, indicating the date and time of receipt. This receipt will be issued on the spot to the tenderer or authorised representative.	Date of the receipt

All costs incurred for the preparation and submission of tenders are to be borne by the tenderers and will not be reimbursed.

4.3.2 Date and place of opening of the tenders

Tenders will be opened on 27/07/2017 at 10 a.m. at the following address:

Eurostat
Room B4/444
Joseph Bech Building
rue Alphonse Weicker, 5
L-2721 Luxembourg (Kirchberg)

An authorised representative of each tenderer may attend the opening session of the bids. Companies wishing to attend are requested to notify their intention by sending an e-mail to ESTAT-FINANCIAL-CELL-DIR-C-D@ec.europa.eu at least 48 hours in advance. This notification must be signed by an authorised officer of the tenderer and specify the name of the person who will attend the opening of the bids on the tenderer's behalf.

The economic operators who submitted an offer and whose representative was not present at the opening meeting may send an information request to ESTAT-FINANCIAL-CELL-DIR-C-D@ec.europa.eu. They will be informed per e-mail if their offer was admissible as well as of the identity of the other tenderers.

4.3.3 Contact with Eurostat

In principle, no contact is permitted between the Commission and the tenderer during the procedure. However, contact may exceptionally be permitted before the final date for the receipt of offers:

- **On the tenderers' initiative:** in order (and only then) to clarify the nature of the contract. Such requests for additional information should be in writing only and indicate the section(s) and paragraph(s) to which they refer and shall be made through the “Question&answers” section in e-Tendering website (<https://etendering.ted.europa.eu/cft/cft-display.html?cftId=2505>)

The Contracting Authority is not bound to reply to requests for additional information made less than six working days before the deadline for receipt of tenders. Provided it has been requested in good time, such additional information will be supplied simultaneously to all economic operators through the e-Tendering website (<https://etendering.ted.europa.eu/cft/cft-display.html?cftId=2505>) no later than six days before the deadline for the receipt of tenders.

The website will be updated regularly and it is your responsibility to check for updates and modifications during the submission period.

- **On the initiative of the Contracting Authority:** in order to inform all interested parties of the existence of an error, a lack of precision, an omission or any other type of defect in the documents relating to the invitation to tender by supplying information on the e-Tendering website address:

<https://etendering.ted.europa.eu/cft/cft-display.html?cftId=2505>

After the tenders have been opened, contact may be permitted only on the initiative of the Contracting Authority, where some clarification is required in connection with a tender, or if obvious clerical errors in the tender must be corrected, provided this does not lead to substantial changes to the terms of the submitted tender.

In any event, such contact must not lead to any amendment of the terms of the tender.

In exceptional case (unavailability of e-Tendering, other reason...), and under the conditions described above, further information can be obtained by sending an **e-mail or letter** to:

ESTAT FINANCIAL CELL DIR C-D

Eurostat

Bâtiment Ariane 00/B063 Tri central

Route D'Esch 400

L-1014 Luxembourg

E-mail: ESTAT-FINANCIAL-CELL-DIR-C-D@ec.europa.eu

4.3.4 Period of validity of the tender

Tenders must be firm and not be subject to revision for the duration of the work. The tender must remain valid for a period as indicated under point IV.2.6 of the contract notice following the closing date for receipt of the tenders. Where the initial contract is stated to be renewable, the offer will remain valid for such renewals. Upon renewals of contracts, the Commission reserves the right to request updated forms for exclusion and selection criteria (see item 4.4 below). The contract(s) will be signed within the validity period, during which the tenderer must continue to meet all the requirements set in the exclusion, selection and award criteria. If the situation concerning these requirements has been altered in the period that has elapsed since the tender in question was submitted, any changes must be reported immediately and at the tenderer's own initiative to the Commission.

4.4 Structure of the tender

Tenders must be presented and structured in the same order of paragraphs as described below (five section) with page numbering. The tender must include all the requested information and be perfectly legible so that there can be no doubt as to words and figures:

Section One: Administrative information

Section Two: Exclusion criteria

Section Three: Selection criteria

Section Four: Technical offer

Section Five: Financial offer

Tenders shall include the information and documents requested by the Commission in order to assess the tender. In order to help tenderers presenting a complete tender, a checklist of the documents to be submitted is provided in annex 10. This checklist does not need to be included in the tender, but it is encouraged to use it in order to ease the assessment of the tenders

The Commission reserves the right to request any other additional information in relation to the tender submitted, for evaluation or verification purposes within a time-limit mentioned in its request.

4.4.1 Section One: Administrative information

Tenderers may choose between presenting a **joint bid** (see 4.2) and introducing a bid as a **sole economic operator**, in both cases with the possibility of having one or several subcontractors (see 4.2).

In the first section, the tenderer must provide:

- A cover letter signed by an authorised representative presenting the name of the tenderer (including all entities in case of joint tender) and identified subcontractors if applicable, and the name of the single contact point (leader) in relation to this procedure
 - A table of contents (with page numbers)
 - Administrative documents concerning its legal situation, i.e.:
- **Case 1: Submission by one tenderer**

The completed "Administrative information form" (**Annex 1**) accompanied by a legible copy of the **notice of appointment of the persons authorised to represent the tenderer** in dealings with third parties and in legal proceedings, (if it is not included in the document requested in Annex 2), or a copy of the publication of such appointment if the legislation which applies to the legal entity concerned requires such publication. If they are necessary in order to show the authorisation to represent the tenderer, the instrument of incorporation or constitution of the legal entity and/or a copy of the statutes have to be submitted. If the person(s) signing the tender or the person designated to sign the contract is/are entitled to represent the economic operator by a power of attorney from the abovementioned authorised persons, the power of attorney must also be submitted;

The "Legal entity form" (**Annex 2**) completed and signed by an authorised representative of the tenderer accompanied by all the requested supporting evidences:

- For legal persons, a **proof of registration**, as prescribed in their country of establishment, on one of the professional or trade registers or any other official

document showing the registration number, a copy of the **VAT registration document**, where applicable.

- For public entities: a **proof of registration** number in the national register of the entity, a copy of the **VAT registration document**, where applicable, a copy the **official legal act establishing the entity** (a law, a decree, etc.).
- For natural person: a legible photocopy of the identity documents, a **proof of registration**, as prescribed in their country of establishment, on one of the professional or trade registers or any other official document showing the registration number, a copy of the **VAT registration document**, where applicable.

A standard form for individuals, private entities and public entities in each Member State language is available at the following Internet address:

http://ec.europa.eu/budget/contracts_grants/info_contracts/legal_entities/legal_entities_en.cfm

The "Financial identification form" (**Annex 3**) filled in and signed by an authorised representative of the tenderer and stamped by a bank representative. A specific form for each Member State language is available at:

http://ec.europa.eu/budget/contracts_grants/info_contracts/financial_id/financial_id_en.cfm

The questionnaire for joint offers and/or subcontracting signed by a legal representative of the tenderer (**Annex 4**).

- **Case 2: Submission in case of the tenderer with subcontractor(s)**

If the tenderer wishes to subcontract all or part of the services, in addition to the documents to be provided in case 1, the following information must be provided in the tender:

The "Legal entity form" (**Annex 2**) completed and signed by the authorised representative of each subcontractor, accompanied by all the requested supporting evidence:

- For legal persons, a **proof of registration**, as prescribed in their country of establishment, on one of the professional or trade registers or any other official document showing the registration number, a copy of the **VAT registration document**, where applicable.
- For public entities: a **proof of registration** number in the national register of the entity, a copy of the **VAT registration document**, where applicable, a copy the **official legal act establishing the entity** (a law, a decree, etc.).
- For natural person: a legible photocopy of the identity documents, a **proof of registration**, as prescribed in their country of establishment, on one of the professional or trade registers or any other official document showing the registration number, a copy of the **VAT registration document**, where applicable.

A standard form for individuals, private entities and public entities in each Member State language is available at the following Internet address:

http://ec.europa.eu/budget/contracts_grants/info_contracts/legal_entities/legal_entities_en.cfm

A letter of availability signed by an authorised representative of the subcontractor stating their willingness to provide the services presented in the tender and in line with the present tender specifications if the tenderer is awarded the contract (**Annex 5**).

- **Case 3: Submission of joint tender**

Each entity involved (all members of the group of economic operators included the lead partner) must provide following documents:

The completed "Administrative information form" as provided in **Annex 1**;

The "Legal entity form" (**Annex 2**) completed and signed by an authorised representative of the tenderer, accompanied by all the requested supporting evidence:

- For legal persons, a **proof of registration**, as prescribed in their country of establishment, on one of the professional or trade registers or any other official document showing the registration number, a copy of the **VAT registration document**, where applicable.
- For public entities: a **proof of registration** number in the national register of the entity, a copy of the **VAT registration document**, where applicable, a copy the **official legal act establishing the entity** (a law, a decree, etc.).
- For natural person: a legible photocopy of the identity documents, a **proof of registration**, as prescribed in their country of establishment, on one of the professional or trade registers or any other official document showing the registration number, a copy of the **VAT registration document**, where applicable.

A standard form for individuals, private entities and public entities in each Member State language is available at the following Internet address:

http://ec.europa.eu/budget/contracts_grants/info_contracts/legal_entities/legal_entities_en.cfm

A letter signed by each member of the group of economic operators, except the lead partner, giving the authorisation to the lead partner to submit the tender on its behalf.

In addition, the following documents must be provided by the lead partner:

The "Financial identification form" (**Annex 3**) filled in and signed by an authorised representative of the tenderer and stamped by the signed by a bank representative. A specific form for each Member State language is available at:

http://ec.europa.eu/budget/contracts_grants/info_contracts/financial_id/financial_id_en.cfm

The questionnaire for joint offers and/or subcontracting signed by a legal representative of the lead partner (**Annex 4**).

After the award of the contract, the following document must be provided by the lead partner only before the signature of the contract and on the request of the Commission:

"Power of attorney" filled in and signed by an authorised representative of each partner (**Annex 6**).

4.4.2 *Section Two: Exclusion criteria*

Article 106 of the Financial Regulation⁶ defines situations when the tenderers shall be excluded from participating in procurement procedures.

Declaration:

The tenderer(s) including each partner in case of joint tender and each subcontractor⁷ must provide the "Declaration on honour on exclusion criteria and selection criteria" (**Annex 7**)

⁶ <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:L:2015:286:TOC>

attesting that they are not in one of the exclusion situations detailed in the Declaration on honour.

Evidence:

Only on request of the Contracting Authority, and for contracts with a value higher than EUR 135.000, the successful tenderer must provide the documents mentioned as supporting evidence in the declaration on honour (Annex 7) before signature of the contract and within a deadline given by the Contracting Authority. This requirement applies to each member of the group in case of joint tender and to subcontractors whose capacity is necessary to fulfil the selection criteria. The Contracting Authority reserves the right to require these documents for the other subcontractors.

4.4.3 Section Three: Selection criteria

Tenderers must prove their legal, regulatory, economic, financial, technical and professional capacity to carry out the work subject to this procurement procedure.

The tenderer may rely on the capacities of other entities, regardless of the legal nature of the links which it has with them. It must in that case prove to the Contracting Authority that it will have at its disposal the resources necessary for performance of the contract, for example by producing an undertaking on the part of those entities to place those resources at its disposal.

The tender must include the proportion of the contract that the tenderer intends to subcontract (see Annex 4).

The tenderer (and each member of the group of economic operators in case of joint tender) must declare whether it is a Small or Medium Size Enterprise in accordance with [Commission Recommendation 2003/361/EC](#). This information is used for statistical purposes only.

Declaration:

The tenderers (and each member of the group of economic operators in case of joint tender) and subcontractors whose capacity is necessary to fulfil the selection criteria must provide the declaration on honour (see Annex 4), signed and dated by an authorised representative, stating that they fulfil the selection criteria applicable to them.

In case of joint tender or subcontracting, the criteria applicable to the tenderer as a whole will be verified by combining the various declarations for a consolidated assessment.

This declaration is part of the declaration used for exclusion criteria (see section 4.4.2) so only one declaration covering both aspects should be provided by each concerned entity.

Evidences:

Tenderers will be required to provide the evidence mentioned below (see 4.4.3 a, 4.4.3 b) in the offer. This requirement applies to each member of the group in case of joint tender and to subcontractors whose capacity is necessary to fulfil the selection criteria

a- Economic and financial capacity:

Tenderer(s), in case of joint tender each partner, must provide and enclose the full set of annual accounts (balance sheet, profit and loss account and notes on the accounts) for the last two years.

The Contracting Authority reserves the right to ask these documents for the declared subcontractors.

⁷ *The Contracting Authority shall require that a candidate or tenderer replaces a subcontractor or an entity on whose capacity the candidate or tenderer intends to rely, which is in an exclusion situation.*

If, for some exceptional reason which the Contracting Authority considers justified, a tenderer is unable to provide one or other of the above documents, it may prove its economic and financial capacity by any other document which the Contracting Authority considers appropriate. In any case, the Contracting Authority must at least be notified of the exceptional reason and its justification. The Commission reserves the right to request any other document enabling it to verify the tenderer's economic and financial capacity.

b- Technical and professional capacity:

The following documents must be provided by the tenderer(s) as an evidence of the educational and professional qualifications:

Tenderers must enclose a CV of all personnel to be involved directly in performing the contract (including those working for any subcontractors) indicating educational and professional qualifications and experiences in areas relevant to the subject of this tender.

In the CV, the language competence must be mentioned, bearing in mind that the main working languages in the Commission are English, French and German.

Tenderers must indicate whether or not the proposed staffs are currently working for the tenderer on the date of submission of the offer. The tender will clearly indicate if the proposed expert is an employee or not of the tenderer. If the proposed expert is not an employee, he/she will be considered as a subcontractor. Any person who is engaged on another project, where the input from his/her position in that contract will not have ended before the expected start of his/her activities under this contract, and where this commitment restricts his/her intended role under this contract must not be proposed for this contract.

A letter of availability signed by an authorised representative of the subcontractor stating their willingness to provide the services presented in the tender and in line with the present tender specifications if the tenderer is awarded the contract (Annex 5).

In addition, the tenderer shall provide a list of the principal services provided in the past three years, with the amounts, dates and recipients (public or private) and any relevant evidence proving the requirements of the selection criteria (refer to section 4.5.1 b).

4.4.4 Section Four: Technical offer

The technical offer is the core of the tender and it is essential that it conforms perfectly to all requirements listed in the technical specifications.

Tenders must be clear and concise. Since tenderers will be judged on the content of their written tenders, the tenders must clearly show how the tenderers are able to meet the requirements of the specifications.

If it is intended to subcontract part of the service, this should be indicated and quantified (the identity of and resources provided by the subcontractor).

The technical offer must cover all aspects and tasks required in the technical specifications and provide all the information needed to apply the award criteria.

Offers deviating from the requirements or not covering all minimum requirements described in section 2 point 2.6 (Technical specifications) may be rejected on the basis of non-compliance with the tender specifications and **will not be evaluated**.

The offer shall comply with applicable environmental, social and labour legislation established under Union legislation, national legislation, collective agreements or the applicable

international social and environmental conventions listed in Annex X to Directive 2014/24/EU⁸.

The Commission envisages applying the EMAS environmental management system ('the EMAS system') provided for by Regulation (EC) No 1221/2009 of the European Parliament and the Council of 25 November 2009 on the voluntary participation by organisations in a Community eco-management and audit scheme (EMAS), repealing Regulation (EC) No 761/2001 and Commission Decisions 2001/681/EC and 2006/193/EC (OJ L 342 of 22.12.2009, p. 1).

During the execution of the contract, the successful tenderer, group member(s) and/or any subcontractor(s), if relevant, may be requested by the Contracting Authority to implement the EMAS scheme, inter alia by providing information relating to the contract field required for the drafting and updating of the documents provided for by Regulation No 1221/2009 and the periodic evaluation of the system.

4.4.5 Section Five: Financial offer

The compulsory reply form (Annex 8) must be used.

Prices must be expressed in euro.

Prices should be quoted free of all duties, taxes and other charges, i.e. also **free of VAT**, as the European Commission is exempt from such charges pursuant to the provisions of Articles 3 and 4 of the Protocol on the Privileges and Immunities of the European Union (of 8 April 1965).

All costs associated with the completion of the work, including overheads such as infrastructure, administration, costs and travel should be included in the overall fixed price in the financial proposal (no reimbursable variable costs).

4.5 Evaluation and award

The evaluation is based solely on the information provided in the submitted tender. It involves the following:

- Verification of non-exclusion of tenderers on the basis of the exclusion criteria
- Selection of tenderers on the basis of selection criteria
- Verification of compliance with the minimum requirements set out in these tender specifications
- Evaluation of tenders on the basis of the award criteria

The tenders will be assessed in the order indicated above. Only tenders meeting the requirements of one step will pass on to the next step.

The criteria for choosing the contractor are divided in three categories: exclusion, selection and award. Exclusion and selection criteria are related to the candidate or tenderer, whereas award criteria are related to the tender. Exclusion and selection criteria are verified on a pass/fail basis.

The Contracting Authority will inform candidates and tenderers, simultaneously and individually, by electronic means of decisions reached concerning the outcome of the procedure as soon as possible:

⁸ OJ L 94 of 28.03.2014, p. 65

- After the opening phase for tenders received after the deadline or received already open;
- After the award decision, specifying in each case the grounds for the decision.

The information of the successful tenderer does not imply any commitment on the part of the Contracting Authority.

4.5.1 *Exclusion and selection of tenderers*

The assessment of tenderers will take place in 2 stages:

a- Exclusion of tenderers

Article 106 of the Financial Regulation⁹ defines situations when the tenderers shall be excluded from participating in procurement procedures (see Annex 7).

As indicated in point 4.4.2, the tenderer(s) including each partner in case of joint tender and each subcontractor must provide the "Declaration on honour on exclusion criteria and selection criteria" (Annex 7) attesting that they are not in one of the exclusion situations detailed in the Declaration on honour.

Only on request of the Contracting Authority, and for contracts with a value higher than EUR 135.000, the successful tenderer must provide the documents mentioned as supporting evidence in the declaration on honour (Annex 7) before signature of the contract and within a deadline given by the Contracting Authority. This requirement applies to each member of the group in case of joint tender and to subcontractors whose capacity is necessary to fulfil the selection criteria. The Contracting Authority reserves the right to require these documents for the other subcontractors.

The Contracting Authority may waive the obligation of a tenderer to submit the documentary evidence referred to annex 7 in the following cases:

- (a) the candidate is an international organisation or;
- (b) such evidence has already been submitted for the purposes of another procurement procedure in 2016 and provided that the documents are not more than one year old starting from their issuing date and that they are still valid. In such a case, the tenderer shall declare on his honour that the documentary evidence has already been provided in a previous procurement procedure and confirm that no changes in his situation have occurred.

b- Selection criteria

Tenderers must prove their legal, regulatory, economic, financial, technical and professional capacity to carry out the work subject to this procurement procedure.

Tenderers will be selected if they have the economic and financial capacity as well as the technical and professional capacity to perform the tasks required in this call for tender.

Legal and regulatory capacity

Tenderers must prove that they are allowed to pursue the professional activity necessary to carry out the work subject to this call for tenders. The tenderer (including each member of the group in case of joint tender) and sub-contractors must provide the requested information with the Legal Entity Form (See 4.4.1).

⁹ <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ:L:2015:286:TOC>

Economic and financial capacity criteria

The tenderer must have the necessary economic and financial capacity to perform this contract until its end. In order to prove their capacity, the tenderer must comply with the following selection criteria :

The **economic and financial capacity** of the tenderer will be assessed on the basis of the last annual turnover which has to be at least two times the annual value of the contract to be awarded (equal to the annual value of the financial offer submitted).

In the case of joint tender (group of economic operators) or subcontracting, this turnover criteria shall be assessed in relation to the combined turnover of all the parties involved in the tender.

Tenderers will be required to provide the evidence mentioned below (see 4.4.3 a) in the offer. This requirement applies to each member of the group in case of joint tender and to subcontractors whose capacity is necessary to fulfil the selection criteria

The Contracting Authority may waive the obligation of a tenderer to submit the documentary evidence referred in point 4.4.3 a) above , if such evidence has already been submitted for the purposes of another procurement procedure in 2016 and that they are still valid. In such a case, the tenderer shall declare on his honour that the documentary evidence has already been provided in a previous procurement procedure and confirm that no changes in his situation have occurred.

All the requirements have to be fulfilled at the deadline for the submission of the offer

- **Technical and professional capacity criteria**

The **technical and professional capacity** of tenderer(s) will be assessed from the qualifications of the staff/experts proposed, the principal services provided in the past three years and, if any, the specific requirements mentioned in the tender specifications. In the case of joint tender (group of economic operators) or subcontracting, the technical and professional capacity shall be assessed in relation to the combined capacity of all the parties involved in the tender.

The tenderer must meet the following criteria.

Criteria relating to the tenderer:

Criterion	Experience in the field of international comparisons of prices
Minimum requirement	Experience in the field of international comparisons of prices in particular as regards the collection, validation, calculation and analysis of related statistical data, with at least 3 projects delivered in this field in the last five years.
Documentary evidence	List of projects

Criteria relating to the team delivering the service:

Criterion	Educational and professional Qualification
Minimum requirement	At least three experts of the team should have at least 3 years of experience in the fields of collection, validation, calculation and analysis of statistical data, underpinned by university studies of at least 3 years in economics or statistics
Documentary evidence	CVs of staff members

Criterion	Educational and professional Qualification
Minimum requirement	At least two experts of the team should have at least 3 years of experience in related to international comparisons of consumer prices, underpinned by university studies of at least 3 years in economics, statistics, mathematics or market research related areas
Documentary evidence	CVs of staff members

Criterion	Educational and professional Qualification
Minimum requirement	The project manager should have at least 5 years of experience in project management, underpinned by university studies of at least 3 years in economics or statistics.
Documentary evidence	CVs of staff members

Criterion	Language capabilities
Minimum requirement	At least 1 team member must be fluent in English at minimum C1 level according the Common European Framework of Reference for languages ¹⁰ in order to ensure a high linguistic quality of the reports and other deliverables.
Documentary evidence	CVs of staff members

The assessment will be based on the tender and on tenderers' answers in the compulsory reply forms.

Tenderers who wish to be taken into consideration must submit all the necessary supporting documents (as indicated in section 4.4.3b)) and must use the forms provided in the annexes to this document.

Tenderers will be required to provide the evidence mentioned below (see 4.4.3 b) in the offer. This requirement applies to each member of the group in case of joint tender and to subcontractors whose capacity is necessary to fulfil the selection criteria

Incomplete tenders may be rejected. However, the Commission may request the submission of missing formal documents by electronic mail (normally to be submitted within 24 hours after the request).

In addition, the Commission reserves the right to use any other information from public or specialist sources.

All the requirements have to be fulfilled at the deadline for the submission of the offer

¹⁰ [Common European Framework of Reference for Languages](#)

Note: To allow the proper assessment of this criterion, the CVs provided should not indicate the language skills of the staff concerned in everyday terms such as "very good" or "excellent", or according to other scales (e.g. 1-5), but in terms the codes applied in the Common European Framework of Reference for Languages.

4.5.2 Compliance with minimum requirements

Before proceeding to the evaluation of the award criteria, the evaluation committee will assess the compliance of the tender with the minimum requirements contained in section 2 point 2.6 of the present tender specifications.

Furthermore, the offer shall comply with applicable environmental, social and labour legislation established under Union legislation, national legislation, collective agreements or the applicable international social and environmental conventions listed in Annex X to Directive 2014/24/EU¹¹.

Offers deviating from the requirements defined in the tender specifications or not covering all requirements may be excluded on the basis of non-conformity with the tender specifications and will not be evaluated

4.5.3 Award of the contract

a- Evaluation of the technical quality of the offer

The evaluation (award) criteria will be assessed in relation to the tender as a whole.

The technical offer (including any subcontracted parts) must be sufficiently detailed to enable the offer to be assessed on the basis of all award criteria mentioned below. It should meet the technical specifications and address all matters laid down therein. The tender should provide all the information required to award the contract, including a description of the intended team structure and the respective role of each team member and (where applicable) models, examples and technical solutions to problems raised in the specifications.

Merely repeating the mandatory requirements set out in these specifications without going into detail or adding any value will result in a very low score. The degree to which the criteria are met will be measured by a points score for each criterion. The relative importance of criteria for the overall score is indicated by the weighting of the award criteria.

Before its dispatch, please check that your offer is well documented according to the award criteria.

The technical quality of the offer will be assessed on the basis of the following criteria:

1. Technical approach and methodology (45 points)

This criterion will help assess to which extent the practical implementation and methodology proposed for the project demonstrate efficiency and effectiveness and will be a key success factor for the project and its successful and timely completion.

The technical approach and methodology will be assessed on:

- The extent to which any particularities that are mentioned in the specific project/lot have been considered.
- The practical implementation proposed for the project, for all tasks and expected results to be carried out and how does it demonstrate a solid understanding of all the issues involved.
- Description of the work and the clarity of practical application on how to achieve the project's goals and outputs considering, if possible, examples to demonstrate its successful completion.

¹¹ OJ L 94 of 28.03.2014, p. 65

- Presentation and description of expected and tangible results to be attained
Description of the project management methodology which will be applied to plan, monitor and control the execution of activities.

2. Work plan and timetable - overall planning (15 points)

This criterion will help assess the relevance and quality of the overall planning, of the proposed work plan and of the corresponding dedicated resource and how the project will meet the proposed deadline(s).

The work plan and timetable will be assessed on:

- Clear work packages and divided responsibilities and work time amongst team members.
- Work plan making specific reference to mobilisation of the experts/team, appropriate evaluation points, submission of reports and documents, specific meetings and milestones.

3. Management arrangements - Organization of the work and resources (25 points)

This criterion will help assess the organisation of work, covering both implementation of the contract and how the Contractor will provide support for the management and administration of the contract and contact(s) with Commission services.

The management arrangements - Organization of the work and resources will be assessed on:

- Description of the proposed team (number / profiles) with their role and responsibilities and of the different economic operators (in case of joint tender, including subcontractor if applicable) distributed for each task and work package. Balance between profiles and breakdown of the tasks (which profile is going to do which task and how much time will be devoted to each task per profile).
- Level of details provided on the allocation of time and human resources to the project and each task or deliverables and the rationale behind the choice of the proposed allocation.
- Suitability of the proposed organization for achieving the desired objectives of the project.
- Description given by the tenderer of the part of the project that he/she is able to implement autonomously.
- Estimate of how much and what kind of Eurostat involvement would be needed to ensure successful delivery and how cooperation with the Commission will be managed in practice.
- Description of the control the tenderer will exercise over those working on the project and how it will be a success factor for the project.
- Business continuity measures on how the tenderer will assure continuity if staff assigned to the project leave. A description of the back-up system to cover absences of key profiles (project manager, senior expert..)
- Detailed needs and justification for specific technical resources (software, informatics, resources, logistic, etc.).

4. Quality arrangements - Quality control measure (15 points)

This criterion will help assess the overall quality control system of the tenderer and how this will fit Eurostat requirements and help deliver the project in a quality and timely manner.

The quality arrangements - Quality control measure will be assessed on:

- Detailed quality control system applied to the service(s) foreseen in the tender specification concerning the quality of the deliverables and including continuity of the service in case of absence of a member of the team.

b- Method of selecting the economically most advantageous tender

Only tenderers whose offer has scored 50% for each criterion and minimum 50 points in total or more on the technical evaluation according to the criteria and points set out under item 4.5.3.a may participate in the evaluation of the financial proposal. The contract will be awarded to the economically most advantageous tender, i.e. the tender offering the best price-quality ratio on the basis of the following method:

$$R = \left(\frac{P_{\min}}{P} * 100 \right) * 0.50 + Q * 0.50$$

where:

R	Price-quality ratio
Q	total quality score (out of 100) of tender in question
P _{min}	Cheapest price
P	price of tender in question

The tender ranked first after applying the formula will be awarded the contract.

c- Notification of tenderers of decisions taken by the Contracting Authority

You will be informed of the outcome of this procurement procedure by **e-mail only**. It is your responsibility to provide a valid e-mail address together with your contact details in your tender and to check this e-mail address regularly.

Eurostat will notify the successful tenderer of the award decision. This notification does not constitute a commitment on the part of Eurostat.

Simultaneously and individually, the Contracting Authority will inform all unsuccessful tenderers, by electronic means, that their application or tender has not been accepted, specifying in each case the reasons why the tender or application has not been accepted.

Unsuccessful tenderers may request additional information about the reasons for their rejection in writing by mail or email, and all tenderers who have put in an admissible tender (i.e. one that meets the exclusion and selection criteria) may obtain information about the characteristics and relative merits of the tender accepted and the name of the successful tenderer.

However, certain details need not be disclosed where disclosure would hinder application of the law, would be contrary to the public interest or would harm the legitimate business interests of public or private undertakings or could distort fair competition between those undertakings.

The Contracting Authority must reply within fifteen calendar days from receipt of the request.

The Contracting Authority may not sign the contract with the successful tenderer until 10 calendar days (“standstill period”). That period shall run from the day after the simultaneous dispatch of the notifications to successful and unsuccessful tenderers. However, if due to technical reasons the dispatch is made on paper, the standstill period is 15 days.

If only one tender has been received, there will not be a standstill period for signing the contract.

If necessary, the Contracting Authority may suspend signing of the contract for additional examination if justified by the requests or comments made by unsuccessful tenderers during the standstill period or any other relevant information received during that period. In that event, all the tenderers must be informed within three working days following the suspension decision.

Should it not be possible to conclude the contract with the successful tenderer or should they withdraw, Eurostat reserves the right to review its decision and to award the contract to another tenderer, to close or to cancel the procedure.

Any request for information and any reply will have neither the purpose nor the effect of suspending the deadline for lodging an appeal against the contract award decision, which must be done within two months of the notification.

d- No obligation to award the contract

Opening to competition or the launch of an invitation to tender in no way imposes on the Commission an obligation to award the contract. The Commission will not be liable for any compensation for tenderers whose tenders have not been accepted, nor will it be so liable if it decides to abandon the procurement or cancel the award procedure. This decision would be substantiated and notified to the tenderers.