



## Module 2. Development of a proposal for participation in tenders in and across borders



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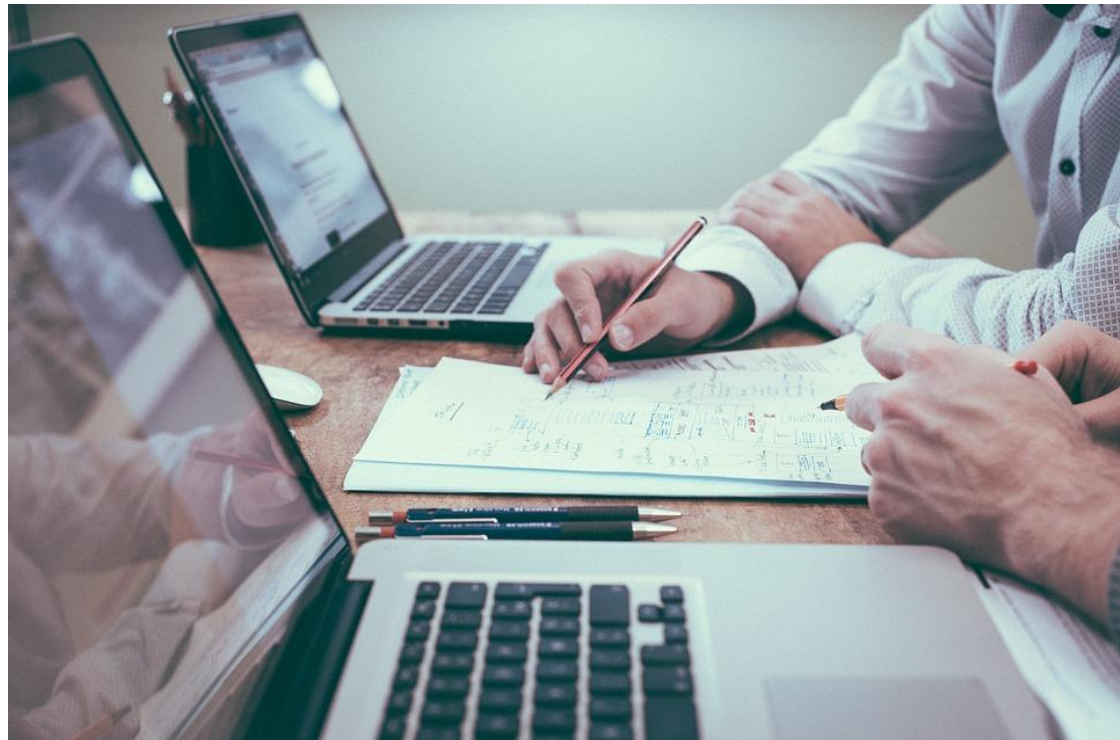
- Structure of a call for tenders
- Requisites and constraints for the participation in a tender – qualification documents
- Causes of exclusion for the participation in a tender
- Introduction to grant writing for tenders
- Introduction to financial aspects of a tender
- Submission through electronic platforms
- Introduction to risk management
- Communication with CAs and teamwork



A **call for bids**, **call for tenders**, or **invitation to tender** is a special procedure for generating competing offers from different bidders looking to obtain an award of business activity in works, supply, or service contracts.

A typical invitation to tender template in any project has the following sections:

- Introduction
- Project background
- Legal issues
- Maintaining issues
- Supplier response required
- Timetable for choosing a supplier
- Requirements



The **call for tender** includes the set of documents published by the Contracting Authority that contain indications, requisites and constraints for the submission of the offer.

The **Call** announces the publication of the tender and provides the essential elements.

The **Specifications** includes the details and the technical specifications of the requested products/service.

The **Disciplinary** describes the tender procedure.

The **forms** indicate the standard formats for drafting administrative documentation.

The **FAQ** are official clarifications published by the Contracting Authority.



First of all, it's necessary to analyse the **characteristics of the call**, to understand **what the Contracting Authority is looking for** and to **decide if participating in the tender**.

To do this it's necessary to identify and schematize the **elements useful for the evaluation on the basis of the company's needs and technical and professional skills**.

- Deadline
- Economic conditions
- Professional and technical requirements
- Economic capacity requirements
- Duration of the service

The participation in a call for tenders has a **cost** in terms of human resources with reference to preparation, time and economic resources. **It is necessary to evaluate the convenience and to decide if it is appropriate to participate** (yes, no, in partnership with other enterprises).



## Participating in tenders in partnership with other enterprises

It is possible to participate in tenders, providing to build a partnership with the aim to realise a specific service/activity for the time necessary to complete it if:

- the tenderer doesn't have all the requisites provided for the participation and/or the realisation of a service;
- the tenderer doesn't have the competences to manage all the service's aspects;
- it is needed a local partner, with a deep knowledge of the reference context and a operational headquarter in the reference area;
- there is the need to strengthen or qualify the offer or to avoid a possible competitor.

If the tenderer doesn't have the opportunity to build a partnership, it's possible to use the following tools:

- **Pooling** - in case of missing requirements, the tenderer can acquire the required technical competences from a third party.
- **Subcontracting** – in case of missing competences, it's possible to assign a task to a subcontractor which owns specialistic competences to do it.

**Qualification documents**, which demonstrate that the bidder has the requisites set by the Call, are requested by the Contracting Authority with the aim to reduce the risk of project failure caused by a lack of capabilities and capacity.

In the **common one-stage open tender process**, qualification documents are submitted together with the proposal, so any company or partnership may submit a proposal. In this case proposals will only be evaluated after checking that the respective bidder has met the qualification criteria.

In some **other processes**, the procuring authority conducts the qualification stage as an initial stage (the pre-qualification stage) and only issues the Request For Proposal (including the invitation to propose) in a subsequent stage to those companies that have been pre-qualified. Any prospective bidder that passes the minimum bar is qualified and able to submit an offer. This is referred to as **pre-qualification**.



Generally tenderers are **excluded** from participation in procurement procedures if:

- they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- they have been convicted of an offence concerning their professional conduct by a judgment which has the force of res judicata;
- they have been guilty of grave professional misconduct proven by any means which the contracting authority can justify;
- they have not fulfilled obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which they are established or with those of the country of the contracting authority or those of the country where the contract is to be performed;
- following another procurement procedure or grant award procedure financed by the Community budget, they have been declared to be in serious breach of contract for failure to comply with their contractual obligations.



Moreover contract won't be awarded to candidates or tenderers who, during the procurement procedure:

- are subject to a conflict of interest;
- are guilty of misrepresentation in supplying the information required by the contracting authority as a condition of participation in the contract procedure or fail to supply this information.



The aim to be taken into account with reference to the elaboration of the technical offer is the one to **respond to the requests of the Contracting Authority**, demonstrating to know the requested product/service, to have technical competenced and organizational capacity, to be able to use the correct methodologies and to realize a service with the requested quality standards.

By analysing the **characteristics of the requested product/service**, we can understand *what to write*. The requested product/service is described in one or more articles of the Specifications or in a technical sheet, which describe the objectives and technical specifications of the product/service itself.

By analysing the **evaluation grid**, we can understand *how to write*, because this indicates the criteria through which our offer will be evaluated and the relevance attributed to each criterion.

The technical offer is generally composed of the following parts:

- Introductory part
- Description of the product/service to be offered
- Methodologies and tools for delivering the product/service
- Organisation and human resources involved
- Additional services



## INTRODUCTIVE PART

### **Tenderer/s**

Need for highlighting story, mission, skills, strengths, certifications.

If the offer is submitted by a partnership, need for highlighting complementarity of competences and previous experiences of the partners.

### **Reference context**

With reference to the requested service/product, description of the sectoral and territorial context, reference regulatory measures.

### **Objectives and expected results**

Description of objectives and expected results with reference to the objectives of the Contracting Authority and to the positive impact of the service in the reference context.

### **Offer**

Description of offer's qualifying elements, strengths, additional elements, added value, compliance with the Contracting Authority requests (evaluation criteria and guide)

## DESCRIPTION OF THE PRODUCT/SERVICE

This part allows the tenderer/s to describe the product/services delivery.

It could be useful to use the methodologies WBS – [Work Breakdown Structure](#) so to define clearly:

- the stages/macroactivities needed for the delivery;
- the activities to be included in each stage/macroactivity;
- the standard architecture to develop each stage;
- the duration, the resources (staff, equipment, subcontracting, other costs), the outputs of each activity.

To make the offer articulation clearer to the evaluator it could be useful to summarise all these information in a flow chart.

## METHODOLOGIES AND TOOLS

This part will include the description of:

### **Methodologies and tools**

- Work processes (how the service will be realised)
- Standard quality procedures
- Eventual methodologies under license / patent

### **Monitoring of the quality (processes and outputs)**

- Monitoring responsables
- Monitoring criteria and indicators
- Methodologies for analysis and control

### **Outputs**

- Summary of outputs for each stage
- Technical description
- Details on schedule and methods for release / revision / validation



## ORGANISATION AND HUMAN RESOURCES

This part will describe how the tenderer/s will organise the work so to reach the objective set by the Contracting Authority:

### **Relationships with Contracting Authority**

Contact person and communication tools/methods

### **Organisation chart**

Referents for each activity

### **Timing**

Detailed GANTT

Milestones (a significant stage or event in the development of the project)

### **Description of the Working Group**

Roles in the project

Specific competencies

Experience

CVs in Europass format

## ADDITIONAL SERVICES

It is possible to provide **additional services/ competences / resources** in the technical offer.

However, it could happen only if these ones are **sustainable, actually useful** and **relevant** for the offer evaluation.

If one or more of these conditions are fulfilled, it is possible to highlight additional services/ competences / resources in the service/product description providing a summary framework for presenting them.



## MAIN CHARACTERISTIC OF A GOOD TECHNICAL OFFER

- **Punctuality and clarity in writing**, including the information requested by the Contracting Authority – using indexes, paragraphs, matrixes, tables.
- **Appropriate choice/modulation of the language** – it has to be technical but understandable, and clear, especially by avoiding sentences too complex or articulated.
- **Layout readable and neat**, use of pictures, tables and diagrams if relevant.



## TIPS FOR ELABORATING AN OFFER

- Take care to not write more than you would like to read.
- Write texts that can be understood even by non-experts (do not take anything for granted).
- Re-read the technical offer (attention to typos and copy / paste).



After having defined the architecture of the technical offer and of the activities by using WBS methodology, it's possible to elaborate the budget.

First of all, it's necessary to calculate:

- **costs for staff** in terms of man/days;
- **subcontracting costs** (if applicable);
- **financial costs** (i.e. bank and other guarantees if requested);
- **other costs** (if provided by the reference call and/or applicable);
- **tenderer's indirect costs** (fixed costs).

Then, it's necessary to **recharge costs considering the economic profit that the tenderer intends to obtain.**

Take care to **reduce the starting price** defined by the Contracting Authority on the basis of the **evaluation criteria** (points attributed to lowest cost criterion), of the **sustainability for the tenderer**, of the **reference sector's characteristic and competitors.**

A contracting authority may require that tenders and requests to participate in a procurement procedure are submitted only **electronically** or combined with other media.

To do this, the tendered should have at disposal:

- a computer with an up-to-date operating system
- an Internet connection
- a standard browser
- a qualified certificate stored on a secure device (card, USB token...).

It will be necessary to register the tenderer to the e-platform as a suppliers, by indicating username and password. Sometimes the tenderer could be asked to upload specific documents as business profile etc).

Then, it will be needed to choose the reference tender and upload technical offer and qualification documents online by a specific deadline.

Take care that most of the e-platform are characterized by a lack of alert messages: there are no alert messages if a bidder forgets to upload a document and this determines the immediate exclusion from the public tender.



Every tenders include several risks: an appropriate risk strategy support the tenderer in identifying potential risks and provide an effective approach for making sure that they won't compromise the delivery of the product/service, also according to evaluator's perspective.

## Internal risks

Risks affecting the tenderer are factors internal to the company that could cause a problem or represent a threat. These risks are not so critical to the tender, because generally they can be managed internally and don't have a specific influence on the risk associated with the technical offer. However, if they could affect the performance provided in the technical offer they need to be addressed.

## External risks

The areas to consider for external risks are linked to financial aspects and time schedule for product/service delivery.

Other external risks can include activities implementation, issues related to service performance or delivery, project management and quality assurance, security or environmental issues (depending on the call specification).

If these risk are identified by the tenderer, it's often better to include them in the technical offer proposing a solution for dealing with, so the evaluator will notice the tenderer's awareness about risks to take care of for a successful delivery.

Generally, the communication between CAs and tenderers during the procurement procedure seems to be weak and slow, even if mediated by ICT tools.

To improve it, it could be useful to adopt the following behaviours:

- analyse the Call as soon as the public procurement process starts so as to **list specific questions and to ask them in time**;
- use the **communication channels defined in the Call**;
- use **email messages** as more as possible to gain **written answers** to your questions;
- try to find a **contact person in Contracting Authority** and refer to him/her for the whole duration of the process;
- participate in **Infodays**, if provided, and try to clarify the most of the doubts in these event.;
- be **clear and concise in all communications** - give the point of the discussion first, then go backward if questions are made.

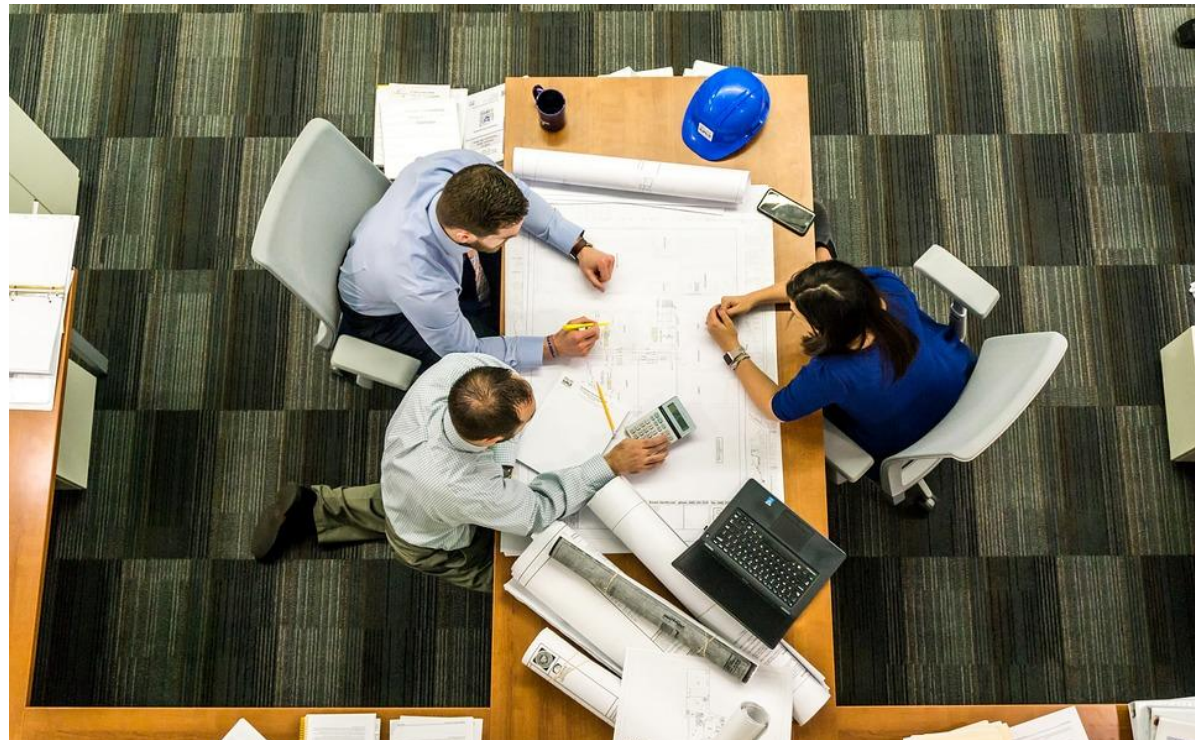
Developing a tender requests **several and different competences** and implies a **relevant level of interaction between company staff members**.

Teamwork is the collaborative effort of a team to achieve a common goal or to complete a task in the most effective and efficient way. This concept is seen within the greater framework of a team, which is a **group of interdependent individuals who work together towards a common goal**.



Effective teamwork can allow to face the **lack of qualified personnel** who are trained and specialized in the preparation of the tender documentation. In fact, the main problem for SMEs stems mainly from the lack of capacity of the staff to be closely specialized in the preparation of public procurement bids and in the exercise of their respective control functions.

The process of preparing, conducting, awarding and executing a public contract is linked to a number of coherent and interrelated elements that cover the working cycle of the respective procurement.





To achieve an effective teamwork, it is necessary:

- **open communication** to avoid conflicts;
- **effective coordination** to avoid confusion and the overstepping of boundaries;
- **efficient cooperation** to perform the tasks in a timely manner and produce the required results, especially in the form of workload sharing;
- **high levels of interdependence** to maintain high levels of trust, risk-taking, and performance.

All these teamwork conditions lead to the team turning in developing effectively a tender.

**A way to measure if the teamwork was effective, the organization must examine the quality of the output, the process, and the members' experience.**

In this context, the teamwork can be deemed efficient if:

- the output met or exceeded the organization's/the Contracting Authority's standard;
- the process the team chose to take helped them reach the reference goals;
- the members are reporting high levels of satisfaction with the team members as well as the processes which the team followed.

- **Guide for tenderers submitting bids in response to a call for tenders**, European Commission - Office For Infrastructure And Logistics In Brussels, 2016
- **Work Teams That Work** - Montebello, Anthony; Buzzotta, Victor, 1993.
- **IPPON on-desk research activity - National report of Italy**, January 2018.



## EC resources

[Call for tenders from European Institutions](#)

## Other

[How to write a successful tenders](#)