**Procurement by CSF-III Grant Beneficiaries**

**Relevant General Conditions**

**Article 10 - Implementation**

* Allows grantees to procure required goods, works and services, as long as they respect the rules set out in Annex IV of the contract.
* Coordinators must provide a comprehensive and detailed report on the award and implementation of contracts in its six-monthly interim and final reports.

**Article 14 – Eligible Costs**

* **Services & Works** *–* must be performed during the implementation period
* **Supplies** – must be delivered & installed within the implementation period
* They must be indicated in the overall budget estimate & be necessary for the implementation of the action
* Costs incurred should be identifiable & verifiable
* Conform with application tax & social legislation
* They must be reasonable, justified & comply with requirements of sound financial management, especially economy & efficiency.

**Annex IV of Contract**

**Coordinator’s may follow own procurement procedures. BUT General Principles must be observed, ie.**

* Processes should demonstrate transparency and fair competition, and avoid conflicts of interest
* Thus, tenders should generally be open to all. If invitation to tender is restricted, the beneficiary must be able to justify its choices
* Tender documents should include objective criteria against which offers received can be evaluated
* For supplies and works, tender offering the best price should be selected
* For services, or works / supplies offering after-sales, tender offering best price-quality ratio should be selected

**Examples of Good Practice**

**Supplies –**

* Draw up clear specifications. Avoid use of brand names. In case of construction materials, draw up detailed Bills of Quantities. Invite quotations from at least three suppliers.
* If larger tender, Open Procedure should be used. Otherwise, at least three firms (ie. reputable, nationally recognised companies with a justification for the choice) should be identified. The candidates are sent a letter of invitation to tender, accompanied by a tender dossier template. Chosen candidates return fully completed tenders by the specified deadline. (Allow sufficient time from invitation to tender).

**Services -**

* Draw up clear Terms of Reference detailing deliverables. Specify qualifications and experience required of contractor. Invite proposals from at least three suitably qualified contractors along with price. Chosen candidates return fully completed offers by the specified deadline. (Allow sufficient time from invitation to tender).

**Works –**

* Draw up clear Technical Specifications. Preference for open tender procedures, especially for larger projects. If justifiable, invite offers from at least three suitably experienced, registered contractors. Chosen candidates return fully completed tenders by the specified deadline. (Allow sufficient time from invitation to tender).

**Means of Selection -**

* Establish an Evaluation Committee with sufficient expertise. Committee members sign declarations of impartiality.
* Evaluation Committee open and evaluate tenders. Minutes of proceedings / evaluation report explaining the committee’s decision compiled as supporting document. Evaluation report prepared and approved by the Director / Board as required.

**Supporting documents for payment -**

* Supplies: Goods Received Note / Certificate of Acceptance to confirm correct quantity and quality of supply delivered, purchase order plus valid invoice
* Services: Completion Report from Contractor along with valid invoices and timesheets
* Certificate of acceptance, plus valid invoice.

**Rules on Nationality and Origin**

* Supplies may originate from any country as long as the costs per purchase do not exceed EUR 100,000

**NOTE: Contracting Authority will carryout *ex post* checks. Failure to comply with the rules & principles outlined above will render expenditure ineligible.**