



EUROPEAN COMMISSION
HUMANITARIAN AID OFFICE (ECHO)
FRAMEWORK PARTNERSHIP AGREEMENT
Annex V

RULES AND PROCEDURES

APPLICABLE TO PROPERTY, SUPPLY, WORKS AND SERVICE
CONTRACTS FINANCED BY THE

GENERAL BUDGET OF THE EUROPEAN COMMUNITIES IN THE
COURSE OF

HUMANITARIAN AID OPERATIONS

INTRODUCTION

The Financial Regulation applicable to the general budget of the European Communities¹, (hereafter referred as the Financial Regulation), establishes that when the implementation of a grant agreement requires the award of contracts, irrespective of whether the action is financed in whole or in part from a contribution of the European Community, the award procedure must comply with the principles of:

- *Transparency* in the procurement process;
- *Proportionality* between the procedures followed for awarding contracts and the value of the contracts;
- *Equal treatment* of potential contractors;
- *Non-discrimination* among donors.

The present document, Annex V of the European Commission Framework Partnership Agreement with Humanitarian Organisations for the financing of humanitarian aid operations, establishes the rules and procedures that humanitarian organisations are required to observe when awarding property, supply, works and service contracts².

Procurement in the framework of humanitarian operations shares the objectives of economy and efficiency with other types of interventions. On these grounds, humanitarian organisations must award the contract to the tender offering the best value for money, that is to say, the best price-quality ratio. Moreover, the procurement procedure must be free of any interference due to a situation of conflict of interests³.

Other considerations linked to the nature of humanitarian aid and to the context in which the operations take place, impose supplementary obligations and, on the other hand, justify more flexible procedures.

Relevant factors in establishing these rules and procedures are the importance of timely delivery of the aid and the eligibility of stocks⁴; the security constraints and the safety of humanitarian workers in the field; the control of quality and the compliance with international standards; the specificity of humanitarian supplies and the role of humanitarian procurement centres; the integration of procurement as one of the tools of the humanitarian intervention; and the guarantee of the highest ethical standards.

Recognising these particular requirements, the implementing rules of the Financial Regulation, (hereafter Implementing Rules), in article 238, paragraphs 2 and 3, provide for

¹ C.f. Articles 89.1 and 120.1 of Council Regulation (EC,Euratom) N° 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities, hereafter referred in the footnotes as FR.

² C.f. Article 184.2 of Commission Regulation (EC,Euratom) N° 2342/2002 of 23 December 2003 laying down detailed rules for the implementation of Council Regulation (EC,Euratom) N° 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities, hereafter referred in the footnotes as IRFR.

³ C.f. Article 184.1 IRFR.

⁴ C.f. Article 171 (a) IRFR.

the adoption by the Commission of dedicated provisions establishing the procedures to follow for awarding contracts in the framework of humanitarian operations.

This document is divided into chapters (one digit), sections (two digits) and paragraphs (three or four digits). The document employs the numbering of paragraphs in order to facilitate the identification of the provisions.

The structure of Annex V of the Framework Partnership Agreement is the following:

Chapter 1 defines the scope of application of these rules and procedures and states the general principles.

Chapter 2 establishes the eligibility criteria and the causes for ineligibility and exclusion from tender procedures.

Chapter 3 sets up the rules common to all procedures.

Chapter 4 defines the different procurement procedures and presents the procedures to be followed for each type of contract.

Chapter 5 defines the special rules applicable in cases of emergency and primary emergency operations, the constitution of stocks, property contracts, framework contracts, procurement centres, co-financing and Community exports of foodstuffs.

1. DEFINITIONS , SCOPE OF THESE RULES AND GENERAL PRINCIPLES

1.1. For the purposes of these rules the following definitions shall be used:

- 1.1.1. The term contract refers to contracts for pecuniary interest concluded in writing by a contracting authority in the context of a humanitarian operation, in order to obtain, against a payment of a price paid in whole or in part from a contribution from the Community budget, (and where applicable, from the European Development Fund), the supply of assets, the execution of works or the provision of services.
- 1.1.2. Property contracts cover the rental of land, existing buildings or other real estate. The Community contribution to a humanitarian operation cannot finance the purchase of immovable assets.
- 1.1.3. Supply contracts cover the purchase, leasing, rental or hire purchase, with or without option to buy, of products. The delivery of products may in addition include siting, installation and maintenance.
- 1.1.4. Works contracts cover either the execution, or both the execution and design of works or the realisation, by whatever means, of a work corresponding to the requirements specified by the contracting authority. By 'work' we intend the outcome of building or civil engineering works taken as a whole that is sufficient by itself to fulfil an economic or technical function.
- 1.1.5. Service contracts cover all intellectual and non-intellectual services other than those covered by supply contracts, works contracts and property contracts. Service contracts equally comprise study and technical assistance contracts.

A study contract is a contract concluded which includes studies for the identification and preparation of projects, feasibility studies, technical studies and audits.

A technical assistance contract is a contract where the contractor is called on to play an advisory role, to manage or supervise a project or to provide the consultants specified in the contract.

- 1.1.6. A contract covering both products and services shall be considered a service contract whenever the value of the services in question exceeds that of the products included in the contract. The same principle shall apply to define the procurement procedure to be followed in other hybrid contracts.
- 1.1.7. Contracting authority refers to the humanitarian organisation awarding contracts in the framework of a humanitarian aid operation with a financial contribution from the Community budget, (see point 1.2 below). In the present text, the terms contracting authority and humanitarian organisation are used interchangeably.
- 1.1.8. The terms supplier, contractor and service provider refer to three categories of economic operator, natural or legal persons, who supply products, execute works and provide services respectively. Economic operators who have

submitted a tender offer are referred to as tenderers. Those who have asked to be allowed to take part in a restricted or negotiated procedure are referred to as candidates.

- 1.1.9. The term contract notice refers to the publication by which the contracting authorities, in the framework of a restricted procedure, make known their intention to launch a procurement procedure. Tender notice refers to the notice published in the framework of an open procurement procedure for the same purpose. Award notice is the publication of the outcome of the award procedure.
- 1.1.10. Taking into account the type of operation and its implementing context, goods can be classified as “dedicated supplies” and “non-dedicated commodities”. In general terms, supplies related to the implementation of health, nutrition and water and sanitation activities and/or subject to international quality standards can be considered as dedicated supplies. Other products not available in the country of operation may be exceptionally considered dedicated supplies. In any case, the humanitarian organisation shall agree with the Commission on the products to be considered dedicated supplies in a given operation. Other supplies shall be considered non-dedicated commodities.
- 1.1.11. A framework contract for supplies is a contract concluded between a contracting authority and an economic operator for the purpose of laying down the essential terms governing a series of specific contracts to be awarded during a given period, in particular as regards the duration, subject, prices, conditions of performance and the quantities envisaged.
- 1.1.12. Humanitarian procurement centres are non-profit making, autonomous and professional structures, specialised in the technical and commercial management of supplies necessary for the implementation of humanitarian operations. They provide technical assistance in procurement to humanitarian organisations, putting at their disposal pre-established stocks, purchasing and logistics capacity.
- 1.1.13. Primary Emergency operations are those humanitarian operations funded by a Primary Emergency Decision adopted by the Commission under the procedure established under Commission Decision SEC (2001) 873.

Emergency operations are those humanitarian operations funded by a Commission Decision adopted in accordance with the procedure laid down in article 13 of the 1257/96 Regulation on humanitarian aid.

1.2. Scope and applicability of these rules.

On the basis of the Regulation on Humanitarian Aid, the Community may finance humanitarian operations implemented by the Commission itself, specialised agencies

of the Member States, international organisations and non-governmental organisations⁵.

- 1.2.1. In case of direct implementation by the Commission of a humanitarian operation, Chapter 2 of Title V of the First Part of the Financial Regulation and the related provisions of the Implementing Rules establish the procedures applicable to contracts awarded by the Community institutions on their own account.
- 1.2.2. Whenever the humanitarian aid operation is implemented by an International Organisation, the latter may apply its own procedures for awarding contracts, if those procedures provide guarantees equivalent to internationally accepted standards.

If that is not the case or in specific instances, the Commission and the International Organisation shall agree on the procedures to be followed. In that event, such rules shall be included in the contribution agreement.

The International Organisation's rules on nationality and origin will apply in case of Joint Management⁶ (or Multi-donor actions⁷). In other operations, financed in whole or co-financed by the European Community, the rules on nationality and origin set up in chapter 2 hereof shall apply.

- 1.2.3. Where the grant beneficiary is a specialised body of the Member States the Community Directives applicable to public procurement shall apply.
- 1.2.4. Where the operation is implemented by a non-governmental organisation the provisions of this Annex shall apply.

These rules and procedures are an integral part of the grant agreements signed with the Commission for the financing of humanitarian operations. Therefore, in case of non-compliance, expenditure related to the irregular contracts for the operations in question will not be eligible for Community financing.

The Commission will carry out ex post checks on the contracting authorities' compliance with the rules established hereof. In accordance with Article 120.2 of the Financial Regulation, grant agreements expressly enable the Commission, including the European Anti-Fraud Office (OLAF), and the Court of Auditors to exercise their powers of control, on documents and on the spot, over all contractors and sub-contractors who have received Community funds.

⁵ C.f. articles 7,8 and 9 of Council Regulation (EC, Euratom) No 1257/96 of 20 June 1996 concerning humanitarian aid, OJ L 163, of 2 July 1996.

⁶ Article 53 of the Financial Regulation.

⁷ According to the terminology used in the Financial and Administrative Framework Agreement between the European Community, represented by the Commission of the European Communities, and the United Nations, (FAFA), signed on 29 April 2003.

1.3. General principles.

- 1.3.1. Whenever the implementation of a Community financed or co-financed operation requires the humanitarian organisation to award procurement contracts, the contract shall be awarded to the tender offering the best value for money, that is to say, the best price-quality ratio, in compliance with the principles of transparency and equal treatment for potential contractors, care being taken to avoid any conflict of interests⁸.
- 1.3.2. The Commission requires that contracting authorities, tenderers and candidates observe the highest ethical standard during the procurement and execution of contracts.
- 1.3.2.1. Contracting authorities shall reject any proposal put forward by tenderers or candidates, or, where applicable, terminate their contract, if it is determined that they have engaged in corrupt, fraudulent, collusive or coercive practices. To this end, contracting authorities are responsible to introduce the necessary provisions in the bidding and contractual documents. Administrative or financial penalties imposed shall be in proportion to the importance of the contract and the seriousness of the misconduct.
- 1.3.2.2. The humanitarian organisation must inform immediately the Commission in the event of being confronted by these practices, providing all the relevant information.
- 1.3.2.3. In accordance with article 13.4 (e) of the General Conditions applicable to European Community agreements for humanitarian aid operations, whenever it is established that the humanitarian organisation, intentionally or by negligence, has caused a loss to the Community budget, the Commission shall terminate with immediate effect the grant agreement with the humanitarian organisation.
- 1.3.2.4. Without prejudice to the application of penalties laid down in the grant agreement, the Commission may apply the relevant provisions of article 133 of the Implementing Rules.
- 1.3.3. The contracting authority shall satisfy itself with regard to the non-exploitation of child labour and the respect of basic social rights and working conditions by candidates and tenderers.
- 1.3.4. The humanitarian organisation shall establish standard procedures on procurement and guidelines for tender documents. Those procedures shall comply with the general principles enunciated in this section 1.3. Tender documents must be drafted in accordance with the best international practice. Guidelines for tender documents must provide for the evaluation of proposals on the basis of exclusion, selection and award criteria announced in advance. The assessment of tender proposals shall be based on the

⁸ C.f. Article 184.1 IRFR.

necessary technical and administrative expertise. In accordance with the value of the contract, a committee may assess tenders.

The Commission reserves the right to exercise its powers of control, on documents and on the spot, over all contractors and sub-contractors who have received Community funds, in order to verify the conformity of the humanitarian organisation's rules and procedures on procurement and its implementation.

2. NATIONALITY RULE AND RULES OF ORIGIN. CAUSES FOR INELIGIBILITY AND EXCLUSION FROM TENDER PROCEDURES.

2.1. Nationality rule⁹.

Participation in tendering procedures shall be open on equal terms to all persons coming within the scope of the Treaties and, in accordance with the specific provisions in the basic instruments governing the funding of humanitarian aid, to all such natural and legal persons who are nationals of the beneficiary third countries or any other third country expressly mentioned in those instruments. The basic instruments governing the funding of humanitarian aid operations are the Regulation on humanitarian aid¹⁰ and the Cotonou Agreement¹¹.

2.1.1. Whenever an agreement on widening the market for procurement of goods or services to which the Community is party applies, the contracts for procurement are also open to third-country nationals other than those referred to in paragraph 2.1, under the conditions laid down in that agreement.

2.1.2. The nationality rule does not apply to the personnel of contractors taking part in an operation financed by the Community.

2.2. Rule of origin.

All supplies purchased under a supply contract must originate in the Community or in an eligible country as defined in point 2.1 herein.

This rule applies to supplies and equipment purchased by a contractor for works or service contracts financed out of the Community contribution if the supplies and equipment are to become the property of the beneficiaries of the project or transferred to a local humanitarian organisation once the contract is completed.

⁹ C.f. Article 168 of the Financial Regulation.

¹⁰ Op.cit. footnote 5.

¹¹ Partnership Agreement between the Members of the African, Caribbean and Pacific Group of States of the one part, and the European Community and its Member States, of the other part, signed in Cotonou on 23 June 2000.

2.3. Derogations from the rules of nationality and origin.

Any departure from the rules of nationality and origin set out above is subject to prior written approval from the European Commission, which shall deal expeditiously with any request accompanied with proper justification.

Derogations from those rules shall be funded on technical and quality reasons, shortfall or unavailability on the markets of the aforementioned countries, costs or delays due to transport or on the grounds of legislation in the country of operation.

2.4. Ineligibility criteria.

The contracting authority shall exclude from participation in a procurement procedure candidates or tenderers falling into any of the following cases:

- (a) 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;
- (b) They have been convicted of an offence concerning their professional conduct by a judgement that has the force of *res judicata*;
- (c) They have been guilty of grave professional misconduct proven by any means that the contracting authority can justify;
- (d) 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;
- (e) They have been the subject of a judgement that has the force of *res judicata* for fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to the Communities' financial interests;
- (f) 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.

Candidates or tenderers must certify by any relevant means that they are not in one of the situations listed above.

2.5. Exclusion causes.

Contracts shall not be awarded to candidates or tenderers who, during the procurement procedure:

- (a) Are subject to a conflict of interest;
- (b) Are guilty of misrepresentation in supplying the information required by the humanitarian organisation as a condition of participation in the contract procedure or fail to supply this information.

3. RULES COMMON TO ALL TENDER PROCEDURES

3.1. In order to determine the tenderer offering the best value for money, that is to say, the best price-quality ratio, humanitarian organisations will take always into account at least the following criteria: price, quality, compliance with international norms and delay for delivery.

3.2. The humanitarian organisation has the sole responsibility for complying with any contractual obligation incumbent on it. The respective rights and obligations of the humanitarian organisation and the contractors are governed by the tender documents and the contracts signed by the humanitarian organisation with those contractors. The Commission is not bound by these contracts and recognises no contractual link between itself and the humanitarian organisation's contractors.

3.3. If the humanitarian organisation wishes to refer to the European Community in the tender documents, the following clause shall be included:

“(Name of the humanitarian organisation) has received a grant from the European Commission (or in appropriate cases, has presented a funding request to the European Commission) for the implementation of the humanitarian aid operation entitled (name of the operation) and intends to apply a portion of that grant to payments under this contract. The European Commission will establish the final amount of the grant and will liquidate it to (name of the humanitarian organisation) on completion of the operation on the basis of the expenses presented and declared eligible. No party other than (name of the humanitarian organisation) shall derive any rights from the grant or have any claim to its proceeds. Under no circumstances or for no reason whatsoever will the Commission entertain any request for indemnity or payment directly submitted by the humanitarian organisation's contractors.”

3.4. Contracts signed by the humanitarian organisation with contractors shall include provisions guaranteeing the Commission, the European Anti-Fraud Office and the Court of Auditors, appropriate right of access to the contractors' financial and accounting documents for the purposes of checks and audits.

3.5. The estimated value of a contract may not be determined with a view to evading the requirements laid down in these rules, nor may a contract be split up for that purpose.

Where the subject of a contract is subdivided into several lots, each one the subject of an individual contract, the value of each lot must be taken into account for the overall evaluation of the applicable threshold.

- 3.6.** Without prejudice to the specific prior publication requirements established in chapter 4 below, publication and advertising of invitations to tender and tender notices must be sufficient and appropriate to ensure genuine competition. Care should be taken to ensure adequate advance publication and reasonable time for the presentation of tenders.

When feasible, advertising in technical magazines and trade publications shall be envisaged. Tender notices and contract notices must also be advertised in specialised electronic portals with free access and published in the humanitarian organisations' Web site.

3.6.1. When the present rules prescribe international publication, the contracting authority shall advertise the tender notice or the contract notice in the country of operation, by any relevant means available, and in a specialised periodical published in the European Union

3.6.2. When the present rules prescribe local publication, the contracting authority shall advertise the tender notice or the contract notice in the country of operation, by any relevant means available.

- 3.7.** With independence on the award procedure followed¹², humanitarian organisations shall publish in their Web site the award notice of any contract related to the implementation of an operation financed in whole or in part from a contribution of the European Community, indicating that the operation has received funding from the Community.

- 3.8.** Upon a duly substantiated request by the humanitarian organisation, the European Commission may agree to forego such publicity¹³ if disclosure of the above information would endanger the organisation's safety or harm its interests.

4. PROCUREMENT PROCEDURES TO BE FOLLOWED ACCORDING TO THE TYPE OF CONTRACT

- 4.1.** Procurement procedures shall take one of the following forms:

4.1.1. Open procedure.

Tender procedures are open whenever all interested economic operators may submit a tender after publication of an tender notice. The tender notice shall specify at least the rules governing the lodging/submission and presentation of tenders, the exclusion, selection and award criteria and set out the technical specifications.

¹² See section 4.1. Contracts can be awarded by open, restricted and negotiated procedures and by single bid.

¹³ Ex ante and ex post publication.

The scope of the publication of the tender notice shall be established taking into account the value and type of the contract.

4.1.2. **Restricted procedure.**

Tender procedures are restricted whenever, after publication of a contract notice, all economic operators may ask to participate to an invitation to tender, but only those candidates satisfying the selection criteria and invited simultaneously by the contracting authority may submit a tender.

The contract notice shall specify at least the rules governing the lodging/submission of candidacies, the exclusion, selection and award criteria and set out the essential technical specifications.

The selection phase may be repeated for each individual contract or may involve the drawing up of a list of potential candidates following a call for expressions of interest.

The number of candidates invited to submit a tender may not be less than four, provided that a sufficient number of candidates satisfy the selection criteria. In any event, the number of candidates invited shall be sufficient to ensure genuine competition.

The scope of the publication of the contract notice shall be established taking into account the value and type of the contract.

4.1.3. **Negotiated procedure.**

The contracting authorities invite simultaneously and in writing the tenderers of their choice to negotiate the terms of the contract. The written communication shall be the means by which the contracting authorities make known their intention to launch procurement procedures.

In negotiated procedures the number of candidates invited to negotiate shall not be less than four. In any event, the number of candidates invited shall be sufficient to ensure genuine competition.

4.1.4. Exceptionally, contracting authorities may place the order on the basis of a **single quote** in the following cases:

(a) In primary emergency and emergency operations;

(b) Whenever no tenderers or no suitable tenders have been submitted in response to an open, restricted or negotiated procedure after the initial procedure has been completed, provided that the original terms of the contract are not substantially altered;

(c) Whenever, for technical reasons or for reasons connected with the protection of exclusive rights, the contract can be awarded only to a particular economic operator;

(d) For additional contracts consisting in the repetition/renewal of services, works or supplies entrusted to a contractor awarded an earlier contract in a similar humanitarian operation in the same region, provided that the terms of

the original contract are not substantially altered and that the first contract was awarded under the open procedure. The period elapsed from the award of the first contract shall not be longer than one year;

(e) For additional works and services not included in the initial contract which, due to unforeseen circumstances, have become necessary for the performance of the contract, provided that the aggregate amount of additional works or services does not exceed 50% of the value of the principal contract;

(f) For property contracts (renting of property only), after prospecting the local market;

(g) Whenever orders are placed with a humanitarian procurement centre;

(i) For contracts of a value below EUR 5000.

4.1.5. In any event, the works, services or goods supplied on the basis of a single quote must comply with the following requirements:

(a) Satisfactory quality;

(b) Timely delivery or completion;

(c) The price corresponds to market prices and does not affect adversely the economy and efficiency of the operation.

4.2. Works contracts.

4.2.1. Works contracts worth **EUR 5 000 000 or more** must be awarded by means of an open tender procedure following the international publication of the tender notice.

4.2.2. Works contracts worth **from EUR 300 000 and up to EUR 4 999 999** shall be awarded by means of an open tender procedure published locally. A local open tender procedure must provide other eligible contractors with the same opportunities as local firms.

4.2.3. Works contracts worth **from EUR 5 000 up to EUR 299 999** shall be awarded by means of a negotiated procedure.

4.3. Service contracts.

4.3.1. Service contracts worth **EUR 200 000 or more** shall be awarded by means of a restricted tender procedure following the international publication of a contract notice.

4.3.2. Service contracts worth **from EUR 5 000 and up to EUR 199 999** shall be awarded by means of a negotiated procedure.

4.4. Supply contracts.

4.4.1. Specific requirements for the procurement of pharmaceutical products and medical devices:

(a) Humanitarian organisations shall abide by international norms for the procurement of pharmaceutical products and respect patents and national drug regulations in the individual countries.

(b) The purchase of medicines shall be based on the pre-qualification of pharmaceutical manufacturers who comply with the World Health Organisation Good Manufacturing Practice Guidelines.

(c) The award criteria shall give priority to suppliers of medical devices that comply with ISO certification 9001/EN46001 or ISO 9002/EN46002. In respect to Medical equipment, the award criteria shall give priority to suppliers that comply with essential requirements described in the Council Directive 93/42/EEC of 14 June 1993, concerning medical devices¹⁴.

This enumeration of international standards is neither exhaustive, nor definitive. Humanitarian organisations shall take as a reference any internationally recognised standard that may be set and the updates and revisions of the standards mentioned hereof.

4.4.2. Supply contracts worth **EUR 150 000 or more** must be awarded by means of an open tender procedure following the international publication of the tender notice.

4.4.3. Supply contracts of “**non-dedicated commodities**” from **EUR 30 000 and up to EUR 149 999** are awarded by means of an open tender procedure published locally. A local open tender procedure must provide other eligible suppliers with the same opportunities as local firms.

Supply contracts of “**dedicated supplies**” from **EUR 30 000 and up to EUR 149 999** may be awarded by means of a restricted tender procedure following the international publication of a contract notice.

4.4.4. Supply contracts of “**non-dedicated commodities**” worth **from EUR 5 000 and up to EUR 29 999** must be awarded by means of a negotiated procedure.

4.4.5. For “**dedicated supplies**” worth **up to EUR 29 999** the humanitarian organisation may place orders on the basis of a single quote.

¹⁴ OJ L 169, 12/07/1993.

5. SPECIAL RULES

5.1. Emergency and primary emergency operations.

In the framework of emergency and primary emergency operations, and in accordance with point 4.1.4 (a), humanitarian organisations may place their orders on the basis of a single quote. In this case, the humanitarian organisation must be able to present the reasons that prevented a larger consultation.

5.2. Stocks: constitution and use.

Expenditure incurred by the humanitarian organisation before the date of submission of the project proposal and related to the constitution of stocks of goods and equipment for use in connection with the operation for which the grant is awarded is eligible for Community financing¹⁵.

To this end, the procedures followed by the humanitarian organisation for the constitution of those stocks shall guarantee the compliance with the general principles set out in section 1.3.

In addition, those stocks shall conform to the requirements established in point 4.1.5.

5.3. Property contracts (Renting of property only)

In accordance with point 4.1.4 (f), property contracts may be awarded on the basis of a single quote after prospecting the local market.

5.4. Framework contracts for supplies.

5.4.1. Framework contracts for supplies shall be awarded by means of a restricted tender procedure following the international publication of a contract notice. The contract notice shall state the number of candidates who will be invited to submit tenders. This will be within a range of four to eight candidates.

Only candidates satisfying the published selection criteria and invited in writing by the humanitarian organisation may submit a tender.

5.4.2. The duration of such framework contracts may not exceed four years. Framework contracts may not be used in such a way as to prevent, restrict or distort competition.

5.4.3. Specific contracts based on a framework contract shall be awarded in accordance with the terms laid down in the framework contract they relate to. In any case, specific contracts shall comply with the requirements established in point 4.1.5.

5.5. Humanitarian procurement centres.

5.5.1. Humanitarian procurement centres shall guarantee equal treatment of suppliers and among humanitarian organisations, high standards for integrity, transparency, price, performance and quality.

¹⁵ C.f. Articles 171 IRFR and 15.2 of the General Conditions.

- 5.5.2. Humanitarian procurement centres shall grant the Commission, the European Anti-Fraud Office and the Court of Auditors, appropriate right of access to the contractors financial and accounting documents for the purposes of checks and audits.
- 5.5.3. Whenever a contracting authority places its orders with a humanitarian procurement centre on the basis of a single bid, the latter shall comply with the relevant rules and procedures established herein. Where needed, the procurement centre shall be responsible, for launching the required tender procedure.

Stocks of goods and equipment supplied by the procurement centre shall comply with the requirements established in section 5.2.

Whenever an order is placed with a humanitarian procurement centre by a single bid procedure, the Community may contribute to the indirect costs of the procurement center on the basis of the cost of goods, equipment and services within that order. To this end, contractual arrangements between the humanitarian organisation and the procurement centre shall include the necessary provisions. In accordance with section 3.2, the humanitarian organisation is the sole responsible for transferring this contribution to the procurement centre.

5.6. Procedures applicable to co-financed operations.

Where the operation is co-financed by several donors and the European Community is not the largest single contributor, the contracting authority may apply different procedures to award contracts from those established herein on condition that they guarantee equal treatment to all donors and having informed the Commission in the project proposal of the concrete procedures that it will follow. In any event, the general principles established in section 1.3 shall be respected.

5.7. Procedures applicable to the export of Community foodstuffs in the framework of a humanitarian operation.

- 5.7.1. When the product can benefit from an export refund it has to be clearly indicated that the financed operation shall be considered as “international food aid” and fulfils the conditions of the applicable regulation of the WTO.
- 5.7.2. When the product is subject for its export to the presentation of a certificate, the supplier has to submit the request for the export licence specifying that it is a certificate “WTO – food aid ” in accordance with the legislation in force.
- 5.7.3. The payment to the supplier is subordinated to presentation of the copy of the export licence. The price will be the net price after deduction of the applicable export refund.