DPS for the Procurement of Printers, Scanners and related supplies/services

"Information Session for Contracting Authorities & Economic Operators
12 March 2020"

OFFICE OF THE PRIME MINISTER

MALTA INFORMATION TECHNOLOGY AGENCY

https://procurement.mita.gov.mt

Another acronym for the procurement alphabet soup!

SME TCO TED TOR TPT UAT XML

What is a Dynamic Purchasing System (DPS?)

- A Dynamic Purchasing System (DPS) is a procurement procedure that can be used to procure commonly and repeatedly-used purchases, which are generally available on the market, whilst speeding up the process and reducing the administrative burden on the part of all stakeholders
- DPS is similar to an electronic framework agreement, with two exceptions:
  - new Economic Operators (EOs) can join a DPS at any time and
  - it can only be run as a completely electronic process.
- DPS procedure is catered for in Regulations 174 to 180 of the Public Procurement Regulations (Legal Notice 352 of 2016)
- DPS is considered as a restricted procedure in terms of the Regulations
- A DPS can be established by a Central Purchasing Body (CPB) in respect of an identified type of requirement, which may be divided into categories of products, services or works

Key Characteristics to Consider When Setting up a DPS

Low barriers to entry in supply market

Difficult to buy in bulk or to achieve economies of scale

Choice of bespoke offerings and/or SMEs

Large volume of transactions

Large number of potential interested bidders

Opportunity to automate contracting elements e.g ordering, invoicing

Price-sensitive Market (including staff costs)

The Evolution of DPS from the Open Tender Procedure

Chance of award to different bidders	★☆☆☆☆
Tender evaluation Lead Times	★★☆☆☆
Degree of competitiveness	★½☆☆☆
Seeking more competitive pricing	★☆☆☆☆

Open tender: Multiple EOs submit a tender; one is awarded the contract for a defined service/supply

Framework Contract: Multiple EOs submit a tender, one is awarded the contract for the purchase of services/supplies with a minimum committed and maximum quantities

Chance of award to different bidders	★☆☆☆☆
Tender evaluation Lead Times	★★☆☆☆
Degree of competitiveness	★½☆☆☆
Seeking more competitive pricing	★½☆☆☆

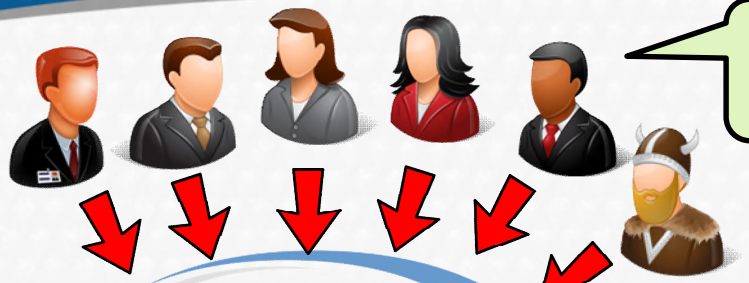
Chance of award to different bidders	★★★☆☆
Tender evaluation Lead Times	★★★½☆
Degree of competitiveness	★★★☆☆
Seeking more competitive pricing	★★★½☆

Framework Agreement: Multiple EOs respond to an Expression of Interest by the closing date/time, multiple EOs are shortlisted, and only shortlisted EOs are invited to submit a tender for specific call-offs

Dynamic Purchasing System: EOs apply to be admitted to a DPS at any time during its lifetime, all admitted participants at the time of issuance of a specific contract are invited to submit a tender

Chance of award to different bidders	★★★★½
Tender evaluation Lead Times	★★★★☆
Degree of competitiveness	★★★★★
Seeking more competitive pricing	★★★★★

Open Tender Dynamics



Multiple tenderers submit their bid on EPPS

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Administrative | **Technical** | **Financial**

Eligibility, Selection, Technical and Financial Requirements for each tender

Tenders are evaluated

10 DAY

10 days appeals period

Contract is awarded to one tenderer

Contract sets delivery quantities, consignments & and deadlines

Framework Contract Dynamics

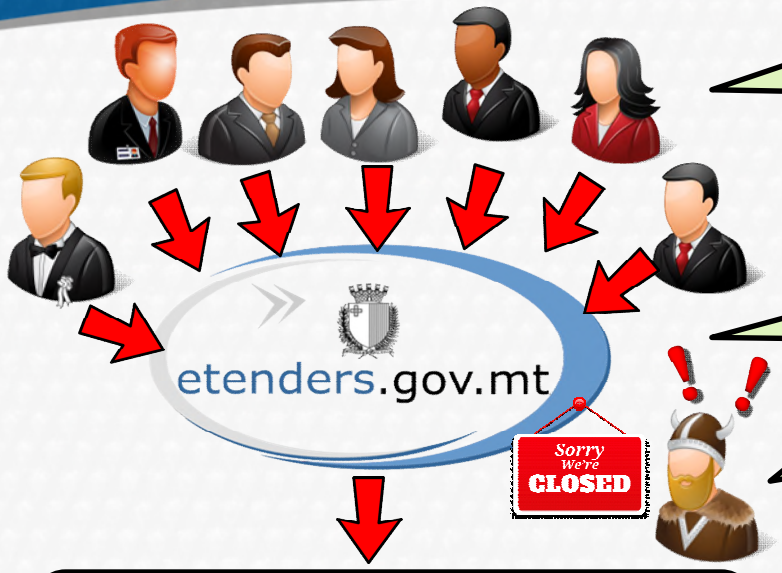
Multiple tenderers submit their bid on EPPS

Tenders are evaluated

Framework Contract is awarded to one tenderer

Purchase Orders issued to place Individual orders as required

Framework Agreement Dynamics

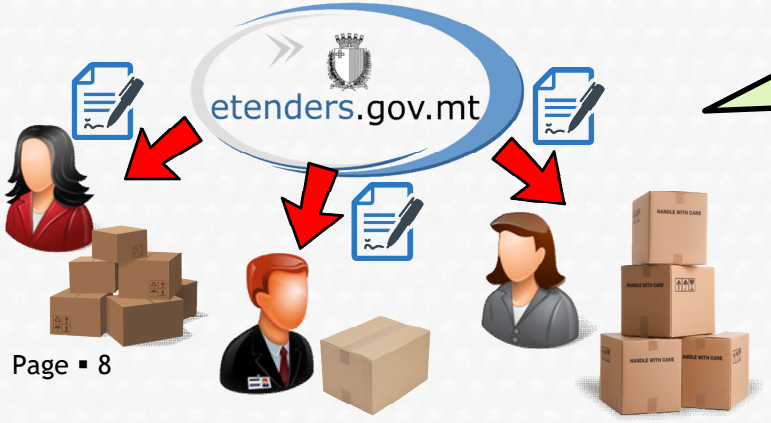


Multiple tenderers submit their Expression of Interest (EOI)

Tenders are evaluated

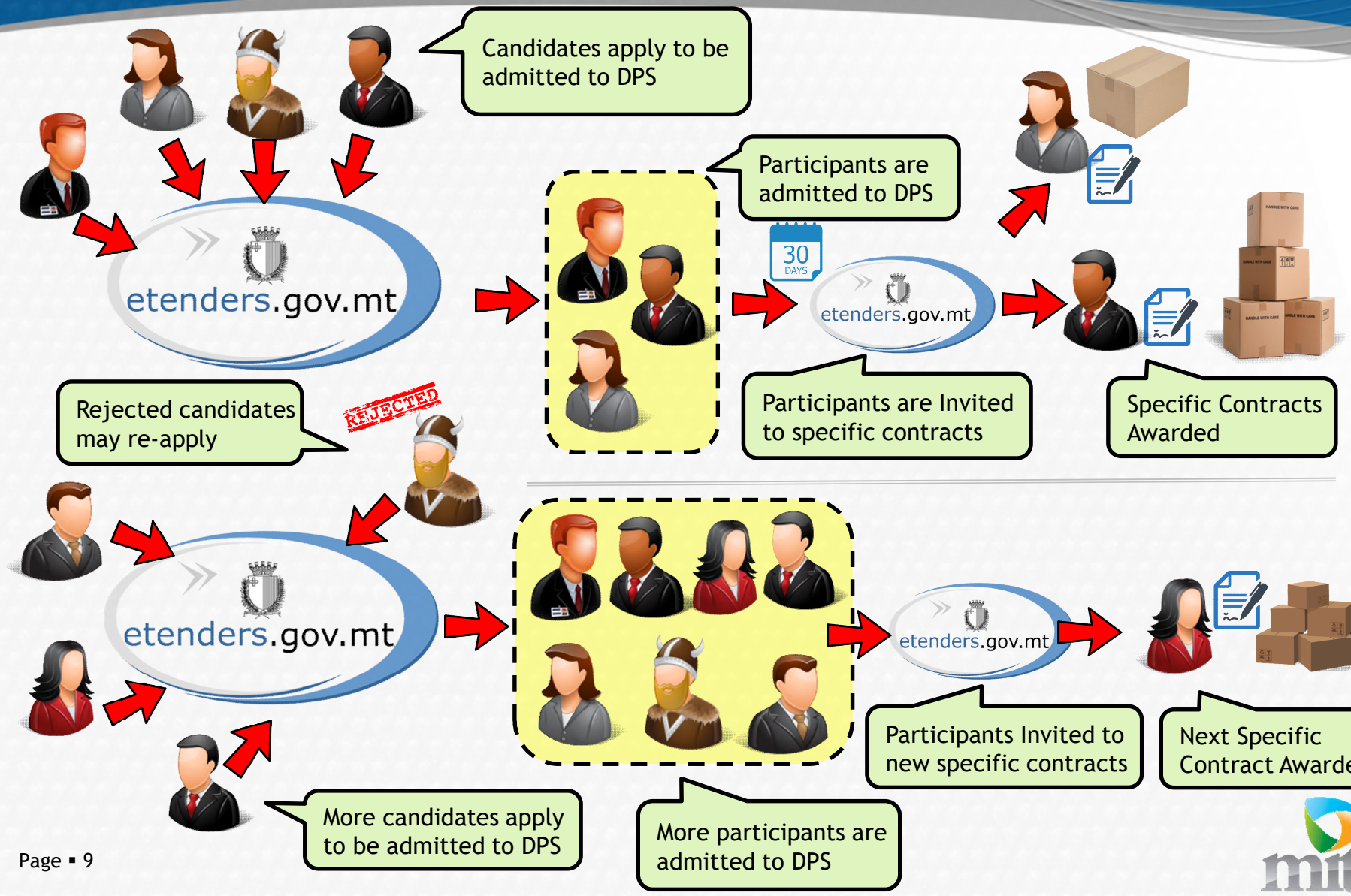
No bid responses are accepted once the EOI deadline has closed

Number of tenderers admitted to Framework Agreement



Mini competitions between the shortlisted tenderers to win Individual call-offs

Dynamic Purchasing System Dynamics



The Two main stages of a DPS

① Establishment of DPS

- DPS is established and runs for a determined period (in years)
- At any point during the DPS term, EOs may apply to be admitted to the DPS and be invited to specific contracts
- EOs' administrative eligibility is determined at this stage

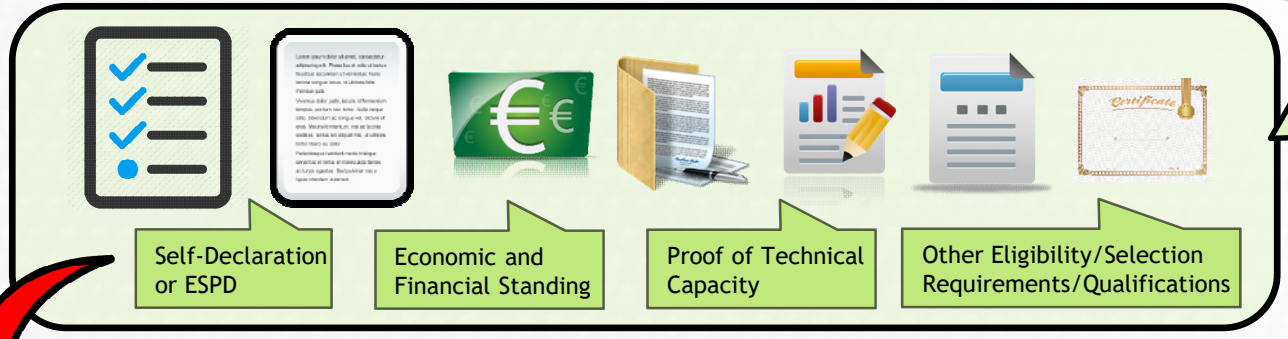
② Issuing of Specific contracts

- Specific contracts for particular purchases related to the broad categories/requirements of the DPS are issued
- Admitted participants are invited to tender, who only have technical and financial information to submit
- EOs' technical and financial offers are evaluated at this stage

Establishment of a DPS

- The DPS Establishment Document will include the **Instructions to Candidates** and the high-level technical specifications/terms of reference of the DPS
- The DPS Establishment Document will detail the **eligibility/selection criteria** that needs to be satisfied by the candidate in order to be admitted to the DPS. EOs may join the DPS at any point during its validity if they satisfy the eligibility/ selection requirements, and if none of the grounds for exclusion apply.
- This stage is essentially the first stage of evaluation of a conventional open tender, and will only be **required once** (and not for each specific contract)
- Once an application is submitted, the Central Purchasing Body (CPB) is notified and the individual evaluation can immediately commence. **Evaluation must be concluded within 10 working days** (possibly extended by a further 5 working day period if justified, for example, by the need to examine documents or to verify whether the selection criteria have been met)
- If the candidate meets the selection criteria, the CPB shall include him/her in EPPS, and s/he will be notified of the **admission to the DPS** through an email notification via EPPS
- If the candidate does not meet the selection criteria, s/he will be notified and informed with the reasons leading to his/her inadmissibility. **No appeals period** will be granted however the EO may resubmit a fresh application immediately after the rejection

Submitting an application



Application Includes (but not necessarily all) Administrative, Exclusion, Eligibility and Selection criteria)

Submission only thro' EPPS

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Individual evaluation starts immediately

10 Working Days Lead Time

If admitted, will be invited for new specific contracts

If rejected, can re-submit application to be admitted to DPS

Issuing of Specific Contracts

- Specific contracts may start being issued by those Contracting Authorities which are part of the DPS **after 30 days** from the establishment of a DPS
- **All admitted participants** will be invited to bid for each specific contract
- No specific contract can be issued if an **admittance application is still pending**
- A specific contract will require information of a **technical and financial nature** only
- The specific contract will follow the **restricted procedure** from a procurement point of view, meaning that only those invited participants will be able to submit a bid. In terms of other procurement matters, the specific contract will be managed like a conventional tender in respect to:
  - A fixed deadline for submission of tender online through EPPS
  - Clear delineation of the award criteria (e.g. Cheapest Technically Compliant)
  - Evaluation Process
  - Notifications to successful/unsuccessful tenderers
  - Appeals procedure
  - Signing of a contract (Purchase Order or Letter of Engagement)

Responding to a Specific Contract

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PENDING

All participants invited to specific contract

Tender submission comprises only technical and financial information

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Interested participants submit their tender within set deadline for submission on EPPS

Mandatory and qualitative technical Requirements, write-ups, implementation plans, brochures/literature etc

Price and Financial Bid Form

Evaluation takes less time

Notifications to successful and unsuccessful bidders

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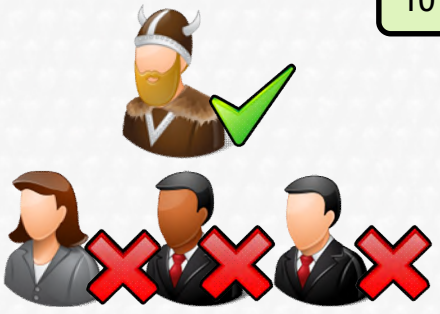

10 days appeals period

Specific contract signed

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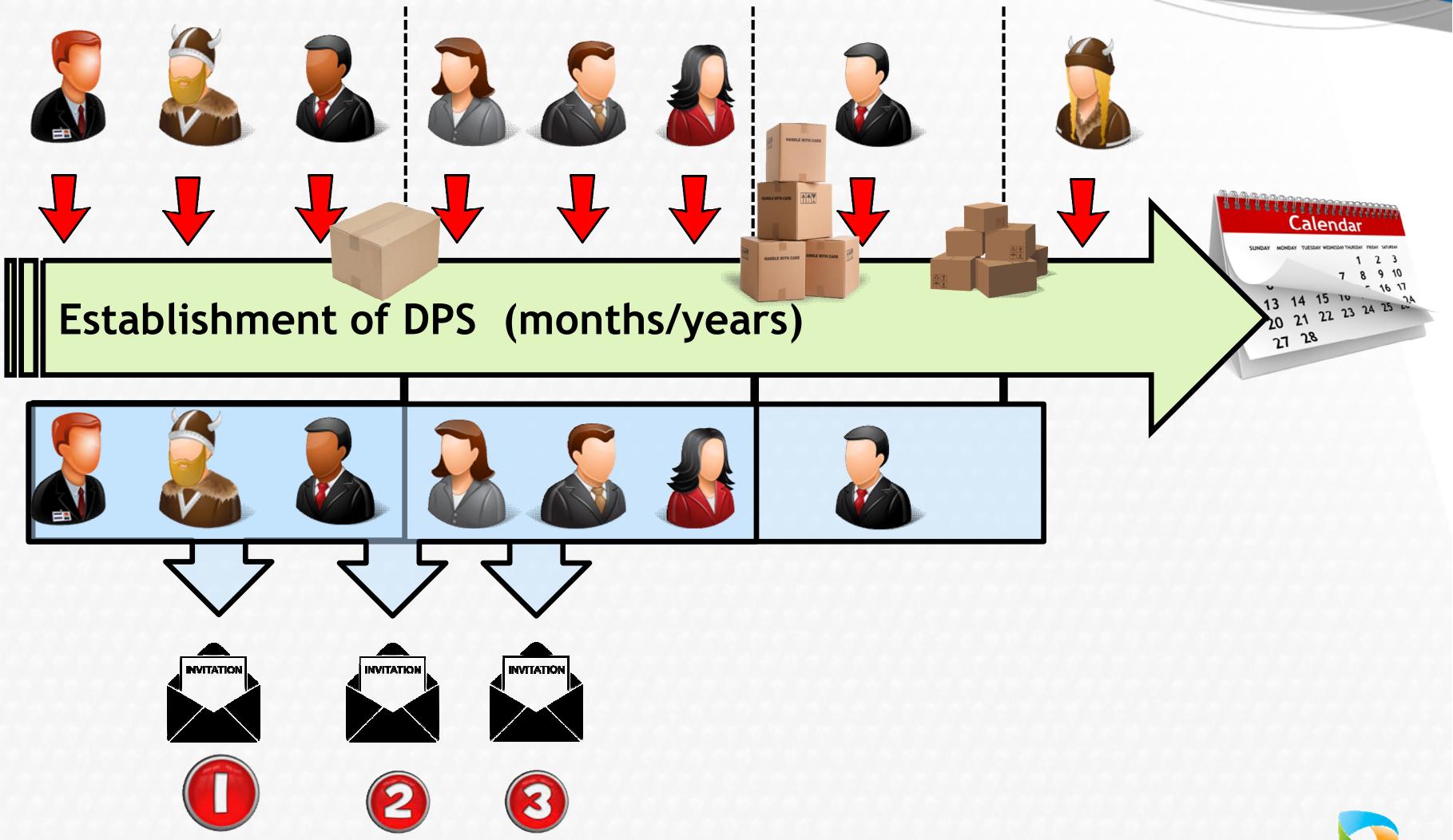
Invitations will be sent only to admitted participants



DPS Frequently Asked Questions (1/3)

Will admittance to a DPS be followed with the signing of a contract?

No. Admittance will be confirmed by means of electronic communication only.

Is the number of specific contracts that may be issued identified in the DPS?

No. But the DPS shall indicate the maximum (albeit not committed) aggregate value of the specific contracts envisaged for the total term of the DPS

Are there limits to the number of specific contracts that can be awarded to an individual admitted participant?

No. Each specific contract will be evaluated on its own merit.

Can specific contracts related to the same DPS be issued concurrently?

Yes, with each having its own requirements, quantities and timeframes.

Will specific contracts be visible to EOs who aren't admitted to a DPS?

No. Only admitted participants to the particular DPS will be invited to bid, and only these will be able to view specific contracts on EPPS.

DPS Frequently Asked Questions (2/3)

Can I be invited for a specific contract if I join the DPS after the invitation for that same specific contract has already been issued?

No. Only admitted participants to the DPS shall be invited to specific contracts, as at the day/time of the issuing of invitation of the same.

Will the specific contracts' contract term be the same as the DPS term?

No. Each specific contract will have its own contract term (duration), which will not necessarily be equivalent to the contract term of the DPS.

Do EOs need to submit a tender for each specific contract they are invited to?

No. The CPB will invite all admitted participants for each specific contract at the point of publication, however participants aren't obliged to tender.

If an EO fails the exclusion or selection stage, can it reapply later?

Yes. If the EO had failed the exclusion stage, it could reapply if the mandatory or discretionary exclusionary periods had ended, or if the EO had self-cleaned. If the EO didn't meet selection criteria, it could reapply if its circumstances changed, for example if it had newly available skills, experience or if something else which would change its answers to the selection criteria had occurred.

DPS Frequently Asked Questions (3/3)

Can a supplier be deselected from a DPS?

The CPB may, at any time during the period of validity of the DPS, require admitted participants to submit a renewed and updated self-declaration or European Single Procurement Document (ESPD) to confirm that the participants satisfy the exclusion criteria and selection requirements. The CPB may remove admitted participants from a DPS or refrain from inviting them to tender for specific contracts, if they fail to submit a renewed and updated self-declaration or ESPD, or it is evinced that the admitted participants have been blacklisted from participating in procurement procedures.

What procurement documentation relates to a DPS?

All documentation relating to a DPS will be available online through the EPPS, and will comprise:

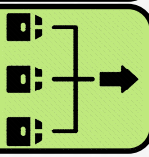
Where the DPS Establishment is concerned:

- *The General Rules Governing DPS (EPPS/Resources)*
- *The DPS Establishment Document and related documentation (EPPS DPS/CfT)*

Where specific contracts are concerned:

- *The General Rules Governing Tenders (EPPS/Resources)*
- *The Tender Documentation related to the specific contract (EPPS DPS Specific Contract/CfT)*

To recapitulate… The benefits of DPS

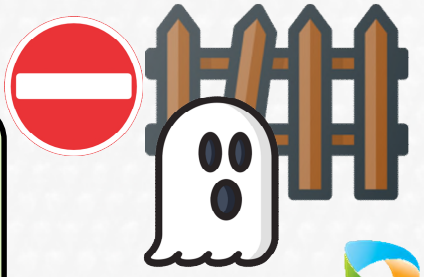
Suitability checked once	• EOs' **suitability to participate** (administrative evaluation) is only conducted **once** – when applying for being admitted to the DPS (with the possibility of being reverified during the DPS term)
No missing out from tenders	• EOs **won't be locked out/losing out** on other procurement opportunities of interest, unlike open and framework tenders, and will "have another chance" to win a contract
Invitation to contracts	• Admitted EOs will actually **be invited to specific contracts** (via EPPS) further reducing the risk of missing out on procurement opportunities of interest
Faster lead times	• Specific contracts will **only evaluate technical and financial elements**, and the receipt of responses **aren't bound with minimum time limits** (keeping in mind the principle of proportionality)
Increased competition	• DPS will bring about **increased competition** amongst EOs, and the CPBs/CAs will also benefit from this in terms of savings, quality and value-for-money
Aggregation 	• Possibility that **other Contracting Authorities effect their purchases** through DPS that have been established by CPBs

DPS for the Procurement of Printers and Scanners

As a CPB, MITA establishes DPS…

CAs can procure through the CPB's DPS by issuing their own Specific Contracts

… and manages first stage, that is the admittance of participants to the DPS



CAs can issue their own Specific contracts and invite admitted participants to submit their offer

DPS for Printers and Scanners: Overview (1)

- Simplification measure driven by the Office of the Prime Minister (OPM) – Office of the Permanent Secretary (Strategy & Implementation)
- A Letter-Circular shall soon be issued by OPM instructing Departments and Public Sector Entities to make use of this DPS
- The DPS shall be established by MITA
- All Government Contracting Authorities will be able to make use of this DPS, for the procurement of:
  - Stand-alone printers (monochrome/colour)
  - Multifunction printers
  - Network multifunction printers
  - Large-format printers
  - 3D printers
  - Stand-alone scanners (flatbed, sheetfed, book scanners)
  - Consumables such as toners, cartridges, and 3D printing material **but** excluding printing paper

DPS for Printers and Scanners: Overview (2)

- DPS term: 4 years, or until the budget of €500,000 is utilised
- Individual Specific Contracts may be valued between €5,000 and €139,000 net of VAT
- CAs shall manage Specific Contracts in accordance with their Ministry's procedure with regard to who shall be issuing the Specific Contract, seeking approvals, evaluation, adjudication, contract signing etc.
- Templates shall be made available to CAs in respect of Specific Contracts (Invitation Document), the technical specifications, financial form, and Purchase Order Letter/Letter of Engagement, including a harmonization of contractual terms and conditions, particularly with regards to post-implementation maintenance and support (where applicable)

DPS for Printers and Scanners: Responsibilities

- MITA shall be responsible for:
  - The establishment of the DPS (including publication in the OJEU)
  - The evaluation (eligibility and selection) and admission of participants
  - The inclusion of CAs into the DPS so that they will be able to issue SCs
  - Making available tendering and contracting templates
- Contracting Authorities shall be responsible for:
  - Drafting and issuing specific contracts through EPPS
  - Evaluating tenders, seek internal approvals, and issue the Award Recommendation and notifications to bidders
  - Managing the appeals procedure
  - Concluding the Contract
  - Committing and disbursing payments
  - Post-Contract management
  - Keeping the DPS within the EPPS up-to-date

DPS Admission: Eligibility and Selection Requirements

- Eligibility and Exclusion Criteria (online declarations through the EPPS submission)
- Agreement with the General Rules Governing Dynamic Purchasing Systems
- European Single Procurement Document (ESPD)
- Technical and Professional Ability
  - Value of services of a similar nature effected during the last 3 years from submitting the application, with evidence of meeting the minimum aggregated value for the quoted period

Specific Contracts: Invitation Document

- Drawn up in line with the below-threshold tender template
- Broad overview of CA's particular objectives and business need
- Includes the detailed requirements related to the specific contract (nature of purchase, type of equipment, quantities, specifications, terms of reference etc.)
- Includes normal tender deadlines (submission/answer of clarification requests, deadline for submission of tender, tender unlocking)
- Timelines and budget
- Methodology of evaluation
- Procedure for submission of appeals
- Contractual terms and conditions

Specific Contracts: Contractual Terms and Conditions

- Two contract templates will be provided:
  - **Purchase Order - PO** (for outright purchases)
  - **Letter of Engagement - LoE** (for leasing of equipment)
- These templates are to be used to ensure harmonization across SCs
- PO/LoE Templates will have specific sections that are to be filled in / removed when the SC contracts are being drafted and finalized
- Procurers to ensure to draft, review and upload the PO/LoE when issuing the SC invitation

Components of the PO/LoE templates

- Main text of PO/LoE:
  - **Term**: period of delivery of equipment, duration of Maintenance & Support
  - **Supply/Service**: Delivery, installation, testing; penalties for delay; documentation to be provided; provision of consumables and repairs; ownership and risks
  - **Charges and Payment Terms**: costs for the supplies/services
- PO/LoE Schedules and Appendices:
  - Purchase/Service requirements
  - General Terms and Conditions
  - Maintenance and Support Requirements (where applicable)
  - Performance Guarantee (where applicable)

PO/LoE: Delineation of Parties' Responsibilities

Contracting Authority	Contractor
▪ Contract Management ▪ Performance Monitoring ▪ Processing of Payments ▪ Performance Guarantee ▪ Police Conducts/Security Screening ▪ Post-Contract amendments ▪ Specific responsibilities	▪ Delivery of equipment (location) ▪ Installation and Commissioning ▪ Collection of equipment on contract termination (in case of leasing) ▪ Maintenance services including: o Preventive/Corrective Maintenance o Support Calls/replacement of parts o Replenishment of consumables o Availability of spare parts o Training of users (administrators, common users)

Any questions?

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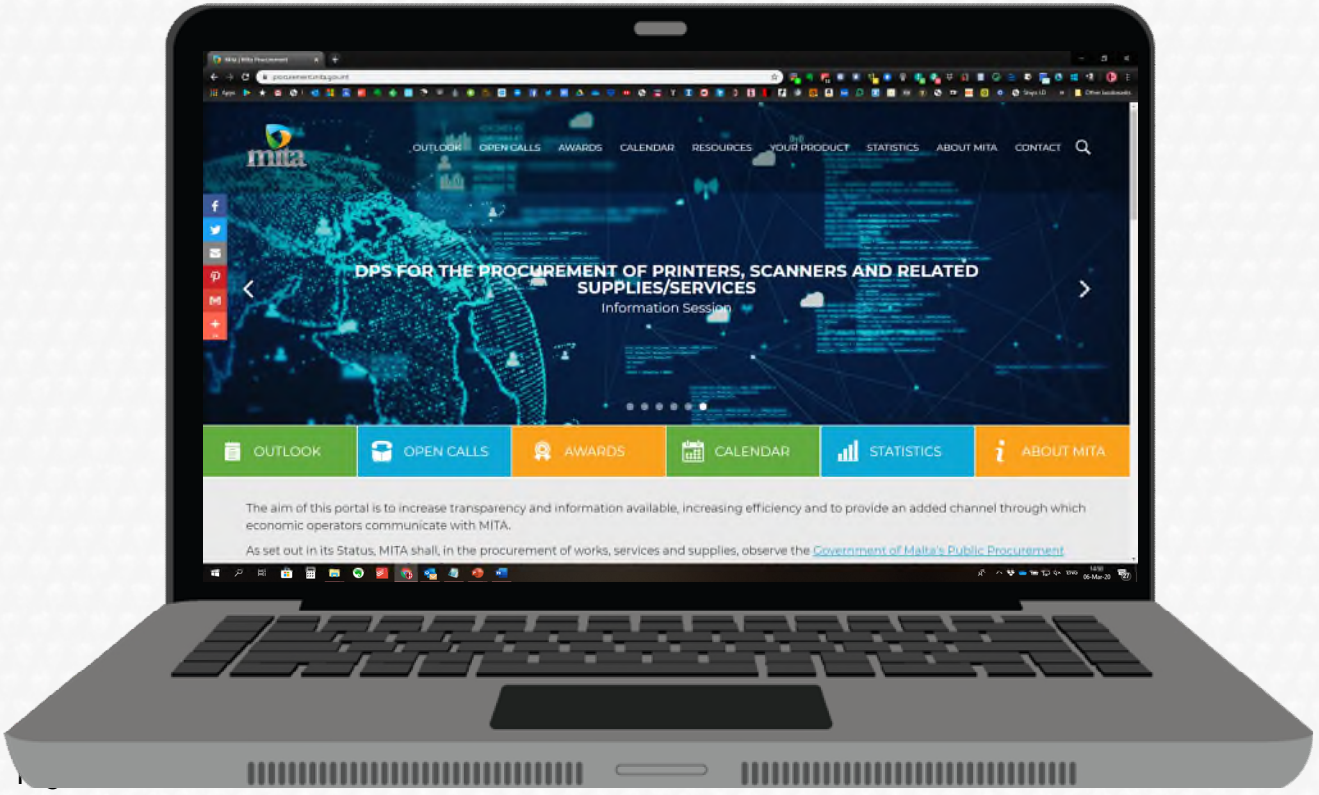
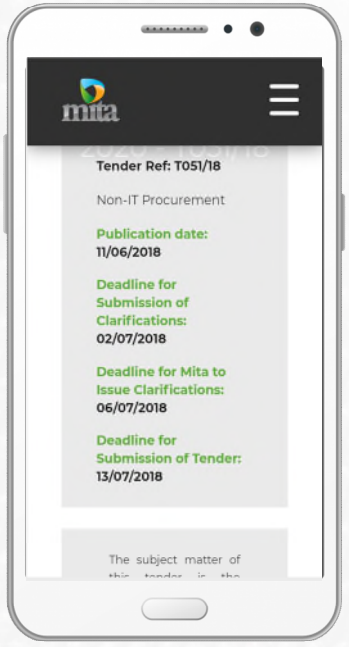
Stay up-to-date with MITA's public procurement activities
■ Outlook ■ New Tenders ■ Events ■ Resources ■ Email alerts





THANK YOU!

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DPS - Overview of the Procedure

- Notes