Call for tenders

Terms of reference

ESPON European Research Project

A Barometer on average income for European regions [BAROWEALTH]

Technical and administrative

Terms and conditions

ESPON EGTC
01 March 2023

Implementation Framework: The Single Operation within the ESPON 2030 Cooperation Programme implemented by the ESPON EGTC. The ESPON 2030 Monitoring Committee approved the Single Operation on 26 September 2022. The Single Operation is co-financed by the European Regional Development Fund via the ESPON 2030 Cooperation Programme.

This document details both the technical and administrative terms and conditions including its annexes and constitutes the dossier of this call for tenders. Its original is kept in the Contracting Authority's records and is the only version that is deemed authentic.

Key Information on the Procurement

Title	Barometer on average income for European regions
Procedure	EU Open
Contracting Authority	ESPON EGTC 11, Avenue John F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg
Type of contract	Service contract
Duration	21 months (18 months for contract implementation + 3 months for administrative closure)
Maximum available budget	EUR 450,000 (excluding VAT)
Place of delivery	Luxembourg
Lots	This tender is not divided into lots
Variants	Not permitted
Market access	Participation in this tender is open to all economic operators established in the European Union, the European Economic Area and third countries signatories to international agreements in the field of public procurement by which the EU is bound
Tender submission method	Electronic submission via the Luxembourg Public Procurement Portal (www.pmp.lu)
Deadline for sending requests for information And/or reporting errors, omissions, ambiguities, or discrepancies	**25 April 2023 at 9h59 CET**
Deadline for submission of tenders	**2 May 2023 at 10h00 CET**

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1 What is to be done? (Purpose of the contract)

The ESPON EGTC (Contracting Authority) is launching an open call for tenders to further build up ESPON's stock of research and provide new European territorial evidence in the framework of the ESPON 2030 Cooperation Programme. The call for tenders shall result in a European research project being implemented within the framework of the Thematic Action Plan: Perspective for all people and places.

The aim of this European research project is to design and deliver a European barometer, composed of new indicators measuring the long-term territorial evolution of household income at the subregional level, for the entire ESPON Programme area.

1.1 Context

The Treaty on the functioning of the European Union (art. 174) recalls that "the Union shall aim at reducing disparities between the levels of development of the various regions and the backwardness of the least favoured regions". However, this explicit goal does not come along with a clear indication at which level issues related to territorial disparities shall be captured, neither on how to measure the level of development of EU territories.

Regarding the first aspect, data availability determines the level of analysis, as indicators on regional GDP, household income, consumption expenditure or any other measure of economic development are in the best case available at NUTS2 level in a comparable way across Europe.

Back in 2014, ESPON was one of the first research organisations to map the "areas of risk of poverty and exclusion" (AROPE indicator) at the regional level. At the time, this was a major step forward in describing and analysing the situation for European households across regions and time. However, such an aggregated indicator applied to extensive geographic areas did not allow uncovering the reality of poverty and social exclusion at smaller geographic scales, where disparities could be better understood and where public policies are often implemented.

Against that background, ESPON aims at bridging this evidence gap by supporting the creation of new datasets and indicators able to capture long-term evolution of European household's standard of living conditions at the local level.

Regarding the second issue, studies dealing with territorial disparities or assessing the efficiency of Cohesion Policy almost exclusively consider the reduction of regional differences in gross domestic product (GDP) per capita[1] in purchasing power parities (PPP), which basically consists in analysing how much and where wealth is created. Together with gross national income per capita in PPP[2], these indicators have become extremely popular for approaching not only a region's level of economic development but also, according to their supporters, as a proxy for the income of the households.

[1] https://ec.europa.eu/eurostat/web/products-datasets/-/tec00114

[2] https://ec.europa.eu/eurostat/web/products-datasets/-/nama_10_pp

In a recent paper and address[3] to the high-level group reflecting on the future of Cohesion Policy, established by the European Commission, Michael Storper (London School of Economics and UCLA) recalled that another similar indicator - per capita personal income (PCI[4]), can be considered as a simple and robust operational guideline for policy making: "Development can be said to be taking place when PCI is increasing. When absolute levels of PCI are stagnant or declining, development is not occurring. PCI [...] has an extremely high correlation to most of the good things that we want from economic development".

The recently proposed concept of regional development traps[5], referring to regions that face significant structural challenges in retrieving past dynamism or improving prosperity for their residents, has used as a baseline GDP per capita, completed with indicators involving the economic productivity and employment performance. This approach which draws inspiration from the middle-income trap theory, while shedding light on higher-income countries and regional scale, identifies territories either in a development trap or at risk of falling into it.

Nevertheless, those indicators (PCI, development traps) are used to highlight development processes rather than attempting to understand better convergence or divergence trends and interregional inequalities. In a way, they take for granted that growth is the basic criterion for satisfying economic development and cohesion.

However, there is a long-standing dissatisfaction among researchers and policymakers with GDP per capita as an indicator of development because of the confusion it creates between the effective living conditions of the people and the wealth of the places they are living in. Actually, empirical studies are showing a growing divergence between economic growth and territorial development across and within regions[6]. The paradox comes in many countries from increasing interregional disparities in terms of growth – with a concentration around poles of development like major cities[7] - and a decrease in interregional disparities of household income.

One major drawback of GDP per capita as a welfare indicator (and its proxies like PCI) is its lack of sensitivity to the distribution of resources. This deficiency can have negative impacts on the understanding of the convergence process in standards of living between European regions when growth is associated with substantial changes in the distribution of income between territories. This issue becomes even more crucial if broader definitions of income are employed, that include the value of services provided by the welfare state.

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3 https://ec.europa.eu/regional_policy/policy/how/future-cohesion-policy_en

4 https://www.bea.gov/data/income-saving/personal-income-county-metro-and-other-areas

5 « The Regional Development Trap in Europe », Economic Geography 98,5 (2022). https://www.tandfonline.com/doi/full/10.1080/00130095.2022.2080655 (Andreas Diemer; Simona Iammarino; Andres Rodriguez-Pose; Michael Storper)

6 See for instance : **Williamson, J. G**. (1965). Regional inequality and the process of national development: A description of the patterns. **Krugman, P**. (1991). Increasing returns and economic geography. **Felice, E. & Vecchi, G.** (2015). Italy's growth and decline, 1861–2011. **Enflo, K. & Rosés, J. R.** (2015). Coping with regional inequality in Sweden: Structural change, migrations, and policy. **Garbinti, B. & Goupille-Lebret, J.** (2019). Income and wealth inequality in France: Developments and links over the long term.

7 Major metropolitan areas, and especially capital cities, represent specific cases in which differences between GDP per capita and income per capita are also explained by daily commuting in and out the administrative boundaries of the area. In general, as the average size of NUTS vary between countries, such differences can also be partly due to these geographical variations.

Taking the above into consideration, a consensus emerged that growth in GDP per capita is necessary but not sufficient an indicator and that a new and complementary indicator allowing a comprehensive assessment of the income of households at the local level would be relevant to capture territorial development patterns in Europe in a more comprehensive way.

There are several existing datasets which provide comparative data on incomes and living conditions, such as the European Union Statistics on Income and Living Conditions (EU-SILC), the Standardised World Income Inequality Database (SWIID,), the income inequality indicator by the OECD, the World by Income by the World Bank. Most of them propose information on household income but the finest spatial unit of analysis remains either the country level or, at best, the regional level (NUTS2 in Eurostat classification).

Already in 2014, the ESPON TIPSE project (Territorial Dimension of Poverty and Social Exclusion in Europe) was describing regional patterns of poverty and social exclusion across the ESPON space, considering how these could be better monitored, and the general implications for the design and implementation of cohesion policy. The analysis provided new evidence concerning the urban-rural divide, pointing to differentiated profiles between old and new EU member states, taking into account dimensions as remoteness or connectivity. Against that backdrop, the project highlighted that more spatially disaggregated and comprehensive data were needed in order to understand the territorial processes of poverty and exclusion and to monitor their evolution along time.

It was one of the first comprehensive and systematic attempt to map (NUTS 3) regional patterns of poverty and social exclusion across Europe. Regional ARoPE rate maps were provided for all but a small number of countries in the ESPON space, revealing, for the first time, important patterns of geographical variation.

More recently, the IMAJINE project, funded under the EU Horizon 2020 programme (Integrative mechanisms for addressing spatial justice and territorial inequalities in Europe, 2022), examined the patterns and dynamics of territorial inequalities in Europe and contributed towards formulating new mechanisms that can enable European, national and regional governance agencies to more effectively address these inequalities and promote cohesion and spatial justice. The evidence and analyses drawn in this project include, in particular, an econometric analysis of regional data on indicators of inequality including GDP per capita, household income, population at risk of poverty or social exclusion (AROPE), unemployment, and education.

The project stance was that as "income carries a large weight in the level of wellbeing and life satisfaction both at individual and also at territorial level, it is therefore considered a good indicator of economic welfare and development". However, the studies[8] that attempted to analyse interregional income inequalities used NUTS2 as the spatial unit of analysis as there was no European-wide official data on average income or GDP beyond that spatial level.

Against that background, the IMAJINE Project engaged in data collection at local level, with the support of national statistical institutes in the different Member States as to econometrically estimate figures at local level (when such information was available at regional level but not available at local level). The methodology used a Generalised Cross Entropy estimator to solve the problem of spatial disaggregation, similar to the approach in Bernardini-Papalia and Fernandez-Vazquez (2018) for small area estimation, exploiting auxiliary information related to observable population variables and adjusting them for consistency. It resulted in consistent estimates of average household income at the local level for a broad range of European countries.

This effort represented a major step forward, however, it made use of estimations and datasets which did not go further than 2013.

[8] Bouvet, 2010, Lessman, 2014, Jovancevic et al, 2015

1.2 Objectives

One of the ambitions of the ESPON Thematic Action Plan "Perspective for all people and places" is to feed the research and the policy debate with new territorial evidence on spatial inequalities and social justice.

Over the last decade, great concern has been expressed at the prospect of rising inequality between EU countries and also within individual countries. The emergence of the so-called "geography of discontent" witnessed the growing interest in better understanding the linkages between spatial inequalities and political protests.

As a matter of fact, the level and the evolution of the income of a given region is not sufficient to understand and explain neither possible development traps nor the actual perception of welfare. In that context, the impact on the welfare is also conditioned by the interpersonal income distribution of the region.

Some authors[9] share the idea that the "goldilocks zone" for income distribution – which would favour political stability, problem-solving, happiness and social welfare, while maintaining high incentives for innovation and dynamism -- is a Gini coefficient on income in the neighbourhood of 0.30-0.35, whether before or after social transfers.

The European Commission 8th Cohesion Report states that the EU Cohesion Policy has had an impact in narrowing interregional inequalities. However, as highlighted in the above mentioned IMAJINE project, the impacts have been territorially asymmetric and have varied over time:

- In the former EU15 (pre-2004) member states, higher levels of European Structural Investment Funds are associated with a narrowing of inequalities within regions but have had less effect on regional economic growth.
- In the new (post-2004) member states, European Structural Investment Funds have positively influenced regional economic growth but have also exacerbated inequalities within regions.
- National fiscal transfer policies have also been important in reducing inequalities, as tax and benefits policies are efficient in terms of poverty reduction at the local level and often, as well, in mitigating regional inequalities.

As intraregional inequalities are frequently more significant than interregional inequalities, and different spatial patterns of inequalities emerge if different indicators are employed, a more integrated and geographically focused approach to measuring and targeting spatial inequalities is expected in order to inform public policies and territorial strategies.

Indeed, the focus on GDP per capita as the primary indicator of inequality in EU regional policy highlight the priority given to economic growth and contributes to a limited understanding of societal wellbeing and territorial development. This focus tends to set aside the issue of accessibility to services and resources for the population which remain primary concerns raised by national and regional stakeholders.

Moreover, this focus prevents capturing the specific context of individual regions or the endogenous resources available to them.

A better understanding of household income shall allow to differentiate regional development paths and confirm the diversity of territorial patterns in Europe (e.g.: rich territories / poor population vs poor territories / rich population).

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[9] See https://ec.europa.eu/regional_policy/policy/how/future-cohesion-policy_en

Last but not the least, providing a new indicator on average subregional income shall allow policy makers at different territorial levels to better evaluate the impact of policy interventions (e.g. tax and benefit policies, pensions, health, education, etc.), which are often a major blind spot in territorial studies.

The geography of wealth, poverty and inequalities between people and places has been shaped for decades in Europe by massive – and more or less invisible – flows of money, redistributed to households thanks to the European welfare states model.

With the ambition of providing a better understanding of these mechanisms and new guidelines for policy making, this project shall feed the policy debate on the future of Cohesion Policy as well as the research discussion on long-term socio-economic convergence between European people and places.

The main objectives of this European Research Project are therefore:

- to collect data across European countries and to build a new indicator depicting average household income at the subregional level,
- to compare long-term evolutions of localised household income, growth and inequalities,
- to provide guidelines to policy makers for strengthening cohesion policies and socio-economic convergence at the different territorial levels (EU, national, local),
- and finally to set up the methodological framework for a new European barometer making these analyses publicly available and updated on a regular basis.

Doing so, the project will seek to answer the following policy questions:

- Growth and income are not necessarily converging across the European regions: what are the observed long-term geographical patterns of convergence and/or divergence? How can they be explained and monitored over the time?
- Europe social and economic model (versus the USA or China), including massive redistributive policies and robust public services, has limited the certain kinds of territorial inequalities: which are the policy frameworks with the highest impacts on primary territorial inequalities? Are fiscal policies an efficient instrument in reducing regional inequalities?
- Can EU structural funding contribute to reducing income inequalities as well as growth disparities?

The geographical coverage of the study shall encompass all EU member countries and partner states participating in the ESPON 2030 Cooperation Programme[10]. Where relevant, feasible and data available, the study shall also cover the United Kingdom and the EU's Candidate and Potential Candidate countries.

The analysis shall focus on data at the subregional level (at least NUTS3 level).

[10] The 27 members of the European Union, Iceland, Lichtenstein, Norway and Switzerland.

1.3 Description of tasks

In pursuit of the objective and policy questions described above, the following tasks shall be carried out within the framework of this European research project. Tenderers are requested to describe how they intend to implement the following tasks and to include in their technical proposal:

- a description of their foreseen organisation and planning,
- detailing of the proposed deliveries and how each task interacts,
- explanation on how the necessary resources shall be broken down between the different tasks.

The following tasks provide an overall framework foreseen for the delivery of the project objectives and answers to the foregoing policy questions, but can be broken down into sub-tasks or reorganised as the tenderer deems appropriate, consistent with their preferred methodological approach.

1.3.1 Task 1: Develop the conceptual framework

Main concepts and research strategy, as well as an explanation on how the project will benefit from/and use the existing evidence, should already be presented in the technical offer. The offer shall also highlight how the findings from existing research and the work of the key international institutions will be taken into account in order to achieve the objectives of the project.

In general terms, this task aims at further elaborating the conceptual framework proposed by the tenderer in their offer to deliver a new European Barometer on household income at the subregional level.

This task should commence with a bibliographic analysis of the household income concept and with an academic literature review, including the fields of income inequality and regional convergence and divergence processes. It should refer to how the concept is being applied and interpreted in official EU, national or transnational policy discourses, with a specific focus on a representational sample of the most high-level and influential policies. Following up on this critical review of the literature, the service provider shall develop and propose a method which addresses at least the following:

- **The data to be considered** (e.g. localised income data before and after tax, localised growth, Gini coefficient or equivalent, etc.), its format and accessibility for the ESPON countries[11]. As the analysis will look at long-term trends, it is important to describe the suggested time span.
- **The data collection process**, including clear indication on the approach to ensure a geographical coverage of the whole ESPON Programme area. This should include identification of data sources for all countries. In case of missing data for some countries and/or finest data available for others, the tender shall already indicate how this would be addressed within the timeframe of the project. In case, no immediate solution is proposed for ensuring a full geographical coverage in the framework of the project, the service provider is expected to detail feasible solutions to be implemented at the occasion of future update of the barometer.
- **The methodological choices for building the indicators which will be included in the barometer**. The purpose of the indicators shall be to populate a practical and workable "European Barometer" (see Task 4), which can support the design of more effective policies to enhance socio-economic convergence. The list of these indicators shall be agreed by the ESPON EGTC. The tender shall already indicate how the service provider intends to proceed for selecting and discussing the prospective list of indicators with the EGTC.
- **The analyses to be performed** in order to answer the policy questions.

[11] See page 9

- **The approach for delivering a European Barometer**. This comprehends a proposal for the content and the design of this barometer, which shall include a built-in communicative dimension to ensure an appropriate presentation of the indicators and key outcomes of the analysis to both policy and academic spheres at the EU and national levels. The tenderer shall provide details on the nature of this delivery already in the technical offer and can propose various visualisation formats in that regard.
- **The method to ensure the reproducibility of the approach at a regular time span.** The ESPON EGTC aims at publishing this new barometer on a regular basis (with the time span to be defined). In order to do so, the service provider is expected to propose an approach that can combine both internal and outsourced expertise. The proposal shall include technical and financial details as well as all data sources, sources files, contact details and practical information to ensure a realistic (technical wise) and feasible (budget wise) update of the barometer at later stage.

1.3.2 Task 2: Building the database

As one key outcome of the project, this task shall provide new territorial evidence on household income at the subregional level, by delving into the **data collection process**. The service provider is expected to perform this task by identifying and **gathering the proper data sources in each ESPON country** (cf. task 1).

Although data may come from different sources and measures of income be different depending on the countries, the service provider is expected to propose solution(s) to overcome this issue and deliver a database composed of comparable indicators. This might indicatively come from open data sources, administrative sources, fiscal datasets, microdata, etc. The service provider shall consider that some of these data might require special authorisation to be accessed.

The objective is to build **a database covering the period from 2004** (date of the enlargement to most central and eastern European countries) **until the latest years (minimum 2021) for the whole ESPON Programme area**. In addition, the service provider is requested to **provide data from 1980 onwards for as many countries as possible**. Where the relevant data is missing, recommendations should be made as to support their collection for future updates of the barometer.

As part of this task, the service provider shall deliver a plan to ensure a reproducible data collection process by the ESPON EGTC.

1.3.3 Task 3: Analysis and mapping of long-term trends of household income at subregional level

The aim of this task is to describe the main trends of household income over the years and the ESPON countries, comparing their evolution with the evolution of growth and territorial inequalities at subregional levels.

The service provider shall use the sets of indicators agreed upon in the first task and measure or **capture the specific territorial patterns** in order to present a more detailed and nuanced perspective, deepening the understanding, but also enabling a comparative approach, pinpointing common or divergent paths.

The analysis of the data should produce a detailed overview, analysing the **heterogeneity of dynamics** regarding household income**, impact of fiscal policies, changes in inequalities and convergence processes.**

The outcome of the analysis shall highlight policy recommendations for stakeholders at EU, national and regional levels as to enhance socio-economic convergence and reduce territorial inequalities.

Analyses delivered under this task shall be integrated in **a report** presenting the complete results **as well as in interactive or animated data and maps visualisations** (e.g. dashboards, storymaps, infographics, video clips…), as agreed with the ESPON EGTC. The tenderer shall provide prospective details of the nature and format of this analysis and consequent deliveries in their technical offer with the objective of easily disseminating the outputs to as wide a range of policy stakeholders as possible, including non-experts, in an easily comprehensible manner.

1.3.4 Task 4: Delivering a new European Barometer on household income at subregional level

This task aims at delivering the results of the analysis in the format of a European Barometer. The tenderer can propose the format that they deem most appropriate. Should part of the proposal include web-based dashboard solutions (including all back-end/front-end technical material), the tenderer shall describe in their technical offer the experience (including skills of the involved staff) in developing similar "dashboards" for searching, browsing and extracting interactive data visualisation alongside their proposed methodology for delivery. Besides interactive datasets, the Barometer shall also include key messages out of the analysis, and guidelines for policy makers at different territorial levels (EU, national, regional).

This should, with the allied objective of avoiding overlap and over-proliferation of different dashboards, be technically compatible, and capable of being integrated, with the software currently being operated by the ESPON EGTC (See Section 1.4.2.3). Here also, the service provider should develop a strong working partnership with the ESPON EGTC. Tenderers are free to propose, in their technical offer, deviations from, or innovative approaches to, the scope of this task, and innovative proposals and deliveries will be most positively evaluated as per the award criteria described in Section 4.5.

1.4 Expected outputs and deliveries

The following outputs and deliveries shall be provided covering the tasks of the requested service as specified above in section 1.3.

1.4.1 Expected outputs

The main outputs of the service shall be:

- A robust methodological approach for developing a database of average income at sub-regional level.
- Collection of all necessary datasets across the ESPON countries with the aim to cover at least the period 2004 – 2021, and 1980-2021 for as many countries as possible.
- A European Barometer presenting in an interactive way a set of indicators, the key results of the research and policy guidelines
- All the necessary technical, financial and practical recommendations to ensure an update of the barometer within the next 5 years.
- Data and interactive maps and graphs resulting from the research and provided in the format compatible with the environment of the ESPON Portal.

1.4.2 Deliveries

The technical offer shall include a description of the format and the content of all deliveries according to the methodological and project management approach that the tenderer proposes to implement. Therefore, it is at the discretion of the tenderer to indicate in their technical offer which task(s) each delivery shall respond to, either wholly or partially, and to organise the timing, workflow and the content of the deliveries accordingly.

In this regard, the selected service provider is requested to submit at least 4 predefined deliveries, linked to foreseen staged payments in the contract (three interim and one final payment):

- One inception delivery
- Two progress reports
- One final delivery

The table presented in Section 1.5.2 below indicates the foreseen indicative time schedule for these four predefined deliveries. Tenderers are free propose, in their technical offer, deviations from this time schedule based on their organisation of the tasks.

The technical offer shall also indicate the time schedule for any other intermediary deliveries proposed by the tenderer, as appropriate.

During the contract implementation, based on the project's progress, risk assessment, stakeholders' inputs and service provider's performance, the contracting authority may request an adaptation of the time schedule and the content of the proposed intermediary deliveries.

1.4.2.1 Predefined deliveries

A. An inception delivery containing at least:

- Report (approximately 30 pages, excluding annexes) including:
    - Detailed description of the theoretical/methodological framework to be applied, including a comprehensive literature review.
    - A strategy related to the data collection process with the key European and national institutions and other data providers.
    - Overview and evaluation of validity, comparability and times series of data and data sources to be used (NUTS3) and a strategy for overcoming potential challenges in relation to data collection, data harmonisation, missing data and data estimation.
    - Initial recommendations for the selection criteria to identify the indicators to be included in the Barometer
    - Plan for the design and the development of the future barometer.
    - Plan for delivering a fully reproducible methodology.
- Updated work plan presenting the next steps foreseen in the project's implementation, including meetings with selected target groups.
- Description of the format and content of the next intermediary deliveries.

B. A final delivery containing at least:

- Final main report (40 to 80 pages), including:
  - Comprehensive account of the concept of household income at subregional level developed during the implementation of this European research project and its associated policy framework for implementation (cf. Task 1).
  - Analysis of pan-European trends and specific territorial patterns applying the concept developed, indicators/typologies and data gathered (Task 2/3).
  - Recommendations for policy and future research arising from the research (Task 3).
- Scientific annexes, including:
  - Elaborated description of the methodological approach applied, including the data collection process (Task 1, 2, 3).
  - Detailed account of the final version of the barometer (Task 4).
- Handbook with complete instructions for updating the barometer.
- Presentation of the research results in the format and specific form agreed with the ESPON EGTC[12] and – whenever related to maps and other interactive forms of data visualisation - compatible with the environment of the ESPON Portal.
- Data, maps and figures:
  - Source files for the maps and figures (incl. map project/design and vector formats).
  - Spatial data with attribute tables (e.g. shapefiles, geodatabases), for all the static and interactive web-maps, dashboards or apps.
  - Data gathered according to the ESPON metadata template, corresponding to the principles of ESPON data strategy and integration of the collected data in the ESPON database, in cooperation with the ESPON EGTC.

C. Two progress reports

In addition to the above, the service provider will be requested to submit two progress reports, corresponding to foreseen interim payments in the contract.

Those brief reports (max. 10 pages) shall provide an overview on the progress of the implementation of the project, highlighting the status of the different tasks and the challenges and risks associated for the good achievement of the research. Furthermore, the reports shall list the meetings held and the intermediate deliveries submitted between the progress reports.

The service provider will receive written feedback from the ESPON EGTC on each mandatory delivery (inception, final and progress reports) including approval or request for revision and/or addressing identified challenges (indicatively within two weeks after receiving them and one month for the final delivery).

[12] *This involves the concise and easy-to-grasp summary of overall research findings in an analogue or digital format by means of (a non-exhaustive list of forms): policy brief, infographics, dashboard, story map, simple video clip, apps, etc.)*

1.4.2.2 Intermediary deliveries

In addition to the predefined deliveries, service providers are expected to provide intermediary deliveries. These can take different forms, depending on the profile and content of the requested tasks. Their exact quantity, format and content shall be proposed in the technical offer, then agreed between the ESPON EGTC and the service provider at the kick off meeting. They shall be submitted on a scheduled basis corresponding to the progress of the implementation of the different tasks described above (see sections 1.3).

While leaving freedom to the tenderers to define the intermediary deliveries in their technical offer, the compulsory elements of the intermediary deliveries are: the data resource that shall be steadily acquired processed and submitted to the ESPON EGTC, a detailed overview of the data collection process and data structure, and adjustments related to the data strategy when necessary (see dedicated section about data delivery process below).

The service provider will receive feedback from the ESPON EGTC on each delivery.

1.4.2.3 Data delivery process and digital deliveries

Data and data visualisations are an integral part of all the above-mentioned deliveries. When it comes to data deliveries, it is important to document and provide associating metadata and all the data necessary that would allow the reproduction of the results. It is also crucial to keep the potential reuse of data in mind when collecting and structuring them. Therefore, detailed spatiotemporal granularity is to be considered. Visualisations need to be adapted both for static representation in reports as well as interactive web-based content. The project is expected to deliver both static and interactive web-based maps and figures, and in the case of this ERP, a dashboard using applications or similar, suitable for ESPON website and Portal[13].

The data and (web)maps and/or any other relevant interactive content mentioned above shall be delivered and integrated throughout the implementation of the project as they are completed, finalised and agreed with the ESPON EGTC.

The ESPON Portal is built upon a software system for web-based GIS, powering mapping and visualisation, analytics, and data management. It is the backbone for creating and running the interactive web-maps, data stories, dashboards and any custom GIS applications the European Research Project may propose or what ESPON may request. Hence, all proposed/requested interactive visualisations or solutions must be compatible with the system. Access to the environment can be provided by ESPON.

1.4.3 Common requirements for all deliveries

All data should be delivered in electronic (editable) format. Furthermore, the text (whatever the format of the delivery, as relevant) should be subject to a thorough language check, preferably by an English native speaker.

The ESPON EGTC will provide the generic templates for the maps, however, the Service Provider shall adjust the templates if necessary, depending on the geographic extent or the relevant peculiarities.

13 https://gis-portal.espon.eu/arcgis/apps/sites/#/espon-hub

1.5 Project management

1.5.1 Mandatory meetings foreseen during the contract implementation

The Service Provider shall ensure participation (at least one team representative) in all mandatory meetings mentioned below. Costs related to these meetings need to be included in the financial offer for this service. No other expenses will be paid by the Contracting Authority to the Service Provider.

Most of these meetings can be held online to avoid associated travel costs, carbon emissions and time. In the case of a physical meeting (up to 4 physical meetings shall be organised during the lifetime of the project) and will normally take place at the ESPON EGTC's premises in Luxembourg. However, meetings may also take place at other suitable, convenient locations, upon agreement between the Service Provider and the ESPON EGTC.

1.5.1.1 Kick-off meeting

The project kick-off meeting will consist of a general presentation and dialogue regarding the objectives and tasks of the activity between the ESPON EGTC and selected Service Provider on the basis of the tender offer submitted. The meeting will also more precisely address the organisation of the project tasks, any intermediary deliveries and administrative/contractual arrangements.

The Service Provider will also receive guidelines on how to use the ESPON portal interface for data delivery and digital deliveries, on how to design the maps in line with the main elements of the ESPON layout, as well as all relevant information concerning the proper application of the ESPON corporate identity.

1.5.1.2 Coordination meetings

Project coordination meetings shall be organised to discuss the progress on the implementation of the service contract, the deliveries submitted and to provide feedback. They shall take place on a regular basis and by common agreement between the Service Provider and the ESPON EGTC. The agenda and duration of these coordination meetings shall be agreed in advance and written minutes shall be prepared by the Service Provider to document key decision points and shared with the ESPON EGTC after each meeting.

1.5.1.3 Steering Committee meetings

Partnership and cooperation are central to the implementation of ESPON ERPs and are prerequisites for ensuring useful results and effective policy uptake. The successful accomplishment of the objectives of this project will be achieved by proactive participation between selected stakeholders, the ESPON EGTC and the Service Provider at each and every stage of the implementation.

To allow for a framework that facilitates successful cooperation, a Steering Committee shall be established by the ESPON EGTC for the lifetime of this ERP. The main purpose of the Steering Committee is to ensure the involvement and active participation of policy stakeholders in the implementation and steering of the project and to safeguard the policy relevance of project outputs for the stakeholders.

The objectives of the Steering Committee meetings are, as follows:

- To closely follow and advise the implementation of the research, making sure that it meets both research objectives and policy demands.
- To discuss and give feedback to deliveries from the Service Provider and provide guidance for the subsequent steps of the research and service contract implementation.

- To discuss and agree upon how to deliver - at each stage of the implementation – the results of the research to selected target groups.

The composition of the Steering Committee will be defined by the ESPON EGTC and communicated to the Service Provider. External stakeholders (e.g. representatives of the ESPON Monitoring Committee) and/or relevant organisations may take part in the Steering Committee. Based on their analysis, the Service Provider may recommend suitable candidates to sit on the Steering Committee.

Indicatively, four steering committee meetings shall be foreseen.

- The first meeting shall take place ca. 1 month after the kick-off meeting, preferably as a physical meeting.
- The timing and location of the other Steering Committee meetings will be discussed and agreed during the kick-off meeting and may be amended during the project implementation, as necessary.

1.5.2 Indicative time schedule

The table below presents the indicative time schedule for the predefined deliveries and kick-off and steering committee meetings. Deviations from this indicative time scheduled are permissible and, as described in Section 1.3, the prospective service provider should provide details of their scheduled timing of all deliveries in their technical offer.

The exact deadlines for the predefined deliveries as well as indicative time schedule for all other intermediary deliveries and for coordination and steering committee meetings will be agreed during the kick-off meeting.

The minutes of the kick-off meeting containing a record of the agreed dates will be signed by the representatives of both the Service Provider and the ESPON EGTC and will be subject to Article 4 - "Performance of the contract and subcontracting" of the service contract.

Meetings	Predefined deliveries	Indicative deadline[14]
Kick-off		As soon as possible (and normally within 2 weeks) after the award of the contract
	Inception Delivery	T +1 months
1st Steering Committee		T + 2 months
	Progress report 1	T + 4 months
2nd Steering Committee		T + 6 months
	Progress report 2	T + 9 months
3rd Steering Committee		T + 12 months
	Final Delivery	T + 16 months
Final Steering Committee		T + 17 months

[14] The letter "T" in this table stands for the date of the kick-off meeting. Timeframes are indicative.

1.6 Competences and skills required

The service provider must have proven, European/transnational scale research expertise and multidisciplinary experience relevant to contract matter in order to ensure the successful implementation of the service. The competence and experience of the service provider within the fields outlined below shall be clearly demonstrated and documented, as requested in Sections 3 and 4.

- Proven experience in studies addressing territorial development issues, including experience from policy-relevant and comparative analyses, preferably with a European or transnational coverage and including multi-disciplinary approaches.
- At least three of the proposed team members of the Service Provider shall have at least five years of research experience and academic background in the field of expertise and knowledge related to European territorial development policy, including peer reviewed published research in subject matters related to the theme of the project (e.g. demography, econometrics…).
- Advanced GIS and web-based GIS, and data visualisation skills (QGIS, ArcGIS or equivalent) to carry out the necessary analytical work on the data resource, configure ESPON mapping templates when necessary, and present the research results in the digital format both in static and interactive manner by means of the forms agreed with the ESPON EGTC (e.g. maps, figures, webmaps, dashboards, story maps, infographics, simple video clips, apps, etc.
- Specific experience in technically constructing pre-configured web-based dashboards for searching, browsing and extracting interactive data visualisations.
- Advanced data management, data quality checking, statistics, statistical programming skills (R, Python or equivalent). ESPON emphasises the importance of data quality, and highlights the complexity of data sourcing, harmonisation, data gap filling, especially when dealing with innovative, non-conventional or multitude of sources.
- At least two of the proposed team of experts shall have at least five years of experience and academic background in the fields of computer science, data collection and management, data quality check, web-based GIS and statistics.
- At least one member with a communication/journalistic background and experience in visualising and presenting research findings in an easy-to-grasp way.
- Team members shall demonstrate a very good linguistic ability to draft and communicate research findings in high-quality English.

2 Conditions of execution of the contract

2.1 Contractual framework

By order of priority, the conditions of performance of the contract are governed by:

1. These Terms of reference with all its appendices and annexes
2. The draft model service contract
3. The contract notice
4. All responses and corrections provided during the tendering process
5. The successful tenderer's tender with all its annexes as accepted by the ESPON EGTC

These documents constitute the complete procurement documents for this call for tenders. However, Economic operators are invited to regularly check the Luxembourg Public Procurement Portal website where any additional information or clarifications concerning this procedure will be made available.

The contract shall be concluded by the signature of the Contracting Authority on the service contract.

By submitting a tender, tenderers accept in full all the clauses of the Terms of reference and its annexes. Under no circumstances, and under penalty of exclusion, is the tenderer permitted to modify the Terms of reference or any of its annexes. The application of the tenderers' general or special conditions is excluded.

2.2 Duration of the contract

The contract is expected to be signed in the first half of 2023 and shall have a duration of 21 months, 18 months for the implementation of the service contract and 3 months for the administrative closure.

The contract duration may be extended in case of modification of the contract (c.f. §2.10).

2.3 Lots

The contract consists of one single lot.

The nature of the services to be provided within the context of this tender does not justify the need to split the market.

2.4 Variants

Variants are not accepted.

2.5 Available budget

The maximum available budget for this contract is **EUR 450,000.00 (four hundred fifty thousand Euros),** EXCLUSIVE of VAT but inclusive of all other taxes, disbursements, travel, accommodation and delivery costs.

2.6 Main terms for invoicing and payments

Payments shall be executed only if the selected service provider has fulfilled all its contractual obligations by the date on which the invoice is submitted. Payment requests may not be made if payments for previous periods have not been executed as a result of default or negligence on the part of the service provider.

The payments to the service provider shall be made as follows:

- Three interim payments for service provisions related to predefined deliveries n°1, 2 and 3 shall be admissible. These interim payments shall amount to respectively a maximum of 30%, 20% and 30% of the total contracted value, excluding VAT.

  Interim payments shall be processed upon submission of related invoices and after formal approval of the relevant contractual obligations by the contracting authority.

- One final payment of the balance of the contract value shall be processed once all requested deliveries have been approved by the contracting authority, accompanied by the relevant invoice.

The payment shall be made by bank transfer within 30 days after the approval of the deliveries and the presentation of the invoice.

ELECTRONIC INVOICES

Please note that by the time of the contract implementation all companies must issue and transmit electronic invoices complying with:

- the latest European standard; and
- one of the following 2 formats:
  - XML UBL (Universal Business Language), as defined by ISO/IEC 19845:2015, and maintained by the non-profit organisation OASIS Open;
  - XML UN/CEFACT CII (Cross Industry Invoice), developed by UN/CEFACT based on the XML 16B (SCRDM — CII) schemas.

Use of the Peppol[15] network

Tendering authorities and entities **must use the Peppol** (Pan-European Public Procurement OnLine) network to automatically receive electronic invoices. The network can also be used to automatically issue and send electronic invoices.
Economic operators have a **range of options** in order to be able to issue and send compliant electronic invoices through Peppol:

- renting a Peppol access point from one of the numerous specialist service providers[16] already active in this field;
- establishing their own Peppol access point: for organisations of a certain size which have:
  - their own, experienced IT department; and
  - sufficient resources;
- using one of the invoicing and accounting tools (ERP software) that offers Peppol invoicing by default.

[15] https://peppol.eu/what-is-peppol/

[16] https://peppol.eu/who-is-who/peppol-certified-aps/

2.7 Applicable Language

Pursuant to Article 10 of ESPON EGTC' statutes, the official language of ESPON EGTC is English. Therefore, the tender, all oral and written communication, all activities during the execution of the contract, as well as all services delivered must be in English language.

2.8 Ownership of results

Unless otherwise provided in the present service contract and its annexes, ownership, title, industrial and intellectual property rights resulting from the operation, results, reports and other documents related to the implementation of the present service contract shall be solely owned by the ESPON EGTC. They may use, publish, assign or transfer them as they see fit, without limitation, except where industrial or intellectual property rights exist prior to the service contract related to this tender.

Notwithstanding the provisions of the previous paragraph, the Service Provider and the ESPON EGTC shall find individual arrangements in cases where the intellectual property rights already exist and are owned by third parties.

The Service Provider acting in its own name and potentially on behalf of joint tenderers or subcontractors, will not invoke any intellectual property rights, including copyrights and sui generis database rights, in relation to his contribution to the ESPON database.

Any commercial use of the results by the Service Provider (or, if relevant, by any of the joint tenderers or subcontractors) is prohibited.

2.9 Data protection

Regarding the processing of personal data by ESPON and in accordance with Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation), please consult the legal notice in the ESPON's website:

https://www.espon.eu/legal-notice

2.10 Modification of the contract during its term

A modification of the contract may be requested by the ESPON EGTC to the contractor when it becomes necessary during the contract's implementation. This modification shall be done in accordance with article 43 of the Luxembourg Law on Public Procurement of the 8th of April 2018.

3 General Information on the procedure

3.1 Communication and Portal

Written communication and submissions may only take place through the Portal under requirement of Luxembourg Law. This is the online platform for public tenders in the Grand Duchy of Luxembourg (https://pmp.b2g.etat.lu). Publication on Tenders Electronic Daily (TED) also takes place through the Portal.

As the Portal is currently available in French language only, notifications to economic operators may be sent in French, but **the message content will always be in English language**. Economic operators are advised to regularly check their spam folders.

Any economic operator using the Portal is deemed to have read and accepted the provisions and conditions of the terms of use of the Portal as laid down by the Ministerial Decree of 18 January 2021[17].

3.2 Acceptance of the Terms of reference

By submitting a tender, the economic operator acknowledges that it has gathered all the information required to draft a valid tender, i.e., that it was able to acquaint itself with the challenges and specific features of the services to perform or deliver and has taken them into account in drafting its tender to participate in the Call for tenders.

3.3 Request for information

Tenderers are advised to consult the Frequently Asked Questions available on the ESPON website at the following link: https://www.espon.eu/participate/calls/faq

Any request for information shall be sent via the Portal at the latest by the date indicated in "Key information on the Procurement Procedure" section of the present Terms of reference. All economic operators will be answered simultaneously via the Luxembourgish Public Procurement Portal. As the Portal is currently available in French language only, notifications to the tenderers may be sent in French, but the message will always be in English language. Tenderers are advised to regularly check their spam folders.

Any request for information must be made in writing to the Luxembourgish Public Procurement Portal (www.pmp.lu) via the link provided in the contract notice.

Eventually, questions can be addressed by e-mail to: tenders@espon.eu.

Reporting of errors, omissions, ambiguities, or discrepancies

Any errors, omissions, ambiguities, or inconsistencies in the Terms of reference shall be reported to the Contracting Authority via the Luxembourgish Public Procurement Portal within the time limit indicated in "Key information on the Procurement Procedure" section of the present Terms of reference.

Any clarifications, rectifications or modifications provided in application of the preceding paragraph will be published exclusively via the Luxembourgish Public Procurement Portal.

In this context, a proactive approach is expected from the tenderers.

[17] Règlement ministériel du 18 janvier 2021 instituant les conditions d'utilisation du portail des marchés publics. - Legilux

A behaviour of accepting the clauses of the Terms of reference by submitting a tender without any notification pursuant to the present clause, whilst raising subsequently possible ambiguities, inaccuracies, unlawfulness, or other irregularities of the Terms of reference in the context of a review procedure shall be considered as an inconsistent and contradictory attitude being contrary to the principle of good faith. In that event, tenderers are inadmissible to challenge the substance of the rights and obligations arising out of the Terms of reference.

3.4 Who can submit a tender? (Individual contractor, joint tender and/or subcontracting)

Economic operators may submit its tenders as a sole contractor, as joint partners or as a natural person acting on his/her own behalf.

Each tender shall include the duly completed European Single Procurement Document(s) (ESPD) (see Annex A).

Common **mistakes in filling in the ESPD**, as observed in previous calls, are as follows:

- To leave in blank the insured amount of professional risk indemnity (section IV.5) without specifying the amount or at least indicating “not applicable” together with the justification (i.e. excepted public entity, a certain legal provision, etc.)
- Not to indicate the proportion the economic operator intends to subcontract (section IV.10), even if the economic operator declared his intention to subcontract in a previous section of the ESPD (Section II.D)
- To indicate the same number for average annual manpower as for annual managerial staff, which is inconsistent (section IV.C.8)
- Not to sign or date the concluding statement (Part VI)
- To include the wrong procurement title

3.4.1 Joint tender

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

Joint tenders will be treated in the same way as any other type of tender, each will be assessed for their own merits in relation to the criteria and the evaluation procedure set out in these terms of reference.

1) Liability

In case of a joint tender, the designated duly authorized representative of the consortium or the representative of the legal entity will be the sole contractor and will hold the sole liability towards the Contracting Authority for the implementation of the contract.

2) Form of the joint tender

If a joint tender is proposed by the tenderer with one or several partners and the organisation has already set up a consortium or a legal entity, this fact should be mentioned in the field *“is the economic operator participating in the procurement procedure together with others?”* (included in **Part II**, “information concerning the economic operator”, **section A** of the ESPD (Annex A), together with any other relevant information in this context.

If this step has not yet been taken, the tenderer should be aware that if the contract is awarded, the Contracting Authority will require giving a legal status to the collaboration before the contract is signed.

This collaboration can take the form of:

- an entity with legal personality recognised by EU Member States and ESPON Partner States (i.e. Iceland, Liechtenstein, Norway, and Switzerland);
- Or, given the nature and scope of the contract and the principle of sound financial management of public funds under which ESPON EGTC conducts its procurement procedures, the Contracting Authority requires **signature by all the partners of a "power of attorney"** to the designated duly authorized representative of the consortium. The power of attorney should designate contracting rights and sole liability of one of the partners in the consortium towards the Contracting Authority and any other relevant right. The duly authorized representative of the consortium and its partners will be responsible for organizing internal partnership relations concerning the liability among each other.

If a joint tender is submitted, the ESPD (Annex A) with all required information (i.e. duly completed Parts II, III, IV and VI) must be provided by each partner. Missing documents may lead to the exclusion and/or to the non-selection of the tender.

Also, in case of a joint tender, each economic operator must indicate its **share of the contract in the Annex D.**

Please note that in case of a joint tender where an economic operator relies on the capacities of another to meet the selection criteria: the tenderer may need to provide relevant information (included in **Part II** "information concerning the operator", **section C** "Information about reliance on the capacities of other entities" of the ESPD).

In this respect, the tender evaluation detailed in section 4 below for joint tenders will be made in relation to the **combined** capacities of the economic operators in relation to the requirements laid down in these ToR.

3.4.2 Subcontracting

Subcontracting is defined as the situation where a contractor assigns part of the obligations and tasks under a contract to another party known as a subcontractor. Subcontracting can be either structural or punctual.

In case of subcontracting, the ESPON EGTC does not have a direct contractual link with the subcontractor(s). The lead contractor will remain solely and fully responsible for the delivery of all products and services under the contract.

Accordingly, the Contracting Authority will treat all contractual matters (e.g. payment) exclusively with the main contractor, regardless whether the tasks are performed by a subcontractor or not. Under no circumstances, the main contractor can avoid liability towards the Contracting Authority on the grounds that the subcontractor is at fault.

During the contract execution, the change of any subcontractor contributing to the technical performance of the contract and identified in the tender will be subject to prior written approval of the Contracting Authority.

Please note that in case of a submission of a tender with subcontracting, the Contracting Authority requires the lead tenderer to indicate the subcontractors and their share of the contract in **Part IV: Selection Criteria, (C): Technical and professional ability, (10) The economic operator intends possibly to subcontract the following proportion (i.e., percentage) of the contract**, of the ESPD (Annex A).

As for the nature of subcontractors, there are two options:

1) Structural subcontracting

Structural subcontractors are those **on whose capacity the tenderer relies** (i.e., subcontractors providing key experts).

Such subcontractors should be identified in the field **Part II: Information concerning the economic operator, A: Information about the economic operator,** field "*is the economic operator participating in the procurement procedure together with others?*" of the ESPD (Annex A), together with any other relevant information in this context.

The tenderer should **answer** "**yes**" in the field "does the economic operator rely on the capacities of other entities in order to meet the selection criteria set out under Part IV below?" in **Part II: Information concerning the economic operator, C: Information about reliance on the capacities of other entities** of the ESPD (Annex A).

These subcontractors must provide a complete ESPD (Annex A) with all required information (i.e., duly completed Parts **II, III, <u>IV</u> and VI**).

Missing documents may lead to rejection of the tender.

2) Punctual subcontracting

Punctual subcontracting are those subcontractors **on whose capacity the tenderer does <u>not</u> rely:**

Such subcontractors should be identified in the field "*Does the economic operator intent to subcontract any share of the contract to third parties?" included* in **Part II**: **Information concerning the economic operator, D: Information concerning subcontractors on whose capacity the economic operator does not rely on** of the ESPD (Annex A).

These subcontractors must provide a duly completed ESPD comprising **Parts II, III and VI**.

Missing documents may lead to rejection of the tender.

Please note that such subcontractors will **not** be considered when assessing the selection criteria (see Section 4.3 below).

3) Tenders involving subcontracting shall be assessed as follows:

1. The **exclusion criteria** will be assessed individually in relation to the tenderer and to each sub-contractor.

2. The **selection criteria** will be assessed in relation to the tenderer and possible subcontractors as a whole.

3. The **award criteria** will be assessed in relation to the tender.

3.4.3 Participation

Participation in this Call for tenders is open to all economic operators established in the European Union, the European Economic Area and third countries signatories to international agreements in the field of public procurement by which the EU is bound.

3.5 Submission of offers and deadline

All tenders must be submitted electronically and in English language **at the latest by**

02/05/2023 at 10h00 CET.

Tenders must be submitted electronically. All tenders sent by other means (e.g. paper versions or electronic versions submitted by e-mail) will be automatically rejected.

In case you experience any technical issue when submitting your offer or with the electronic signature, please notice that the PMP helpdesk working hours are 9:00-11:30 14:00-17:00.

The submission of a tender is made according to the provisions of the national (Luxembourg) modified Regulation of the 27th of August 2013 on the use of electronic means in public procurement procedures[18] and it is done via the Luxembourg Portal of Public Procurement (PMP, www.pmp.lu). Please note that the PMP is currently only available in French language. A user guide in English language on the Luxembourgish Public Procurement Portal is available here: https://www.espon.eu/participate/calls/faq.

In order to submit a tender, the economic operators need to:

a) Create an account on the Luxembourg portal of public procurements (PMP)

The economic operators must create an Enterprise account in the PMP – www.pmp.lu

The configuration and internet browsers recommended according to the PMP can be found on the PMP website[19]:

To create an account in the PMP, (www.pmp.lu) the economic operators have 3 options:

1. By the creation of a username/password to login
2. Registration by using a LUXTRUST product
3. Registration viaLuxembourg ID or eIDAS[20]

If the economic operator opts for options 2. or 3., the authentication procedure can be made by using a LUXTRUST product (smart card or signing stick, issued by the Luxembourg relevant authorities), or with a recognised eID card.

The procedure to obtain a LUXTRUST product is described at the following website: https://www.luxtrust.lu/.

Please note for the economic operators outside Luxembourg that the procedure to obtain a LUXTRUST product can be longer (**approximately 4 weeks**). Information regarding the procedure can be found at the following link https://www.luxtrust.lu/en/simple/206.

[18] (Règlement grand-ducal du 27 août 2013 relatif à l'utilisation des moyens électroniques dans les procédures des marchés publics modifiant le règlement grand-ducal modifié du 3 août 2009 portant exécution de la loi du 25 juin 2009 sur les marchés publics et portant modification du seuil prévu à l'article 106 point 10° de la loi communale du 13 décembre 1988).

[19] https://pmp.b2g.etat.lu/?page=commun.PrerequisTechniques&calledFrom=entreprise

[20] https://ec.europa.eu/digital-building-blocks/wikis/display/EIDCOMMUNITY/Overview+of+pre-notified+and+notified+eID+schemes+under+eIDAS

b) Submit the electronic tender

The tender can be submitted as PDF, Word and Excel files.

Tenders submitted electronically must also be electronically signed by the economic operator, respectively by his representative, through an electronic signature as foreseen by the modified Luxembourg Law modified of the 14th of August 2000 on electronic trade[21].

The electronic signature to be used can be a LuxTrust or any other qualified certificates of the Trusted List of EU Commission (https://webgate.ec.europa.eu/tl-browser/#/). The Luxembourg Portal of Public Procurement allows for economic operators to test if their electronic signature is valid and can be used to submit a tender at the following address:

https://pmp.b2g.etat.lu/index.php?page=commun.VerifierSignature&callFrom=entreprise

Economic operators must electronically sign their tender:

- Either by electronically signing, at least, the ESPD of the consortium leader;
- Or by electronically signing the whole tender directly via the Luxembourg Public Procurement Portal which offers that option at the moment of submission.

If an economic operator does not have a valid electronic signature certificate, he/she will need to request one from the authorised institutions. The procedure to obtain an electronic signature certificate can take some time.

The tenders must be submitted at the latest by the deadline indicated in the present terms of reference.

The electronic submission of tenders leads to an acknowledgment of receipt, issued automatically by the PMP, which states the date and hour of submission. Any tenders that may be submitted or for which the acknowledgement of receipt may be issued after the above-mentioned deadline will not be considered.

3.6 Content of the offer (administrative - technical offer and financial offer)

A tender **must** be duly signed by the tenderer or its duly authorised representative and **must** be composed of the following three files:

1) File 1 – Administrative part
2) File 2 – Technical Offer
3) File 3 – Financial Offer

Tenderers are requested to structure their tender and submit the requested documentation as presented in the table below which serves both as a table of content and a checklist for documents to be submitted.

[21] http://data.legilux.public.lu/eli/etat/leg/loi/2000/08/14/n8/jo

FILE n°1 – ADMINISTRATIVE PART

Please include your documents in the following order, as relevant and per partner/subcontractor:

N°	Document	Refer to Section of ToR and/or Annex	Single tenderer or Main tenderer in a joint tender	Other partners in a joint tender	Sub-contractor (see Section 3.4.2)
Section 1 General					
1	a. Annex A: European Single Procurement Document (ESPD) **two versions**: - **One copy** duly electronic signed - **One copy** duly filled in excel format	Section 3.4 & Annex A	☑	☑	☑
2	b. Annex E - List team members and economic operators	Annex E	☑		
3	*Only if applicable:* If you intend to employ or contract the services of previous ESPON EGTC staff for this tender, please add a note justifying how their involvement in preparing this procurement procedure is not capable of distorting competition.	n/a (no template provided)	☑	☑	☑

FILE n°2 –TECHNICAL OFFER (approximately 30 pages excluding annexes)

Please include your documents in the following order, as relevant:

The technical offer must cover all aspects and tasks required in the technical specification and provide all the information needed to facilitate the subsequent evaluation of tenders against the technical award criteria (see Section 4). Offers deviating from the requirements or not meeting all requirements may be excluded on the basis of non-conformity with the terms of reference and will not be evaluated. The Contracting Authority will reject tenders where no technical offer is included.

N°	Document/Chapters	Refer to Section of ToR and/or Annex	Single tenderer or Main tenderer in a joint tender	Other partners in a joint tender	Sub-contractor
1	A description (approximately 5 pages) of the concept for addressing the research and the policy needs and description of how objectives will be achieved.	Section 1	☑	n/a	n/a

2	A description (approximately 20 pages) of the specific approaches and methods to be applied, the rationale behind, the sources and data to be used and the deliveries. • Outline of the conceptual and methodological framework to be applied for each task. • Description of the main outcomes and results expected and their added value. • Description of all proposed deliveries (format, content) • Description of the data strategy, including main sources and data to be used and collected. • Description of the approach for ensuring policy uptake.	Section 1	☑	n/a	n/a
3	Description outlining the intended organisation, milestones and management of the work including (approximately 5 pages) • Detailed work plan and timetable with descriptions of the content of the deliveries proposed. • Allocation of human resources by task and by partner (details should be provided as part of the technical offer and not only in Annex D). • Approach to ensure effective project management, quality review and risk assessment.	Section 1 & Annex D	☑	n/a	n/a

FILE n°3 – FINANCIAL OFFER

The Contracting Authority will <u>reject</u> tenders where no financial proposal is included.

N°	Document	Refer to Section of ToR and/or Annex	Single tenderer or Main tenderer in a joint tender	Other partners in a joint tender	Sub-contractor
1	Financial Offer (original dated, signed and stamped by the authorised representative of the tenderer)	Section 2 & Annex B	☑	n/a	n/a

The tenderer shall submit a price covering the services in EURO using the financial offer template provided (see **Annex B**). Annex B must be signed by the tenderer's representative and the template must not be modified.

The price must include all the costs associated as well as the travel and accommodation costs for meetings, and the pertinent delivery costs to the ESPON EGTC, if any. No other expenses will be paid by the Contracting

Authority. **Travel, accommodation and subsistence costs cannot be higher than 10% of the total costs of the tender.**

No indexation of the price is allowed. The price quoted must be firm and not subject to revision. Tenderers from countries outside the Euro zone have to quote their prices in Euro. A price quoted may not be revised in line with exchange rate movements. It is for the tenderer to select an official exchange rate and assume the risk or the benefits deriving from any variation.

The Contracting Authority will reject offers where the price for services is not provided. The lack of prices for any of the assignment types mentioned in the price list will invalidate the offer. No financial guarantee is required for this contract.

Tenders not including the necessary evidence may be rejected. However, the Contracting Authority reserves the right to request clarifications or additional evidence in relation to the exclusion and selection stages after the opening within a time limit stipulated in its request. If clarification is required, the Contracting Authority may contact the tenderer to obtain further explanations and/or additional evidence, provided that, and only if, the tender is not modified as a result. **The contact person designated by the tenderer in Annex A will be the recipient of clarifications and additional evidence request. Therefore, the tenderer must ensure the correctness of contact details (in particular of email addresses) given therein.**

3.7 Opening of the tender

The tenders received in due time and place shall be opened by the contracting authority only after the submission deadline mentioned above.

The opening of tenders shall take place in non-public session but the minutes of the opening session will be provided to tenderers having submitted a request to the contracting authority by email at tenders@espon.eu.

4 Contract award procedure

4.1 Examination of tenders

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;
- Verification of tenderers documentation on the basis of selection criteria;
- Evaluation of tenders on the basis of the award criteria.

Tenders are considered not to comply with the call specifications and shall be rejected if they:

- do not comply with the minimum requirements laid down in the Technical Specifications.
- propose a price above the fixed estimated expenditure;

- submit variants when the Terms of reference does not allow them.

In all the above-mentioned cases, the rejection grounds are not related to the award criteria and, therefore, there is no evaluation as such. Tenderers will be informed of the rejection grounds without being given information on the content of the tender other than the non-compliant elements.

Where the information or documents to be submitted by tenderers are or appear to be incomplete or erroneous or where certain documents are missing, the ESPON EGTC may carry out verifications and clarifications as provided for in article 80 RGD LMP.

4.2 Verification of non-exclusion

Participation in this call for tenders is open **only** to tenderers who fully meet the requirements laid out in **Part III: Exclusion grounds of the ESPD (Annex A)**, which must be duly completed and submitted.

Tenderers are advised that, in case of contracting, supporting documents proving the statements made in the ESPD must be submitted. Please note that in line with Article 90 of the modified national (Luxembourg) Regulation of 8th April 2018 implementing the Law of 8th April 2018 on Public Procurement the following supporting documents must **be dated of within three months preceding the submission deadline of the tender**:

- A certificate issued by the competent authority in the Member State or country where the economic operator is established stating that it is **not** in breach of its obligations related to the payment of **taxes** and **social security contributions**.

Tenderers are advised, accordingly, to be in possession of **properly dated** documents regarding these criteria when submitting the tender.

The Contracting Authority may, where appropriate, ask tenderers to provide with supporting documents and may also, when having doubts concerning the personal situation of tenderers, request from the competent authorities any information it considers necessary to clarify its doubts.

Where the information concerns a tenderer established in a State other than the one of the Contracting Authority, the latter may seek the cooperation of the competent authorities. Having regard for the national laws of the State where the tenderers are established, such requests shall relate to legal and/or natural persons, including, if appropriate, company directors or/and any person having powers of representation, decision, or control in respect of the tenderer.

A tenderer shall be excluded if the provisions of the article 29 of the national (Luxembourg) Law of 8 April 2018 on Public Procurement are not fulfilled.

- Furthermore, tenderers should take into full consideration that:
- none of the team members proposed in the offers shall have any prior knowledge of the Terms of reference whatsoever (i.e., being involved in their commenting, consultation process with the stakeholders, drafting, etc.), have advised ESPON EGTC or otherwise been involved in the preparation of the procurement process. In such case, the tender may be excluded in accordance with article 13 of the national (Luxemburg) Law of 8 April 2018 on Public Procurement;
- not providing the declaration of no conflict of interest by the tenderer or by the Service Provider, before or after the award of the contract, may lead to the exclusion of the tenderer or of the Service Provider or to the termination of the contract;
- in case the Contracting Authority acquaints itself with a situation calling into question the autonomous and independent nature of a tender, it shall request the parties to provide

information and evidence in rebuttal. In case distortion of the market is detected, tenderers involved shall be excluded accordingly.

4.3 Verification of the 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 must be in a stable financial position and have the economic and financial capacity to guarantee continuous and satisfactory performance throughout the envisaged lifetime of the contract. In addition, the tenderers are required to have sufficient technical and professional capacity to perform the tasks outlined in these Terms of reference.

To this end, the following information must be provided in the ESPD:

4.3.1 General information

Please provide the information required in “Part II: Information concerning the economic operator” of the ESPD (Annex A).

4.3.2 Economic and financial capacity

Please provide the information required in Part IV(B)(1a, 1b, 2a, 3 and 5) of the ESPD (Annex A). All related information has to be provided for the **last three financial years.**

The tenderer must be in a stable financial position and the total turnover of the tenderer (or the consortium, see Section 3.4) for the last three financial years (see Part IV(B)(1b) of the ESPD (Annex A)) must equal or exceed 75% of the maximum available budget for this contract as stated in these Terms of reference.

Please note that an economic operator may, when appropriate and for a specific contract, rely on the capacities of another entity not taking part in the tendering process to meet the selection criteria. (art. 33 of the Law on Public Procurement of 8 April 2018).

4.3.3 Technical and professional capacity

Tenderers must have the appropriate technical and professional ability to carry out the tasks required for this call for tenders, as described in section 1.6, by providing the required information in Part IV (C) of the ESPD (Annex A).

a) A list of the relevant services successfully conducted during at least the last three years, including a description of work, indicating the budgets, dates and recipients, whether public or private. (Part IV(C)(1b) of the ESPD)

b) the professional capacity and size of the company (Part IV(C)(8) of the ESPD)

c) The team members who are proposed to carry out the tasks requested must demonstrate professional experience and background in the field of the services requested. Relevant specific information on the competencies and skills are detailed in Section 1.

    - Please attach detailed CVs of all team members proposed for the assignment to the ESPD (Annex A), taking into account the minimum expertise requirements detailed in this paragraph as well as in Section 1. The ESPON EGTC strongly recommends submitting the CVs in the EU CV format[22]. It should be clearly indicated by using the table in Annex E which profile requirements/competencies are met by which member of the team.

[22] For the template please see http://europass.cedefop.europa.eu/documents/curriculum-vitae/templates-instructions

- Please complete Annex E 'list of all team members' (one single list for all partners/subcontractors if relevant) involved in the implementation of the contract for whom CVs are submitted.

4.4 Financial award criterion

The value of the financial proposal (calculated in accordance with the scenario and the financial proposal supplied in Annex B) will be evaluated according to the best value for money principle.

The lack of providing a price in the financial proposal will invalidate the offer. Tenders with a financial offer that exceeds the total budget available **and/or where travel, accommodation and subsistence costs exceed 10% of the total costs** will not be selected for the evaluation on the basis of the award criteria and will be excluded.

Calculation mistakes and discrepancies with the price per unit, if any, will be corrected by the evaluation committee based on the price per unit provided by the tenderer and the confirmation of the tenderer will be requested.

Abnormally low tenders:

To avoid offers with abnormally low prices that could jeopardize the correct delivery of the services, if the price proposed in a tender appears to be abnormally low compared to the arithmetic average of all the technically compliant tenders (15%), the Contracting Authority will request, in writing, the necessary clarifications and elements as appropriate and in accordance with Article 88 RGD[23].

4.5 Evaluation of the tenders on the basis of the award criteria

Only the tenders meeting the requirements of the exclusion and selection criteria are evaluated in terms of quality and price. The assessment of the technical quality is based on the ability of the tenderer to meet the purpose of the contract, as described in the technical specifications.

The following evaluation criteria shall be used to determine the technical merit of the offers, producing a total score of maximum 100 points:

[23] Règlement Grand-Ducal du 8 avril 2018 portant exécution de la loi du 8 avril 2018 sur les marchés publics et portant modification du seuil prévu à l'article 106 point 10° de la loi communale modifiée du 13 décembre 1988

No	Qualitative award criteria	Weighting (maximum points)
1	**Level of understanding of the tasks and services to be carried out** The degree to which the tenderer shows the capacity to understand the research and the policy needs and the added value of the proposal, will be assessed under this criterion.	25
2	**Quality and appropriateness of the proposed methodology and research approach** The tenderer must demonstrate the capacity to answer the policy questions and to deliver the expected outputs. The degree to which the tenderer manages to combine scientific rigour and policy relevance will be assessed under this criterion. Furthermore, under this criterion the capacity of the tenderer to deliver new territorial evidence, to carry out innovative research methods, and produce outputs in various visualisation formats and forms will be assessed.	50
3	**Organisation, planning, and management of the service contract** The distribution of the roles and responsibilities for each task among the proposed team will be assessed under this criterion. The global work plan, the articulation of tasks and the allocation of time and resources to each task and delivery will also be assessed. Actual risk assessment will also be taken into account.	25
	Total number of points	**100**

In order to guarantee a minimum threshold of quality, offers that do not reach a minimum score of **50** points at the end of the technical evaluation **will not be considered in the best price-quality ratio assessment** and will therefore be rejected.

The contract is awarded to the tenderer submitting the tender that offers the most economically advantageous tender assessed on the basis of the best price-quality ratio as represented by the highest score (i.e. the highest *X*) by weighting the price and the quality respectively, by applying the formula below:

$$X = \left(\frac{\text{Cheapest price excl. VAT}}{\text{Price of tender X excl. VAT}} * 100 * 30\%\right) + (\text{technical evaluation score of tender X} * 70\%)$$

4.6 Contract award and conclusion

Before awarding the contract, the Contracting Authority will require the tenderer to which it has decided to award the contract to submit up-to-date supporting documents in accordance with the requirements of the present Terms of reference and with Article 31 of the Law on Public Procurement of 8 April 2018 and, where appropriate, Article 32. The Contracting Authority may invite economic operators to supplement or clarify the certificates received.

Initiation of a tendering procedure imposes no obligation on the Contracting Authority to award the contract. Fulfilment of the conditions of the call for tenders imposes no obligation on the Contracting Authority to award the contract. The Contracting Authority shall not be liable for any compensation with respect to tenderers whose tenders have not been accepted. Nor shall it be liable if it decides not to award the contract. Expenditure on preparing and submitting tenders is non-refundable.

The economic operator whose tender is ranked first is deemed to have submitted the most economically advantageous tender based on the best quality-price ratio is in principle awarded the contract. Prior to any award decision, the ESPON EGTC shall carry out the necessary documentary checks as described in the Terms of reference.

The ESPON EGTC shall inform unsuccessful tenderers via the Luxembourgish Public Procurement Portal of the reasons why their tender has not been selected, in accordance with Article 193 RGD24.

The successful tenderer shall be notified via the Luxembourgish Public Procurement Portal. The conclusion of the contract with the successful tenderer shall take place at the earliest after a standstill period of 10 days. The competent court to hear pre-contractual appeals is the Administrative Court. For post-contractual appeals, the competent court is the District Court[25].

5 Additional contracting information

5.1 Contracting Authority

Contracting Authority: the ESPON EGTC has been established on the 9th of January 2015 based on Regulation (EC) 1082/2006 of the European Parliament and of the Council of 5 July 2006, as amended, to undertake the role of the Single Beneficiary of the ESPON 2020 Cooperation Programme, the ESPON 2030 Cooperation Programme and the potential subsequent approved ESPON cooperation programmes.

ESPON EGTC

Attn: Director

11, avenue John F. Kennedy L-1855 Luxembourg

Tel: +352 20 600 280 / Fax: +352 20 600 280 01 / E-mail: tenders@espon.eu

The ESPON EGTC is the contracting and awarding authority of the present contract.

5.2 Place of delivery

All services shall be delivered by default to Luxembourg, unless mentioned in Section 1 or agreed with the ESPON EGTC.

[24] Règlement Grand-Ducal du 8 avril 2018 portant exécution de la loi du 8 avril 2018 sur les marches publics et portant modification du seuil prévu à l'article 106 point 10° de la loi communale modifiée du 13 décembre 1988

[25] loi du 10 Novembre instituant le recours en matiere de marches publics

5.3 Other conditions

The material provided for the preparation of the tender can only be used for the preparation of the tender and has to be kept confidential. All the documents submitted by tenderers will be kept by the Contracting Authority for archive purposes. These documents will be considered as confidential.

6 Annexes

Annex A – European Single Procurement Document (ESPD)

Annex B – Financial offer template

Annex C – Draft service contract

Annex D – Allocation of human resources

Annex E – List team members and economic operators