GSP Evaluation – terms of reference

TERMS OF REFERENCE

TRADE2016/D1/D11 - Related to a contract to carry out an interim evaluation of the EU's generalised system of preferences (GSP)

Under Multiple Framework Contract TRADE2014/01/01;

Background information

This invitation to tender is sent to you in the context of Multiple Framework Contract TRADE2014/01/01, related to a multiple framework contract with re-opening of competition for the provision of evaluation services to the European Commission in the field of trade. For further details about DG TRADE and its activities, please refer to section 1 of the terms of reference for the mentioned procedure.

1. Context

Since 1971, the EU Generalised Scheme of Preferences (‘GSP’) has assisted developing countries in their efforts to reduce poverty, promote good governance and sustainable development. By providing preferential access to the EU market, the GSP helps developing countries generate additional revenue through international trade. Regulation (EU) No 978/2012 of the European Parliament and the Council of 25 October 2012 on applying a scheme of generalised tariff preferences (‘the GSP Regulation’) is the current legal framework for the GSP. The preferential tariff preferences provided under the GSP Regulation were applied from 01 January 2014.

The GSP Regulation reformed the GSP in order to better focus GSP preferences on those countries most in need, in particular, least developed countries (‘LDCs’) and other low and lower-middle income developing countries. The reforms to the GSP significantly reduced the number of beneficiaries from 178 to 92. Countries which are classified as upper-middle income and above by the World Bank are excluded from GSP preferences. Also excluded are countries that benefit from a preferential market access arrangement with the EU that grants at least the same level of tariff preferences for substantially all trade.

To accommodate developing countries’ trade, development and financial needs effectively, the GSP provides three different preference arrangements: a general GSP arrangement and two special arrangements.

1. The general arrangement (‘Standard GSP’) grants duty reductions for ca. 66% of all EU tariff lines to countries of low or lower-middle income, which do not benefit from other preferential trade access to the EU market. There are currently 23 Standard GSP beneficiaries.

2. The Special Incentive Arrangement for Sustainable Development and Good Governance, (‘GSP+’) grants complete duty suspension for essentially the same 66% tariff lines, as the Standard GSP, for countries especially vulnerable in terms of their economies’ diversification and import volumes. In return, beneficiary countries must ratify and effectively implement 27 core international conventions, as listed in Annex VIII of the GSP Regulation. These conventions cover human and labour rights, environmental protection, and good governance. There are currently 9 GSP+ beneficiaries.
3. The special arrangement Everything But Arms (‘EBA’) grants full duty-free, quota-free access for all products except arms and ammunition, for countries classified by the UN as LDCs. There are currently 49 EBA beneficiaries.

In 2014, almost EUR 50.83 billion of imports received GSP preferences as follows: EUR 27.3 billion of imports from countries under the Standard GSP, around EUR 6.5 billion of imports from GSP+ beneficiaries and EUR 17 billion of imports from EBA countries.

The present GSP will expire on 31 December 2023. Article 40 of the GSP Regulation requires the Commission to submit a report on the application of the Regulation to the European Parliament and the Council by 21 November 2017 (‘2017 GSP Evaluation Report’). In this report, the Commission must also assess the need to review the GSP Regulation.

Recital 34 of the GSP Regulation provides further guidance regarding the content of the 2017 GSP Evaluation Report. It states that the Commission should assess the need to review the GSP scheme, including GSP+ and temporary withdrawal provisions of tariff preferences, taking into consideration, i.a., the fight against terrorism and the field of international standards on transparency and exchange of information in tax matters. The evaluation should also take into account the implications of the scheme’s application for development, trade and financial needs of beneficiaries. It should include a detailed analysis of the impact of the GSP Regulation both on trade and on the Union’s tariff income, with particular attention to the effects on beneficiary countries. Recital 34 additionally foresees that where applicable, compliance with Union sanitary and phytosanitary legislation should also be assessed. Furthermore, the evaluation should include an analysis of the effects of the scheme with regard to imports of biofuels and sustainability aspects.

2. Objectives of the project

This project should form the basis of the Commission’s 2017 GSP Evaluation Report. Therefore, considering the recent entry into force of the Regulation, the purpose of this study is to provide an evaluation assessing whether the objectives set by the Regulation are on track to be achieved, on the basis of the results to date of the EU’s GSP in its current form (2014 -2016).

In general terms, the evaluation to be carried out by the contractor will contain an assessment of:

- economic, social, human rights and environmental impacts of the GSP;
- the present GSP’s effectiveness and efficiency in light of its objectives, including costs and benefits;
- possible unintended consequences associated with the implementation of the present GSP;
- the relevance of the scheme with respect to the developmental and other needs of developing countries, and in particular, of LDCs;
- its coherence with EU foreign, trade and development policy and other relevant policies;
- the potential for regulatory simplification and burden reduction both for the EU and the beneficiary countries.
- examination of infringements and abuses of the GSP system.
3. Scope of the project

The study should examine:

- The trade, economic, social, human rights and environmental effects of the current scheme.
- All the essential features and elements of the current GSP.
- All three GSP arrangements:
  - The general arrangement
  - The special incentive arrangement for sustainable development and good governance (GSP+)
  - The special incentive arrangement for least developed countries (Everything But Arms)
- GSP relevant data from 1/1/2011 (3 years before the current GSP started to apply) until the latest available data
- Impacts in all beneficiary countries and in the EU

4. Methodological approach

The contractor should undertake sound quantitative and qualitative analysis, based on the most up-to-date research methods and data, and reliable indicators. The study must include both case studies and extensive consultation of stakeholders. One potential source of data is the dataset prepared for the study Assessment of economic benefits generated by the EU Trade Regimes towards developing countries (see §5 for full reference).

5. Evidence base

Sources of information for the evaluation:


- Recent study on the Assessment of economic benefits generated by the EU trade regimes towards the developing countries - Directorate-General for International Cooperation and Development, EU Development Policy and International Cooperation, Policy and Coherence, Economic Analysis Team; June 2015 (http://trade.ec.europa.eu/doclib/html/153595.htm). The study had a similar objective to that of this evaluation, but mainly concerned the period before the entry into force of the current GSP Regulation.


6. Research tasks

**Inception phase:**

• **Task 1:** Provide a concise but comprehensive descriptive account of the EU’s GSP, of the context in which it operates, and of its interaction with other instruments or other policies. The descriptive account must be written in a style which is readily accessible to non-specialist readers, and which enables them to understand the evaluation judgements that follow.

• **Task 2:** Develop a preliminary intervention hypothesis for the current GSP, taking the problem tree developed for the impact assessment (SEC(2011) 536) of the proposal which led to the adoption of the present GSP regulation as a point of departure.

  The preliminary intervention hypothesis should be revised as necessary at the end of the project (as part of Task 10), in the light of the work performed and findings and conclusions drawn from the execution of the other research tasks listed below.

• **Task 3:** Develop the methodological approach to the study, and identify and elaborate the analytic tools that will be used to perform the evaluation and to answer the evaluation questions.

  The contractor should (*inter alia*) identify the data and sources of evidence upon which the evaluation will be based; identify relevant indicators (taking into account the indicators mentioned in the 2011 impact assessment); identify an appropriate research method; establish a consultation strategy and develop consultation tools; propose a research method for the execution of the case studies; outline the main risks/challenges to the project, and propose concrete ways of addressing them; and propose a detailed timeline for the implementation of the evaluation.

  The research method for the evaluation and the analytic tools/framework developed must be approved by the Commission before the tasks of data collection, analysis, and stakeholder consultation can begin.

• **Task 4:** Review existing studies and research on the impacts of the EU’s GSP, and provide a succinct summary of the data and research methods used as well as of the main findings.

• **Task 5:** The consultant should create a website for the evaluation, in order to inform interested parties about the evaluation, and to facilitate their participation and contribution.

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1 An outline of these elements should be provided as part of the bid, and in particular an outline of: the overall methodological approach; data and sources of evidence which will be used for the evaluation; the approach which will be used for the case studies; and the approach for the stakeholder consultation.
The website should be designed to facilitate regular interaction with stakeholders and to serve as a discussion forum that can stimulate the participation of stakeholders on the basis of information made available online.

It should therefore include a specific feedback mechanism, as well as: a homepage with an easily accessible summary on the state of play in the evaluation process, and all appropriate information for the evaluation; a link to the Roadmap; information on the overall consultation strategy; information on specific consultation activities, including their planned dates; experts’ profiles; summary reports of the specific consultation events (e.g., workshops) including of speeches and presentations made.

All consultation activities and events must be advertised appropriately on the website. The dates, venues, supporting documentation and other relevant information must be clearly communicated well in advance of specific consultation events.

The website must be created at the latest by the date of the Commission’s acceptance of the inception report. It should remain active for at least 2 years after the date of approval of the final report.

- **Task 6**: Develop a stakeholder consultation strategy (during the inception phase); and undertake the consultation activities (during the implementation phase).

The contractor should develop a consultation strategy covering:

- the objectives for stakeholder consultation;
- an outline of the proposed stakeholder consultation process;
- the research questions to be answered by the stakeholder consultation process;
- identification of the principal stakeholders or stakeholder groups, with an explanation of the nature and intensity of their interests; and
- elaboration of the consultation activities (which must include a public online consultation as well as specific targeted stakeholder consultation).

The objective of the consultations is not only to collect information, ideas and opinions from the different stakeholders on the topics of the evaluation, but also to raise awareness of GSP. The stakeholder consultation should complement the quantitative analysis of the performance of the current GSP with a substantial body of qualitative evidence on its impacts, drawn from the hands-on experience of those who use it and who engage with it on a regular basis. It will also be an important element of the case studies.

The contractor should consult early and systematically with the Commission on the stakeholder consultation strategy. The draft consultation strategy must be submitted for approval by the Commission together with the inception report. It may be modified during implementation of the project, with the agreement of the Commission.

All consultations undertaken by the contractor must comply with the Commission’s minimum standards for stakeholder consultation\(^2\). Consultation documents (including questionnaires) for all consultation activities must be approved by the Commission.

The **consultation activities** must include:

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● **a 12-week online public consultation**, which must cover all the evaluation criteria specified in the roadmap.

For this consultation activity, the contractor should develop a questionnaire that must be approved by the Commission. The questionnaire should then be translated by the consultant, and made available in the following languages: English (EN), French (FR), Russian (RU), Spanish (ES), and Portuguese (PT). The contractor should be able to process and translate into English replies received in Russian or in any official EU language. The replies, including those translated into English by the contractor, must be submitted to the Commission. A link to the evaluation will be placed on the *Your Voice in Europe* web portal.

● **Specific targeted stakeholder consultation activities:**

A) **Local workshops:** The contractor shall organise 4 local workshops in countries relevant to the first four case studies (cf. Task 9). These workshops should gather the views of, and other information from, stakeholders (in particular businesses, national and regional administrations, social partners including trade unions, international organizations present on the ground, and civil society); and should raise awareness about the GSP. The contractor will be in charge of planning and organising the workshops, including the timing and the venue of the workshops, the participants and their detailed content. The Commission must approve the final programme and list of participants for the workshops. The contractor must bear all the costs of the workshops. Further details are provided below (see §7, Services to be rendered).

B) **Surveys / interviews:** The consultant should ensure that information and evidence is gathered from relevant stakeholders who are not targeted by the open online public consultation and/or the workshops. This should take the form of interviews and targeted surveys.

C) **Other meetings:** The inception report and the interim report should be presented in meetings of DG Trade’s Civil Society Dialogue (CSD), in order to publicize the evaluation and to invite stakeholders to contribute during the implementation phase.

**Implementation phase:**

● **Task 7:** Undertake the consultation activities in accordance with the approved stakeholder consultation strategy

● **Task 8:** Undertake specific analysis of the topics mentioned below. The results of these analyses should be integrated into the replies to the evaluation questions set out in task 9; and, where appropriate, presented as separate tasks also. Wherever possible, the actual impacts to date in respect of the current GSP should be compared to the expected impacts set out in the 2011 impact assessment.

- [ ] Analysis of the actual usage of the three arrangements of the current GSP, including analysis and explanations of observed variations in utilization rates (=preferential imports/eligible imports) between beneficiary countries, between the same GSP sections in different beneficiary countries and between GSP sections

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3 Which should be agreed beforehand with the Commission
within a beneficiary country. The analysis should take into account the size/value of the trade flows involved.

- Analysis of the impact on the three GSP arrangements on the export performance of beneficiary countries.
- An assessment of the impact of the three GSP arrangements on diversification in the beneficiary countries.
- An assessment of the economic impact of the three GSP arrangements, and in particular their impact on economic development in beneficiary countries.
- An assessment of the social impact of the three GSP arrangements, in particular in the beneficiary countries; including the impact on employment (if possible, in both the formal and informal sectors). The study should also assess the impact of the three GSP arrangements on the four pillars of the Decent Work Agenda (job creation, labour standards, social protection and social dialogue), on working conditions, on poverty reduction, on human rights and on gender equality in the beneficiary countries.
- Examine the environmental impacts of the three GSP arrangements, in particular in the beneficiary countries; and whether this has had a measurable impact on environmental quality, waste, natural resources (including forests, wildlife and fisheries), biodiversity, air pollution and climate change.
- Assess whether GSP preferences have focused on countries most in need.
- Analyse the impact of the three GSP arrangements on the EU budget.

Additional research questions may be developed by the consultant, if considered appropriate.

- **Task 9:** Conduct case studies. The case studies should, *inter alia*, feed into the analyses required under task 8.

Based *inter alia* on a literature review and on in-depth stakeholder consultations, the contractor should carry out the following 6 case studies.

1&2: Impact of GSP+ in Pakistan and in Bolivia. The case studies should assess the economic, social, environmental and human rights impacts of GSP+ in the two beneficiary countries as well as the impact on good governance.

Based on literature review and targeted stakeholder consultation, the case studies should analyse the impacts associated with GSP+ including any possible unintended consequences; and should seek to investigate whether implementation of the GSP+ relevant conventions has improved in the countries since their adhesion to the GSP+. The case studies should in particular examine whether any changes (positive or negative) can be linked to GSP+ and its monitoring framework. To this end, the case studies should examine the level of awareness of GSP+ requirements among key

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4 In line with §3 Scope of the project, the assessment should (wherever possible) identify the impacts not only in beneficiary countries but also within the EU.
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6 In line with §3 Scope of the project, the assessment should (wherever possible) identify the impacts not only in beneficiary countries but also within the EU.
7 Pakistan was chosen because it is by far the biggest GSP+ beneficiary. Bolivia is also a good candidate as it is from a different continent, its export to the EU is not negligible (unlike that of Cabo Verde) and will not exit GSP+ soon (unlike Paraguay).
stakeholders, and should assess the impact of GSP+ on the implementation of GSP+ relevant conventions.

3&4: Impact of EBA in Ethiopia and in Bangladesh.⁸ The case studies should assess the economic, social, environmental and human rights impacts of EBA in the two beneficiary countries. They should in particular examine the impact of EBA on economic development, including on poverty reduction and the distribution of gains, as well as any possible unintended consequences.

5&6: Impact of GSP on the textile sector (GSP Sections 11a and 11b, which account for the most GSP preferential exports) and machinery (GSP Section S-16, another different sector which is also among the top GSP exports in total). Limited to these two sectors, the two case studies should analyse the impact of GSP preferences: on producers/industries in beneficiary countries; on EU producers/industries using, or competing with, goods imported under GSP preferences; and on the competitiveness of the beneficiary countries’ industries and of EU industry in a global context. In particular the case studies should:

- Identify EU producers/industries which previously competed with producers/industries in countries that were excluded from GSP preferences following entry into force of Regulation (EU) 978/2012; and seek evidence of any reduction in competitive pressures.
- Identify producers/industries in countries which continue to benefit from GSP preferences; and seek evidence of any reduction in competitive pressures as a result of the reduction in the number of GSP beneficiary countries.
- Identify EU producers which rely for their inputs on imports to the EU under GSP preferences; and examine the impact on their costs of production and overall competitiveness, as well as for consumers.

● Task 10: Building on the analysis performed in tasks 8 and 9, provide answers to the following evaluation questions …

Effectiveness:
- EQ1 To what extent are the objectives of the current GSP on track to be achieved? What has been the impact of the present scheme on developing countries and LDCs?
- EQ2 What are the factors (positive and negative) influencing the achievements observed?
- EQ3 What unintended consequences, if any, can be linked to the design, implementation, or use of the current GSP?

Efficiency:
- EQ4 To what extent is the current GSP efficient?

Coherence:
- EQ5 To what extent is the current GSP coherent with the EU’s relevant policies?

Relevance:
- EQ6 To what extent is the current GSP scheme relevant to the development needs which it is intended to address?

⁸ Bangladesh was chosen because it is by far the biggest EBA beneficiary. Ethiopia was also deemed to be a good candidate as it is from another continent, its export to the EU is not negligible, it is not under an Economic Partnership Agreement (which would render difficult the analysis of the impacts of GSP) and it has a relatively diversified economy.
• **Task 11**: Provide conclusions and recommendations based on the work performed for all the previous tasks. These should include an assessment of:

  - What are the **main risks which threaten attainment of the objectives** of the current GSP? How can those risks be mitigated? In particular, can they be mitigated by a different implementation of the GSP Regulation and/or by an amendment to the GSP Regulation?
  
  - Is there a need to make the **current GSP more efficient**? If yes, how could this be achieved? In particular, could it be made more efficient through a different implementation of the GSP Regulation and/or through an amendment to the GSP Regulation?
  
  - In case evaluation questions under Task 9 and 10 cannot be properly answered due to the early stage of implementation of the GSP, or (eg,) the lack of available information at the time of the evaluation, **what are the factors/information that the Commission should pay particular attention to** in the years following the evaluation to be able to answer those questions for the next evaluation exercise?

**7. Services to be rendered**

**7.1 Local Workshops**

The main purpose of the regional/local workshops is to gather the views of, and other information from, stakeholders (in particular businesses, national and regional administrations, social partners including trade unions, and civil society); as well as to raise awareness about the GSP.

An adequate organisation of the workshops implies their timely preparation from an early stage of the contract, including: decisions about the exact location and venue of the workshops; the elaboration of draft programmes, and of lists of speakers and participants; and the necessary logistical arrangements.

The Contractor must organise full day workshops, taking into account the following requirements:

- **Expected dates of the workshops**: the date of each workshop will be confirmed by the inter-service steering group in consultation with the local EU Delegation

- **Documentation**: the contractor will be responsible for preparing the documentation for the workshops. Documents should be made available to stakeholders participating in the workshop well in advance of the event, so as to enable an informed discussion to take place.

- **Content of the workshops**: the contractor will make a proposal for the organisation and content of each workshop, including the respective programme and a list of participants and speakers which is representative of the different categories of stakeholders. The programme will be finalised in coordination with the inter-service steering group and the local EU Delegation.

- **Venue**: the workshops will take place, as specified above under Task 9, in Pakistan, Bolivia, Ethiopia and Bangladesh. The contractor will provide and pay for renting of the meeting rooms
and for other logistical requirements such as catering (lunch, coffee, water), and equipment (IT tools and support, overhead projectors, printers, folders, etc.). The events should be organized in 3-star (EU equivalent) hotel/conference centres (the number of rooms will depend on the agenda, and the organisation – as necessary – of thematic working groups.

- **Participants**: the contractor should propose a balanced list of participants covering the main categories of stakeholders, including: businesses, national and regional administrations, social partners including trade unions, and civil society. The Commission will reimburse travel and accommodation costs (see below) for up to 30 participants per workshop; however that number may be exceeded, provided that additional participants are self-financing, and that the overall balance of the participation is maintained. The local EU Delegations may be consulted on the selection of participants. The draft list of participants (comprising both reimbursable and non-reimbursable participants) and the draft invitations will be discussed and approved by the inter-service steering group. Once approved, invitations will be sent by the contractor.

- **Working languages**: the working languages for the workshops will be Spanish (Bolivia) and English (all other countries).

- **Travel and accommodation**: the contractor must organise and pay for travel, accommodation and subsistence for up to 4 speakers and 1 moderator for each workshop; as well as for those of its staff travelling to the workshops. All these costs must be included under *honoraria* (cfr. Annex), i.e., they will not be reimbursed by the Commission separately. Travel must be organised for participants, as well as full board accommodation for participants travelling from locations more than 60kms from the workshop venue; these costs will be reimbursed by the Commission on a flat rate per effective participant. Accommodation should be provided in 3-star (EU equivalent) hotels/guest houses within walking distance of the workshop venue. Transport costs should be based on 1st class coach fares for distances less than 400kms; and on economy class air fares for distances of 400kms or more.

- **Publication**: the contractor must publicise the workshops among relevant stakeholders. Information relating to the workshops should be published on the contractor’s website. The contractor should liaise with local media in order to ensure appropriately targeted coverage of the event. Press releases should be issued before and after the events. Participants should be aware that the contractor is the organiser, and that the EU is financing the workshop. The EU logo must appear on all documents.

- **Follow-up**: the contractor will ensure appropriate follow-up to each workshop by publishing on the specific, dedicated website a report on the proceedings, together with a list of participating organisations and individuals, and the views expressed. The contractor should encourage further participation in the process by relevant stakeholders, in particular through the dedicated website; and should also provide information on how stakeholders’ views have been taken into account in the final report.

### 7.2 Reporting requirements

The contractor must deliver the following reports: inception, interim, draft final and final. The **inception** report will be due 2 months after the kick-off meeting. It should contain a comprehensive account of how the contractor intends to achieve the project objectives. It should include the deliverables relating to Tasks 1-6.
The interim report will be due 6 months after the kick-off meeting. It should cover the work undertaken and preliminary findings in relation to Tasks 7-9. It should summarize the progress made in the evaluation, including an account of difficulties encountered and of the solutions chosen or proposed in order to overcome them. The report should also include summaries of the work on stakeholder consultation (including the 12 week online public consultation) and of the case studies.

The draft final report will be due 9 months after the kick-off meeting. It should include comprehensive and finalized versions of the deliverables required under Tasks 7-9; revision if necessary of the intervention hypothesis first prepared under Task 1; and the deliverables required under Tasks 10-11.

Together with the draft final report, the contractor shall submit to the Commission a set of tables in electronic form with the numerical results of the quantitative analyses for the key economic indicators, by sector and by country, as well as a report summarising the stakeholder’s consultations, including the 12-week online public consultation and the case studies reports. These tables and reports shall be treated as self-contained results in the context of this assignment.

Submission of the draft final report should include:

- The report itself;
- A synthesis report of (maximum) 20 pages. The format and content of the synthesis report should be aligned with the structure of the Staff Working Document that must be drafted by the Commission at the end of the evaluation;
- An executive summary (maximum 2 pages);
- Annexes, including at least the following:
  - A chart mapping the research tasks listed in §8 to the location(s) in the draft final report where each task has been addressed;
  - A summary of the stakeholder consultation (maximum 10 pages). The contractor should be aware that the annex will be used by the Commission as the basis for the consultation synthesis report which must be included as Annex 2 of the Staff Working Document mentioned above.
  - A summary of research methods and analytic models used in the evaluation. The contractor should be aware that the annex will be used by the Commission as the basis for Annex 3 of the Staff Working Document mentioned above.

The final report will be due 11 months after the kick-off meeting. It should be structured in the same way as the draft final report, and should incorporate the Commission’s comments on the draft final report.

The annex summarizing the stakeholder consultation should be published as a separate document on the website created by the contractor (Task 5).

The executive summary must be provided in English, French and German.

The final report should be of high editorial quality, including proof-read in the English language and should not exceed 250 pages (including the synthesis report and executive summary) plus annexes. It shall have structure and signposting that usefully guide the reader through the commentary. The key messages shall be highlighted and, where relevant, summarised.

7.3 Content, structure and graphic requirements for the reports

All reports shall include an abstract of maximum 200 words, as well as specific identifiers which shall be incorporated on the cover page provided by the Contracting Authority. The reports, including the synthesis report and the executive summary, shall use the standard disclaimer and the graphic requirements described in point 5.3.2 of the terms of reference of the framework contract.

7.4 Delivery and general rules regarding reports

For each report, the contractor shall first send a draft to the Commission. The Commission shall either inform the contractor that it accepts the draft or shall send the contractor its comments. The contractor shall then submit additional information or a revised report to the Commission addressing the Commission's comments.

The reports shall be drafted in a way to be easily understood by both trade and non-trade specialists.

All reports and files prepared by the contractor shall be in English except for the executive summary of the final report which shall be presented also in French and German.

The initial drafts of the reports shall be transmitted to the project officer as electronic documents in both PDF and Word compatible formats. The final versions of the inception and the interim reports shall be submitted electronically in PDF and Word compatible formats to the project officer prior to their dispatch in annex of the invoices as indicated in the payment details. The final report shall be delivered to the Commission in both paper (10 copies) and electronic formats (PDF and Word-compatible formats).

8. Steering and monitoring

8.1 Inter-service steering group

The Commission shall set up a inter-service steering group to oversee the implementation of the project. It shall be composed of staff from different Commission services. The contractor may be invited by the inter-service steering group to participate in these meetings.

The inter-service steering group shall be involved in all different steps of the organisation of the evaluation components and, in particular, it shall validate the tasks to be executed, the evaluation tools, the consultation strategy, the consultation activities and the questionnaires; it shall discuss and approve all reports; review the recommendations and provide a quality assessment of the draft final report.

8.2 Meetings with the Commission

The contractor shall be required to attend meetings with Commission officials in Brussels throughout the project. The minimum number of meetings for the duration of the project shall be
four\textsuperscript{10}. a kick-off meeting within the first ten days after signature of the contract in order to discuss the general approach, planning, and content of the draft inception report; a meeting to present the draft inception report; a meeting to present the draft interim report; and a meeting to present the draft final report. Additional meetings may be called if necessary.

In general, the meetings shall include presentations and explanations by the contractor regarding the work completed. The contractor shall draft detailed minutes for each of these meetings.

The contractor shall make available all electronic files, data and databases, including the contributions to the stakeholder’s consultations, which are produced during the course of the work, to enable the verification of the results by the Commission.

All meetings between the contractor and the Commission shall take place in Brussels. All costs relating to the preparation and participation in these meetings by the contractor must be taken into account when preparing the tender and should be included in the costs supported by the contractor and included in the proposed price offer (see Section 10).

8.3 Publicity and accountability

All final reports – inception, interim and final – shall be made public.

However, under Article 4 of Regulation 1049/2001 regarding public access to European Parliament, Council and Commission documents, particular information produced in course of the study, such as preliminary findings, simulation results, and suggested policy recommendations may not be disclosed if disclosure would seriously undermine (for example) the Commission’s decision-making process or the protection of the commercial interests of legal or natural persons – unless there is an overriding public interest in disclosure. Such cases shall be evaluated on an \textit{ad hoc} basis.

If only parts of the requested document are covered by any of the above exceptions, the remaining parts of the document shall be released.

8.4 Quality assessment

The quality assessment of the draft final report shall be performed in accordance with the framework and criteria presented in Annex 3 of this document.

9. Timing

The duration of the tasks shall be completed within a maximum period of fifteen months starting on the date of the signature of the contract by both Parties and the tenderers shall respect the below timeline.

<table>
<thead>
<tr>
<th>EVENT/DELIVERABLE</th>
<th>Months from the kick-off meeting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inception report</td>
<td>2</td>
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\textsuperscript{10} Note that separate attendance at two CSD meetings in Brussels is also required, as detailed above under \S6, Task 6.
It is the contractor’s obligation to observe the implementation of the agreed timeframe taking into account the time necessary for consultations.

The periods of execution of the tasks may be extended only with the written agreement of the parties before such period elapses.

10. Budget

The budget of the contract, including all costs, shall not exceed €400,000 for its total duration.

The tenderer should however be aware that the contract award criteria are based on the most economically advantageous tender.

The price offer of the tender must be complete. The tenderer must not include in the price offer expenses for items that cannot be itemized and specified as requested (see Annex 2); otherwise, his tender will be rejected.

The Commission shall not separately reimburse travel or subsistence expenses incurred by the contractor to attend the meetings in Brussels foreseen in point 2.2 of these terms of reference; nor any other costs such as translation costs, database management or administrative costs necessary to carry out the tasks of the contract (offices, secretarial assistance, communications, printing costs of documents, dispatch costs, etc.). Therefore, the tenderer is requested to take into account all these costs when preparing the offer.

11. Payment

Payment shall be made in Euro (€).

Payment shall be made on services rendered (and time spent) based on the submission to, and acceptance by, the Commission of the reports and duly established invoices.

Interim payment:

As defined in article I.4.3 of the framework contract, at the request of the Contractor, an interim payment of 35% of the total value under point III.3.1 of the specific contract shall be made after presentation and acceptance of the inception report and an invoice, and an interim payment of another 35% of the total value after presentation and acceptance of the interim report and an invoice.

Payment of the balance: [30%]

The request for payment of the balance by the Contractor shall be made according to the provisions of article I.4.4 of the framework contract.
12. Contractual conditions

In drawing up his bid, the contractor should bear in mind the provisions of the standard specific contract attached to this invitation to tender (see Annex 1). This contract will be proposed to the successful contractor. By submitting an offer, the contractor accepts the conditions of this contract.

The contractor must not include in the offer conditions or clauses that are not specified in, or that modify, this Terms of Reference, on pain of his/her tender being rejected.

13. The tender must include:

- All the information and documents required by the authorising department for the appraisal of tenders on the basis of the award criteria set out at point 15 below;
- Description of the methodology and planning of the works, including the time limit for delivery of each report and document;
- A description of the team proposed for the assignment;
- A signed statement of exclusivity and availability for each expert;
- A fixed price: using the quotation form in Annex 2, the Contractor will specify the number of man-days allocated per category of staff as indicated in annex II of the Framework Contract.

14. Quotation of Prices

As regards honoraria, prices must be quoted in EUR (€) corresponding to the accepted unit prices as set out in annex II to the Framework Contract.

Prices must be fixed amounts that are non-revisable.

Prices shall be quoted free of all duties, taxes and other charges, including VAT, as the European Union is exempt from such charges under Articles 3 and 4 of the Protocol on the Privileges and Immunities of the European Union annexed to the Treaty of the European Union and to the Treaty on the Functioning of the European Union. Exemption is granted to the Commission by the governments of the Member States, either through refunds upon presentation of documentary evidence or by immediate exemption. The successful contractor shall be given the necessary instructions by the Commission.

15. Award Criteria for the choice of the contractor

The contract will be awarded to the "most economically advantageous tender".

Criteria to be applied are:

- price (price of the tender measured as a ratio compared to the lowest tender\(^{11}\), (30%) and

- quality in terms of technical quality of the offer (70%) assessed on the basis of the following sub-criteria

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\(^{11}\) By using the formula:  
\[
\text{Price of the lowest tender} \times \text{fixed percentage} = \ldots \% \text{ for the criterion 'price '}
\]
\[
\frac{\text{Price of the tender}}{\text{Price of the lowest tender}}
\]
<table>
<thead>
<tr>
<th>No</th>
<th>Qualitative award criteria</th>
<th>Weighting (maximum points)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Technical quality, experience, variety and coherence of the proposed team for the assignment covered by the specific contract, including appropriateness of the local contacts proposed where relevant. Balance between the input of the senior and junior experts.</td>
<td>50</td>
</tr>
</tbody>
</table>
| 2. | Quality and appropriateness of the proposed methodology  
   a) quality of the work plan, including subsequent steps, timetable and outputs so as to deliver in time credible, coherent and reliable deliverables  
   b) methodology: quality of the quantitative and qualitative research methods proposed to perform the assignment                                                                                                                                                                           | 40                        |
| 3. | Approach proposed for the management of the project and its quality control                                                                                                                                                                                                                                                                                | 10                        |

*Total number of points* 100

The evaluation board will compare the offers based on this score, it being clear that the Commission cannot be required to accept an offer the quality of which does not reach the minimum standard of 65%.

A minimum threshold of 50% will also be applied per criterion, meaning that the Commission will only assess further offers that obtain 50 % or more on a single criterion.

The sum of the price and quality criteria will result in a numerical score (e.g. 75%).

**Annex 1:** Specific Contract

**Annex 2:** Quotation Form for Price

**Annex 3:** Quality Assessment Framework