

May 2010

EARSC Position Paper¹
on
Tendering Recommendations
for
Operational GMES Services

¹ Based on a background analyses elaborated and published by Land Network e.V. in the frame of the EC FP7 co-funded project geoland2 (www.land.eu).

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Affordability, quality and reliability of products and services represent the cornerstone for future GMES tendering. Equally, the conditions of public GMES tendering and the procurement process can lead to a balanced quality and price competition or drive European Earth observation service industry into a mainly price driven competition at the expense of the well-defined quality required by the end-users.

- Follow best practice recommendations (as fully implemented by World Bank and only partly followed by European organisations) regarding the weighing ratio of 60% - 80% on quality versus price, in service contracts where highly qualified specialists and technical experts are required.
- Selection juries shall be impartial and provide long term experience in technical evaluation of operational public tenders. They should comprise of independent permanent staff of the tendering organisation only and be supported through technical experts of supranational organisations such as EEA, EMSA, FRONTEX.
- A-priori detailed definition of technical specification and quality criteria as well as the quality control method is required in order to ensure unambiguous criteria for result acceptance.
- It is up to the Commission to avoid de-facto monopolies in the early phase of GMES operations. The EC should make sure that the most appropriate tendering mechanism is put in place depending on the nature of the service and its scope, taking into account criteria such as quality, efficiency and value for money. This may be a single service contract organised by an industry consortium, or a more lot based approach. Any tenders must be of substantial size and duration to enable such principle.
- In the framework of GMES it should be made sure that SMEs have the chance to participate to European tenders with a fair share for SME policy reasons (Small Business Act). This approach is also valid from a capacity building point of view in order to enable broad access to Member States and regional know-how and resources.
- EO data procured by the European Commission for operational GMES projects should be made available under a governmental license to all legally mandated organizations on European and Member State level to ensure a broad use of these data and all derived products without compromising the required quality and amount of the EO data.
- Legal and financial registration and evaluation of the bidders is currently consuming a disproportionate amount of the bidding effort although such information is similar in European tenders but always required in slightly different formats thereby placing an enormous administrative burden on tendering organisations. We suggest that once registration has been successful it should remain valid for at least three years.
- To ensure the quality and reliability of the service provides warranty and liability conditions are a prerequisite for operational GMES procurement contracts. Ideally the warranty period should be sufficiently long to also address shortcomings appearing in the use of the product..
- Payment cycles and initiation of payment should be balanced and follow standard procedure allowing industry to participate without long pre-financing periods thereby avoiding financing costs and cash-flow obstacles that may not be manageable by many SMEs.

We are convinced that at European level adequate operational expertise and capacity to implement such operational tenders exists with today's agencies such as EEA, EMSA, FRONTEX or Eurostat, notwithstanding the political and programmatic responsibility that resides with the respective DGs.