



# TENDERIO

Improving SME's access to public procurement

## Guide to country specific elements on public procurement: Lithuania



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## TENDERIO

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## List of Acronyms

Acronym	Title
EU	European Union
SME	Small and Medium – sized Enterprise
CVPIIS	Central Public Procurement Information System
PPL	Public Procurement Law
VAT	Value Added Tax

*The current guide was prepared under the Task 2.5 of the TENDERIO project which is funded by the COSME programme of the European Union (Grant Agreement No 739966) and aims to increase SME's access to public procurement in EU.*

*Within this concept, a series of national guides on public procurement was developed for Czech Republic, Estonia, Greece, Ireland, Latvia, Lithuania, Portugal, Slovakia, Spain and United Kingdom targeting to support in particular SMEs who are interested in participating in public procurement processes in EU Member States and need to know more regarding the national procedures.*

*National guides are available in the project's official website: [www.tenderio.com](http://www.tenderio.com)*

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## Executive summary

The current guide aims to support European SMEs to access the Lithuanian public procurement market. In particular, it presents data and specific elements of public procurement in Lithuania along with the procedures to be followed in order to submit a bid for a Lithuanian public contract.

The value of Lithuanian public procurement market in 2016 was around **4,6 billion euros**. Ca 15 000 contracts were awarded, of which majority were for services at 44%, 39% for goods and 17% for works. Foreign bidders account for 4,3-30% of the bidders depending on the procurement type.

The new EU directives on public procurement (2014) that aim at simplifying the rules and enabling easier access have already been transposed into the Lithuanian legal framework with the Public Procurement Act effective from 01.07.2017.

By fully adopting and implementing the latest EU common rules on public procurement, supported by the English version of the National Procurement Register and widely used online procedures, Lithuania has a good environment for foreign SMEs to participate in its domestic public procurement market.

## 1 Introduction

The current guide was elaborated under the activities of the TENDERIO project. TENDERIO project is funded by the COSME program of the European Union (Grant Agreement No 739966) and aims to increase SMEs' access to public procurement in EU.

This guide is addressed to SMEs and to any other economic operator interested in participating in Lithuanian public contracts and wishes to know more about the public procurement procedures in Lithuania.

Chapter one, introduces the scope and the content of this guide and lays out the concept within which it was developed.

The second chapter focuses on the potential of EU public procurement market, emphasizing the performance of European SMEs' in the cross-border procurement contracts and briefly presenting the key points of the new EU legislative framework (2014) on public procurement.

Moreover, the third chapter sets light on the current status of public procurement in Lithuania. In particular, it provides an overview of the public procurement framework in Lithuania along with a summary of key data regarding the Lithuanian market size, i.e. the value of contract notices, the number of contract notices, the market share among supplies, services, works, the top sectors, as well as data regarding the cross-border procurement i.e. the implementation of Lithuanian public contracts by companies located in another EU Member State.

Chapter four, briefly comments on the national procedures of public procurement in Lithuania. More specifically, it includes information regarding:

- the contracting authorities;
- the award procedures;
- the eligibility of the potential bidders;
- the publication of the contracts notices;
- the time limits for the submission of an offer;
- the bid's submission and the bid's evaluation procedure;
- the award criteria;
- the complaints and the prejudicial objections.

In addition, the fifth chapter lists key points for the SMEs that are interested in submitting offers in Lithuanian public contracts.

The guide concludes with a reference on how TENDERIO platform could support European SMEs in applying for a public contract abroad.

## 2 Public Procurement in EU

According to European Commission, the term “Public Procurement” refers to the process by which public authorities, such as government departments or local authorities, purchase work, goods or services from companies, i.e. the building of a state school, purchasing furniture for a public prosecutor's office, contracting cleaning services for a public university etc<sup>1</sup>.

### Public procurement market in EU



Every year nearly 2 trillion euros are paid in Europe for public contracts, i.e. 14% of EU GDP.



At least 250.000 public authorities conduct public procurements annually.



Public authorities are the major buyers in sectors such as energy, transport, waste management, social protection and the provision of health or education services.



The estimated value of general government expenditures on works, goods, and services -excluding utilities- has increased by 4,2% in 2015. Almost all EU Member States increased their expenditure on public contracts between 2014 to 2015<sup>2</sup>.



The estimated value of tenders published in the Tenders Electronic Daily<sup>3</sup> (TED) in 2015 was 450.21 billion euros which stands for 6.9% more than it was in 2014.

Overall, the public procurement represents a substantial portion of the EU economy offering lot of opportunities and innovation prospects for the European SMEs.

<sup>1</sup> <http://ec.europa.eu/growth/single-market/public-procurement/>, 2017

<sup>2</sup> DG GROW G4, 2016. *Public Procurement Indicators 2015*.

<sup>3</sup> The online version of the 'Supplement to the Official Journal' of the EU, dedicated to European public procurement.

**European SMEs’ participation in cross-border procurement**

The term “cross-border procurement” refers to a procedure by which a public contract in a Member State is partly or fully performed by firms located in another EU Member State.

SMEs account 99,8% of the registered enterprises in Europe (20,8 million SMEs) and they are considered to be the backbone of the EU28 economy. European SMEs could participate in procurements across borders either directly or indirectly through its local subsidiaries (Figure 1). However, the past years the overall participation of European SMEs in public procurement across borders is considered to be low.

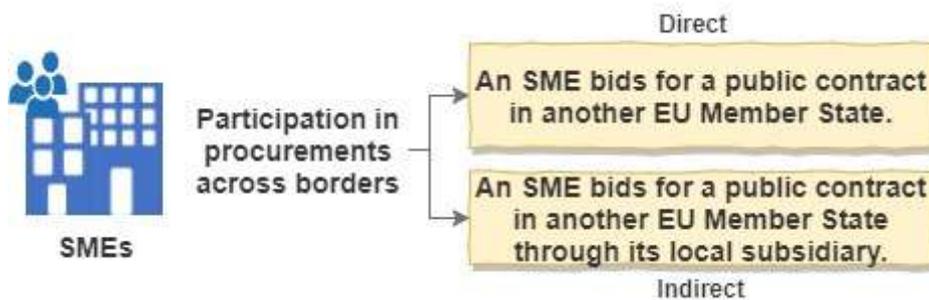


Figure 1: How European SMEs can participate in cross border public procurements

The share of European SMEs in direct cross-border procurement accounts for 27% in terms of number of awards and 24,5% in terms of the value of awards, which is significantly lower compared to their contribution to the European GDP (58%)<sup>4</sup>.

The share of European SMEs in indirect cross-border procurement is estimated at 3% both in terms of number and value of awards<sup>5</sup>.

<sup>4</sup> European Commission, Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs, 2017. *Measurement of impact of cross-border penetration in public procurement.*

<sup>5</sup> European Commission, Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs, 2017. *Measurement of impact of cross-border penetration in public procurement.*

**Obstacles to SMEs’ participation in cross-border procurement**

The low level of SMEs’ participation in cross-border procurement the past years was due to (Figure 2):



*Figure 2: Main obstacles that SMEs face when they participate in cross-border public procurement*

Despite the fact that SMEs are facing difficulties in their participation to cross-border public procurement, however the contracting authorities/entities see high potential in cross border contractors as they could benefit by having a better choice in terms of quality and price and by concluding contracts when there is absence or limited availability of suppliers at national level.



European Commission has introduced legislative measures to improve SMEs’ access to public contracts, aiming to open up national public procurement markets and increase the levels of cross-border public procurement.

**Legislative Framework**

In 2014, the EU Parliament and the European Council introduced a new common legislative framework on public procurement and concessions aiming to simplify the procedures and encourage the SME’s to access public contracts and concessions contracts. The reform included the following directives:

- 2014/23/EU on the award of concession contracts;
- 2014/24/EU on public procurement;
- 2014/25/EU on procurement by entities operating in the water, energy, transport and postal services sectors.

More specifically the new EU directives aim to (Figure 3):



*Figure 3: Objectives of the new EU directives on public procurement*

The reform of public procurement legislation reduces the bureaucracy and makes public procurement in Europe more efficient within a single market facilitating that way the SMEs’ participation in public contracts. Lithuanian public procurement volumes by types of services (2016).

### 3 Public Procurement in Lithuania

The value of Lithuanian public procurement market in 2016 was around **4,6 billion euros**. Ca 15 000 contracts were awarded, of which majority were for services at 44%, 39% for goods and 17% for works. The public procurement volumes by type of public contract that were announced in Lithuania in 2016 are presented below (Figure 4).

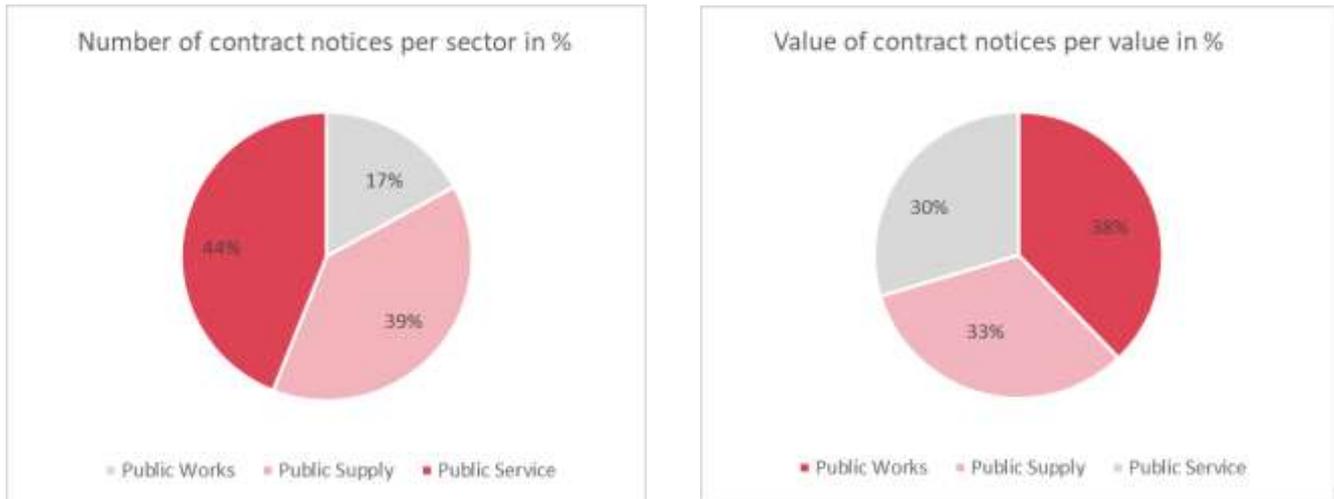


Figure 4: Distribution of contract notices per supplies, services, works (number and value)

**8% of the total number of procurements were above the international threshold** with public supply sector constituting the greatest proportion followed by services and works. While contracts above international threshold represents a small part of the total volume of contracts, they represent nearly two-thirds of the total value of contracts (

Figure 5).



Figure 5: Proportion of public procurement contracts over international threshold (number and value)

Foreign bidders account for 4,3-30% of the bidders depending on the procedure type (Table 1).

LAW	Procedure	Country	Total number of PP	Number of participants who got contract award	Percentage
PPL	above the international threshold	Total	1 270		100,0%
		including			
		from Lithuania		1 149	90,5%
		foreigners		121	9,5%
	under the international threshold	Total	2190		100,0%
		Including			
		from Lithuania		2095	95,7%
		foreigners		95	4,3%
	Simplified procurement	Total	11 989		100,0%
		including			
		from Lithuania		11609	96,8%
		foreigners		380	3,2%
Procurement Law for Public service providers	above the international threshold	Total	121		100,0%
		including			
		from Lithuania		85	70,2%
		foreigners		36	29,8%

Table 1: Public contracts with foreign providers according to procedures (2016)

## 4 National Procedures on public procurement

The EU directives on public procurement i.e. 2014/24 and 2014/25, have been transposed in the Lithuanian legal system, enacted in the new Public Procurement law effective from 01.07.2017. The new law is harmonized with the objectives of the European Strategy on public procurement and sets out the rules on the implementation of all type of public procurement contracts in Lithuania irrespective their value.

Public contracts are divided into the following types (Figure 6):



Figure 6: Types of public contracts

The procurement life cycle in Lithuania follows the steps presented in Figure 7 below:



Figure 7: Public Procurement life-cycle

The chapters to follow constitute a brief guide on specific elements of public procurement in Lithuania and its procedures, as they are regulated by the new Public Procurement Act on public contracts.

#### 4.1 Contracting Authorities & Contracting Entities

The terms “contracting authorities” and “contracting entities” refer to the bodies that may conduct a public procurement to ensure the execution of works, the supply of products or the provision of services. Contracting authorities/entities define the specifications of the works/products/services along with the terms of reference and they carry out the procedure of a public contract award (Figure 8). In other words, within the concept of a public procurement, the contracting authorities and the contracting entities are the purchasers (Table 2).

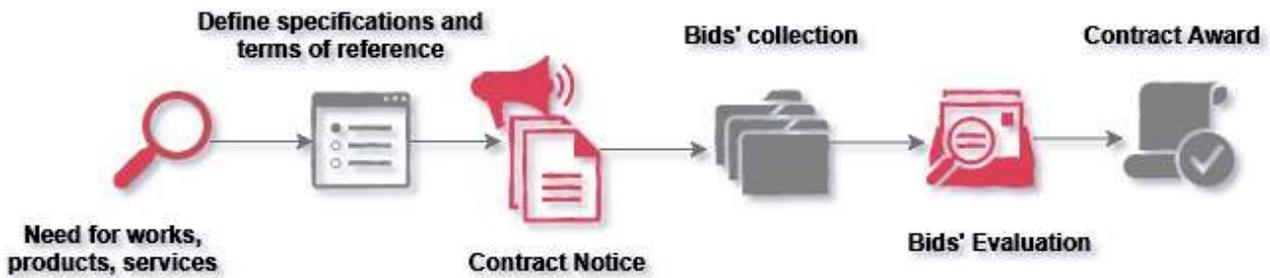


Figure 8: The role of Contracting Authorities in a public procurement procedure

Contracting Authorities (Central Government Authorities & Sub-central Contracting Authorities)
<p><b>Public Entities</b> who are eligible to open a public procurement are:</p> <ul style="list-style-type: none"> <li>✓ State or local authority;</li> <li>✓ Public or private legal person, whose all or part of the activities are intended for meeting the needs of general interest and: <ul style="list-style-type: none"> <li>○ more than half of its activities are financed from state or municipal budget, or from budget of other public or private legal person; and/or</li> <li>○ it is managed (supervised) by the state or local authorities, or by other public or private legal person; and/or</li> <li>○ more than half of its administrative, management or supervisory body members are appointed by the state or local authorities, or other public or private legal person.</li> </ul> </li> <li>✓ Association of state or local authorities.</li> </ul>

Table 2: Contracting Authorities implementing public procurement in Lithuania

## 4.2 Threshold amounts

The latest EU Directives on public procurement have set minimum thresholds for public contracts and as a result the public procurement can be divided into two categories:

- I. National thresholds: Public contracts whose value falls below the EU thresholds. The Public Procurement Law includes specific provisions regarding the procedures to be followed for their proper implementation (Table 3).

Type of procedure	Type of contracts (services, products, works, supplies)	Lowest Threshold Amount	Covered by law
Low-value procurement	Goods & Services	Not specified	Public Procurement Act Low-value Procurement Procedure Description, approved by Public Procurement Office
	Works	Not specified	
	Goods & Services	58 000 EUR	Public Procurement Act

Simplified procurement	Works	145 000 EUR	
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Table 3: Public contracts with value below the EU thresholds

- II. EU international thresholds: Public contracts whose value is equal to or greater than the EU thresholds which are presumed to be of cross-border interest. In this case the detailed provisions of the EU directives (which have been transposed in the Public Procurement Law) must be followed (Table 4).

Type of contract		Lowest Threshold Amount (net of VAT)
<i>Directive 2014/24/EU on public procurement</i>		
Works contracts, subsidised works contracts		5 225 000€
All services concerning social and other specific services listed in Annex XIV of the 2014/24/EU		750 000€
All subsidised services		209 000€
All other service contracts and all design contests.		135 000€
All supplies contracts awarded by contracting authorities/entities not operating in the field of defence.		135 000€
Supplies contracts awarded by contracting authorities/entities operating in the field of defence	Concerning products listed in Annex III of the 2014/24/EU	135 000€
	Concerning other products	209 000€
All other service contracts, all design contests, subsidised service contracts, all supplies contracts		209 000€
<i>Directive 2014/25/EU on procurement by entities operating in the water, energy, transport and postal services sectors</i>		
Works contracts		5 225 000€
All services concerning social and other specific services listed in Annex XVII of the 2014/25/EU		1 000 000€
All other service contracts, all design contests, all supplies contracts		418 000€

Table 4: Thresholds triggering EU-wide rules on public procurement contracts

**!** Every two years the European Commission shall revise the lowest thresholds amounts presented in Table 4.

### 4.3 Award procedures

The term “award procedures” refers to the process followed during a public procurement in order to evaluate the submitted offers and select the best one.

When **value of the contract is under national simplified procurement threshold**, the procurement may be based on Low-value Procurement Procedure Description, approved by Public Procurement Office.

The available types of award procedures that a contracting authority/entity could use towards the implementation of a public procurement are listed in the following table (Table 5).

Type	Description
Services contracted by low-value procedure	<p><b>Use:</b> When the value of the contract is expected to be <b>under simplified procurement threshold (58 000 EUR net of VAT)</b>:</p> <p>The low-value procedures are executed in accordance with rules which are set in low-value Procurement Procedure Description.</p>
Published survey in low-value procedure	<p><b>Use:</b> Published survey in low-value procedure can be selected in all cases.</p> <p><b>Process:</b> Must be published in the Central Public Procurement Information System (hereinafter – CVPIS; <a href="https://cvpp.eviesiejipirkimai.lt/">https://cvpp.eviesiejipirkimai.lt/</a>). Any interested person may submit a proposal.</p>
Unpublished survey in low-value procedure	<p><b>Use:</b> Unpublished survey in low-value procedure can be selected only in cases that are mentioned in Low-value Procurement Procedure Description:</p> <ul style="list-style-type: none"> <li>✓ if no applications or offers for the procurement that was announced before have been received;</li> <li>✓ if it is necessary to purchase the goods, services or works in an urgent manner;</li> <li>✓ if services are purchased after the project competition and it is purchased from the winner of the project competition;</li> <li>✓ when the estimated value of the contract is less than 10,000 EUR net of VAT;</li> <li>✓ if there is only one supplier, who could provide such services, sell goods and do the work;</li> <li>✓ if the goods are produced for the sole purpose of scientific research, experimentation, study or experimental development;</li> <li>✓ other cases set in Low-Value Procurement Procedure Description.</li> </ul> <p><b>Process:</b> Contracting authority sends a request to participate in a procurement to chosen suppliers. Any number of suppliers is available.</p>
Simplified procurement	<p><b>Use:</b> When the value of the contract is expected to be equal or <b>over simplified procurement threshold</b>:</p> <ul style="list-style-type: none"> <li>✓ Goods and services at least 58 000 EUR (net of VAT).</li> <li>✓ Works at least 145 000 EUR (net of VAT).</li> </ul> <p><b>Process:</b> Must be published in CVPIS. There are some procedures when publication is not obligatory.</p>
Open procedure	<p><b>Use:</b> Open procedure can be selected in all cases.</p>

	<p><u>Process:</u> In the case of an open tender procedure, any interested supplier may submit a tender. The number of participants in an open procedure is unlimited. Any kind of negotiations in open procedure is forbidden.</p>
Restricted procedure	<p><u>Use:</u> A restricted procedure should be organized when a very high number of participants are expected to be and / or it is aimed at concluding a contract with highly qualified suppliers.</p> <p><u>Process:</u> Must be published in the CVPIS. All interested tenderers may submit a <b>request to participate</b>, based on what their qualification is assessed. <b>Full bid</b> may be submitted only by <b>candidates selected by the contracting authority</b>. Any kind of negotiations in restricted procedure is forbidden.</p>
Negotiated procedure with prior publication of contract notice	<p><u>Use:</u> The contracting authority can use negotiated procedure with prior publication of contract notice if goods, services or works meet at least one of the following requirements:</p> <ul style="list-style-type: none"> <li>✓ The needs of the contracting authority cannot be satisfied without application of a special solution;</li> <li>✓ Goods, services or works involve innovative or design solutions;</li> <li>✓ The procurement contract cannot be concluded without prior negotiations because of the specific circumstances surrounding the type, complexity, legal or financial nature of the goods, services or works;</li> <li>✓ The contracting authority cannot precisely define the technical specification of the object to be purchased;</li> <li>✓ If the opened or restricted procedure is not possible and all the proposals submitted are not substantially altered. The contracting authority may not publish a notice of procurement when all suppliers who meet the requirements for qualification have submitted proposals to the open or restricted procedure.</li> <li>✓ The contracting authority may, in all cases, choose the negotiated method of negotiation with a simplified purchase or purchase of social and other special services.</li> </ul> <p><u>Process:</u> Negotiations are conducted after suppliers submit initial proposals and verify the compliance of all suppliers with qualification requirements. After the negotiations, suppliers submit a final proposal which is evaluated and the winner is determined.</p>
Negotiated procedure without prior publication of contract notice	<p><u>Use:</u> This type of procedure is used if:</p> <ul style="list-style-type: none"> <li>✓ Procurement in open or restricted procedure was unsuccessful because no tender was submitted or all tenders were non-conforming to procurement documents;</li> <li>✓ The contract can be concluded only with one supplier because of technical or exclusive rights, including for reasons relating to the protection of intellectual property rights;</li> <li>✓ The urgent conclusion of the contract is necessary because of the extreme need created by the unforeseen events of the contracting authority.</li> </ul> <p><u>Process:</u> In this procedure, the publication of the procurement notice is not needed and there is only one supplier.</p>
Competitive dialogue	<p><u>Use:</u> Competitive dialogue is used only for highly complex purchases where the purchase cannot be made by way of an open or restricted procedure. The contracting</p>

	<p>authority can use competitive dialogue as well as negotiated procedure with prior publication of contract notice if goods, services or works meet at least one of the following requirements:</p> <ul style="list-style-type: none"> <li>✓ The needs of the contracting authority cannot be satisfied without application of a special solution;</li> <li>✓ Goods, services or works involve innovative or design solutions;</li> <li>✓ The procurement contract cannot be concluded without prior negotiations because of the specific circumstances surrounding the type, complexity, legal or financial nature of the goods, services or works;</li> <li>✓ The contracting authority cannot precisely define the technical specification of the object to be purchased.</li> </ul> <p><u>Process</u>: Must be published in the CVPIS. Any interested person may submit a <b>request to participate</b> in the procurement procedure. <b>Negotiations are conducted with the candidates selected</b> on the basis of objective and non-discriminatory criteria meeting the contracting authority's needs in terms of the use and functional requirements.</p>
<p>Innovation partnership</p>	<p><u>Use</u>: When executing a procurement procedure through an innovation partnership it is aimed at creating an innovative product, service or work, as well as at carrying out the procurement of the product created later on.</p> <p><u>Process</u>: The contracting authority, in the terms of the innovation partnership, usually determines the qualifications for applicants of experience in research and experimental development and in the design and implementation of innovative solutions. Procurement documents must also specify the conditions applicable to intellectual property rights.</p>
<p>Project procedure</p>	<p><u>Use</u>: Procedure where the contracting authority is given the opportunity to purchase the submitted plan or project (usually spatial planning, architecture, engineering, data processing, financial engineering) selected by the evaluation commission. Project procedure participants may be awarded by prizes or cash benefits. The contracting authority shall determine the qualification requirements.</p>

*Table 5: Types of award procedure*

#### 4.4 Who is eligible to participate?

Tenders may be submitted by any entity, who is able to provide goods, services or works in accordance with the terms of public procurement:

- ✓ private legal entity;
- ✓ public legal entity;
- ✓ other organizations and their departments;
- ✓ group of above-mentioned.

Affiliated companies cannot submit individual offers for purchase and compete in the same public procurement procedure. When deciding to cooperate and submit one proposal for purchase, a joint venture agreement must be concluded. It must be submitted to the contracting authority together with other required documents.

The supplier may also use a subcontractor. In such case subcontracts must be concluded and submitted to the contracting authority.

The difference between joint venture and subcontracting is that subcontractors, unlike when concluding the joint venture agreement, do not have to meet all the common qualification requirements (also known as grounds for eliminating participants if they do not meet these requirements):

- ✓ non-conviction;
- ✓ compliance with obligations relating to taxes, including social security contributions;
- ✓ no concluded agreements with other suppliers that aim to distort competition in the procurement;
- ✓ no conflict of interests;
- ✓ no breach of competition;
- ✓ no concealed information or submitted false information during procurement procedures;
- ✓ no illegal actions that aim to influence decisions of contracting authority;
- ✓ no contract that was improperly executed;
- ✓ no professional breach, when an administrative sanction or an economic sanction is imposed.

The above mentioned is not applicable when contracting authority requires subcontractors to meet all or some of the common qualification requirements.

#### 4.5 Publication of public contract notice

All the Lithuanian public procurement contract notices irrespective of the award procedure and whether their value is above or below the EU thresholds, are published in the following repository:



Central Public Procurement Information System – CVPIS

<https://cvpp.eviesiejipirkimai.lt/>

The public contracts whose value is above the respective EU thresholds are also published, in full, in the following repository:



Tenders Electronic Daily -[TED](#)- page of the Official Journal of the EU

<http://ted.europa.eu>

The table below presents how public contract notices are published (Table 6).

Procurement	Threshold		Publication
Value of the contract is under simplified procurement threshold	Less than 58 000 EUR		<ul style="list-style-type: none"> <li>✓ CVPIS;</li> <li>✓ Personal invitation from contracting authority to a potential tenderer to submit a tender (if the procedure is without publication);</li> </ul>
Procurement contract value is equal or over simplified procurement threshold	Goods and services	58 000	<ul style="list-style-type: none"> <li>✓ CVPIS;</li> <li>✓ Institution homepage;</li> <li>✓ Personal contact from contracting authority;</li> </ul>
	Works	145 000	

Procurement contract value is equal or over international threshold	Threshold is determined in directive by European Commission periodically and is published in the Official Journal of the European Union. It is reviewed every 2 years.	<ul style="list-style-type: none"> <li>✓ CVPIS;</li> <li>✓ Official Journal of the European Union;</li> <li>✓ Institution homepage;</li> <li>✓ Personal contact from contracting authority;</li> </ul>
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Table 6: Publication of public contract notices

Access to public contracts all around the EU is provided also by the [TENDERIO](http://www.tenderio.com) platform (<http://www.tenderio.com>). SMEs can access public procurement in their country or abroad by using a tender search engine that aligns live tender opportunities most suited to their business needs and expertise.

#### 4.6 Time limit of submitting an offer for a public contract

The time limit of submitting a tender starts from the moment the contract notice is published in CVPIS and it is related to the types of award procedures.

The contracting authority will establish time limits for submission of tenders or requests to participate in a procurement procedure based on the object of the public contract, above all, its complexity and quantity, volume or amount.

The deadline of submission of a tender or application is not limited by exact period, it can be either on working days or national holidays.

In the table below there are time limits for receipt of tenders if the contract value is equal or above national EU international thresholds (Table 7).

Type of PP procedure and object		Minimum number of days for submission of request to participate	Minimum number of days for submission of the tender	
Contract value is above 58 000 (for services and goods) and 145 000 (for works) and below EU international thresholds				
			<b>Electronic communication</b>	<b>NOT electronic communication</b>
Simplified procurement		-	Minimum 7 days	
Open procedure	Goods, services & works	-	9	12
			7 *	
			7**	
Restricted procedure	Goods, services & works	10	7 (from the request to submit a proposal)	10 (from the request to submit a proposal)
		7 **	5 *	
			7**	

Negotiated procedure with publication of a contract notice	Goods, services & works	10	7 (from the request to submit a proposal)	10 (from the request to submit a proposal)
		7 **	5 *	
			7**	
Innovation partnership		-	10	10
Competitive dialogue		-	10	10
Project competition		10	7	10
<b>Contract value is equal or above EU international thresholds</b>				
			<b>Electronic communication</b>	<b>NOT electronic communication</b>
Open procedure	Goods, services & works	-	30	35
			15 *	
			15**	
Restricted procedure	Goods, services & works	30	25 (from the request to submit a proposal)	30 (from the request to submit a proposal)
			10 *	
			10**	
Negotiated procedure with publication of a contract notice	Goods, services & works	30	25 (from the request to submit a proposal)	30 (from the request to submit a proposal)
			10 *	
			10**	
Innovation partnership		-	30	30
Competitive dialogue		-	30	30
Project competition		30	25	30

Table 7: Minimum time limit for submitting an offer for public contracts above and below the national and EU international thresholds

\* if there was ex ante publication about the procurement

\*\* in case of emergency

## 4.7 Public Contract Notice Contents

Lithuanian public contract notices include:

- ✓ requirements for the preparation of proposals;
- ✓ the grounds for rejection of all tenders, qualification requirements;
- ✓ tender evaluation criteria;

- ✓ name, quantity (amount) of the goods, services or works, type of the services to be provided with the goods, time of delivery of goods, provision of services or performance of works;
- ✓ technical specification;
- ✓ all terms of the future public contract or the draft public contract;
- ✓ required documents and information list;
- ✓ information about subcontractors;
- ✓ the structure and currency in which the value of the tender must be presented;
- ✓ the sum of requested guarantee if required;
- ✓ contact details at which additional information on the content of the contract documents can be asked;
- ✓ the closing date and place of submission of tenders;
- ✓ the minimum term of validity of tenders;
- ✓ date and place of getting acquainted with the offers and procedures;
- ✓ information on the application of the suspension period, the procedure for the dispute settlement procedure.

In addition, there is some information that is specific to the type of procedure.

#### Competitive negotiation

- ✓ Information about negotiations procedure;
- ✓ Information about negotiation in sequential stages.

#### Competitive dialogue

- ✓ Information about negotiation in sequential stages;
- ✓ Information about prizes and participation fee if contracting authority has established prizes or participation fee.

## 4.8 How to submit a bid

### 4.8.1 What are the specific elements that a bid must include

In general, a tender must comply with the terms provided in procurement documents.

Typically, tenderers are asked to include at least:

- ✓ filled form of proposal (the form is set in procurement documents by contracting authority);
- ✓ power of attorney (if the proposal is not signed by CEO);
- ✓ documents proving the supplier meets all the qualification requirements.

In some cases, when it is required in procurement documents, the supplier should submit:

- ✓ description of services (technical proposal);
- ✓ assurance documents for the proposal;
- ✓ joint venture or subcontractor agreement.

In each case the proposal should include all the documents that contracting authority requests in procurement documents.

### 4.8.2 Where you submit the tender and what are the steps

How and where a tender must be submitted is defined by contracting authority or contracting entity in procurement documents. There are **3 main means of submission** (Table 8).

Means of submission	Process
In CVPIS	Submitted electronically in CVP IS ( <a href="https://pirkimai.eviesiejpirkimai.lt">https://pirkimai.eviesiejpirkimai.lt</a> ). All the documents must be submitted on time and signed with electronic signature.  In order to submit the tender, <b>supplier should be registered in CVP IS</b> . You can register here: <a href="https://pirkimai.eviesiejpirkimai.lt/ctm/Company/CompanyRegistration/RegisterCompany?B=PPO">https://pirkimai.eviesiejpirkimai.lt/ctm/Company/CompanyRegistration/RegisterCompany?B=PPO</a>
On paper	If contracting authority requires to submit the tender and its leading documents on paper, supplier must submit the tender <b>by post service or courier</b> . All the documents must be submitted on paper in <b>sealed and marked</b> envelope to the address named by contracting authority. The tender must be signed by supplier and delivered before the deadline set by the contracting authority.
By e-mail	If contracting authority has not determined the submission procedure, supplier should submit the tender by e-mail <b>before the deadline</b> that was set by the contracting authority.

Table 8: Means of submission

#### e-Certis



Tool for mapping of certificates issued as evidences in public procurement procedures across the EU where the data are verified and updated by national ministries in charge.

(<http://ec.europa.eu/growth/ecertis>).

## 4.9 What are the key phases after submitting the bid

There are seven (7) key phases after submitting the bid (Table 9):

- ✓ Opening of tenders;
- ✓ Evaluating the qualification of suppliers and checking if tenders that were submitted, meet all the requirements, set in procurement documents;
- ✓ Verification of admissibility of suppliers and proposals;
- ✓ Negotiations (in case of procurement where negotiations are needed and allowed);
- ✓ Evaluation of suppliers and candidates;
- ✓ Declaration of tender successful;
- ✓ Contract.

Phase	Process
Opening of tenders	The contracting authority will: <ul style="list-style-type: none"> <li>✓ <b>open tenders</b> in the place and at the time specified in the contract notice, contract documents or invitation to tender;</li> <li>✓ <b>verify the compliance</b> of the submitted tenders;</li> <li>✓ <b>take minutes</b> of opening tenders, recording the tenderers' names and registry codes and the value of the submitted tenders;</li> </ul>

	<ul style="list-style-type: none"> <li>✓ <b>send information about submitted proposals</b> to all tenderers (except negotiation procedures).</li> </ul>
Qualification of tenderers and candidates	After opening of tenders, the contracting authority will verify if a tenderer qualifies. In the procurement documents contracting authority will establish criteria for qualification of tenderers or candidates and the criteria must be objective. The contracting authority will verify whether the financial and economic standing and the technical and professional ability of a tenderer or a candidate comply with the award criteria specified in the contract notice.
Verification of admissibility of tenders	<ul style="list-style-type: none"> <li>✓ The contracting authority will verify the compliance of tenders that have been submitted and makes a <b>reasoned written decision</b> to declare the tenders admissible or to reject the tenders.</li> <li>✓ <b>Rejected tenders</b> will not participate in the further procurement procedure.</li> </ul>
Negotiations	<ul style="list-style-type: none"> <li>✓ The contracting authority shall negotiate with each of the suppliers in accordance with the requirements specified in the procurement documents.</li> <li>✓ Negotiations may be conducted in a consistent way in order to reduce the number of negotiated proposals.</li> <li>✓ The contracting authority intends to terminate the negotiations by setting a deadline for the submission of final offers and informing all remaining participants.</li> </ul>
Evaluation of tenders	The contracting authority will <b>evaluate the tenders</b> that have been declared admissible <b>according to the evaluation criteria</b> defined in the procurement documentation and determines the queue. The queue is determined by decreasing economic efficiency or (if proposals are evaluated by lowest price criteria) increasing price of proposal.
Declaration of tender successful	After evaluation, the contracting authority will declare the most economically advantageous tender successful by a <b>reasoned written decision</b> on the basis of the tender evaluation criteria. Decision will be transmitted to all tenderers.
Public contract	<p>Once the winner is identified, the public contract will be signed. The purchase agreement must be concluded after the suspension period has expired.</p> <p>The term of the suspension may not be applicable if:</p> <ul style="list-style-type: none"> <li>✓ there are no interested candidates;</li> <li>✓ the procurement contract is based on the dynamic purchasing system or on the basis of an interim agreement;</li> <li>✓ Agreement or the contract is concluded orally.</li> </ul>

Table 9: Key phases after submission

The figure below summarises the submission procedure (Figure 9).

Figure 9: Summary of submission procedure

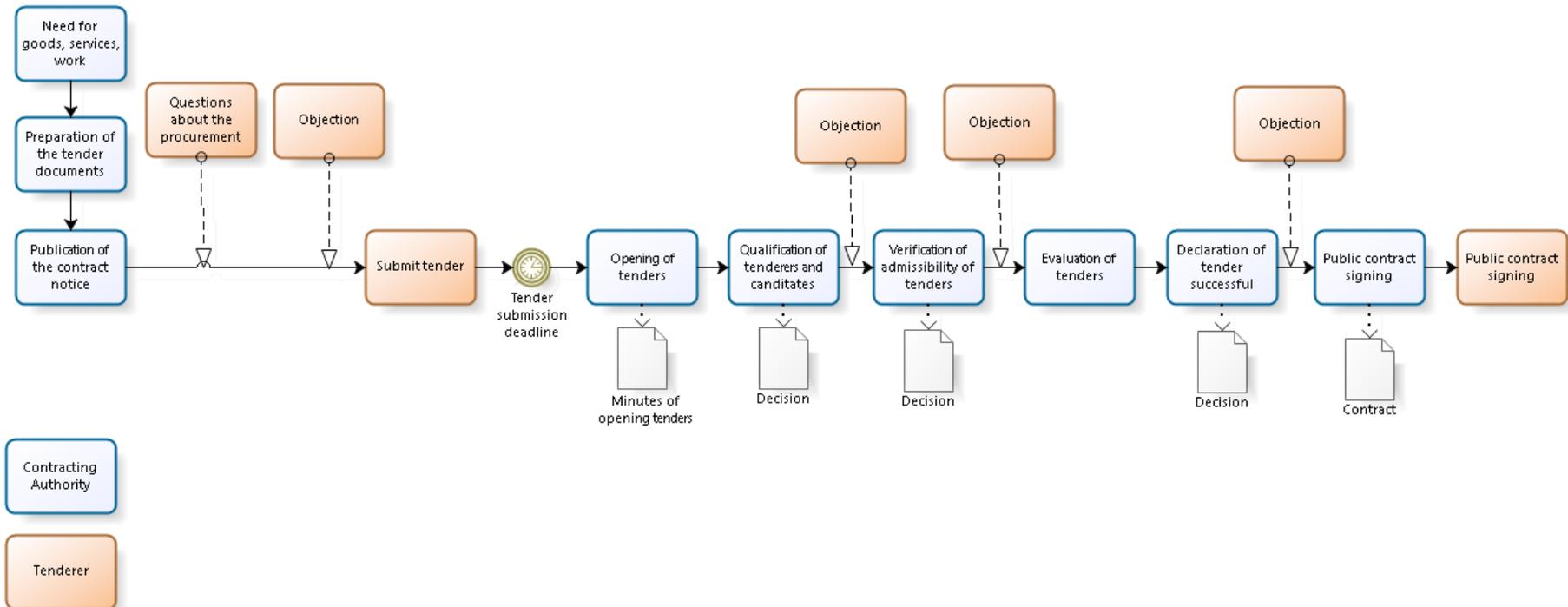


Figure 9: Summary of submission procedure

#### 4.10 Award criteria

The winner is determined on the basis of these criteria:

- ✓ Economically most profitable offer;
- ✓ Lowest price offer.

Economically most profitable offer shall be determined on the basis of the following criteria:

- ✓ Price – the most common criteria;
- ✓ Supplier’s financial and economic standing and the technical and professional ability – this criterion is used to make sure that the supplier has sufficient financial resources to operate during the procurement period, i.e. the ability to cover the most important costs;
- ✓ Previous sectorial experience – it is a requirement that describes whether the supplier has already executed a similar procurement contract (during a certain period of time, provided services, supplied goods) or performed the amount of work required, and whether the contract has been executed or the works have been properly executed;
- ✓ Technical solution – this shows how the supplier is planning to solve the situation and if it matches the vision of the contracting authority.

Contract award criteria must be listed in the procurement documents along with their proportion in the assessment. Selected evaluation criteria for tenders must not give the contracting authority an unlimited freedom of choice and must ensure effective competition between suppliers.

#### What is the evaluation procedure? How the bids are rated?

If there are more than one contract award criteria each must have its proportion and it must be pointed out in the procurement documents.

In the evaluation stage, contracting authority will evaluate each tender according to the procurement documents and sums up the points for each bid. On the basis of the evaluation results, contracting authority will make bids in queue and sorts out the best bid.

If there is only one criterion (e. g. price) then the suppliers can be evaluated only by price, but their qualification still has to be checked if there were requirements for qualification, set in the procurement documents.

#### 4.11 Complaints/Prejudicial objections

Suppliers can submit an objection to the contracting authority at any stage of the public procurement until the contract is signed. The objection can be submitted in the time limits specified below (Table 10):

Type of procedure		Minimum number of days for objection
Communication is carried out electronically	Open procedure	10 (from the announcement of the decision)
	Simplified procedure	5 (from the announcement of the decision)
Communication is carried out not electronically		15 (from the announcement of the decision)

Table 10: Submission of a complaint/prejudicial objection

The procedure of submitting the objection is the following:

- ✓ A supplier submits an objection to the contracting authority, including details about the decision or procurement documents and reasoned arguments to justify his/her position;
- ✓ A contracting authority upon receipt of the objection immediately suspends the procurement procedure pending the examination of this claim and the decision will be made;
- ✓ The contracting authority must examine the claim and take a reasoned decision within 6 business days from the date of receipt of the objection.

The contracting authority is not required to examine the claims submitted repeatedly for the same decision.

You can submit an objection in every stage of the proceedings when there is a decision or procurement documents that has violated your rights or interests.

## 5 Key points when submitting a tender in Lithuania

- 01** Make sure that you are an eligible candidate – check the requirements and the bidder's profile.
- 02** Make sure that your proposal fits the required form and is filled properly. Check if the term of validity of your proposal is not shorter than it is required.
- 03** Make sure that there is no conflict of interests.
- 04** Make sure that the services/goods or works that you describe in your proposal would meet all the requirements for object, described in procurement documents. The proposal might be rejected if suggested services/goods/works do not meet all the requirements listed in procurement documents.
- 05** Try to emphasize the requested qualification in submitted documents and try to avoid situations where additional explanations and clarifications are required. It is easier to prove that the supplier meets the requested qualification when all the necessary documents are submitted properly with the proposal.
- 06** Pay attention to requirements for assurance of proposal. Sometimes contracting authority may ask for specific form of assurance or may note that only guarantee issued by bank is eligible.
- 07** Pay attention to the award criteria.

## 6 What Tenderio offers

TENDERIO project is funded by the COSME program of the European Union (Grant Agreement No 739966) and aims to increase SMEs' participation in public procurement in EU through the development and the implementation of innovative activities that will inform, educate and support European SMEs to access international tenders.

TENDERIO helps SMEs to overcome the barriers that inhibit their participation in cross-border procurement, i.e. the language, the bureaucracy, the difficulties in finding local partners and the lack of knowledge about local tender procedures, by providing the following tools and services:

- a tender search engine which allows access to 1.500 new tenders in Europe every day;
- a benchmarking model on public procurement;
- national training sessions;
- business-to-procurers days and matchmaking opportunities;
- tailored coaching and mentoring services;
- e-conference and webinars on “how to win a tender abroad”.

Other services include a helpdesk, through which companies can access valuable information about specific tenders, country guides on public procurement, regular workshops, and an innovative “bidding laboratory” where guidance on developing successful bids is delivered.

TENDERIO also identifies possible partners and recommends expert consultancies to help you write bids and translate materials into the appropriate language for each offer.

Registration to Tenderio is free and is performed through the project's official website: [www.tenderio.com](http://www.tenderio.com)

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