



Improving SMEs' Access to Cross-Border Public Procurement

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How to do business with the Organization for Security and Co-operation in Europe

Overview

In order to execute its mission, the Organization for Security and Co-operation in Europe (hereinafter: OSCE) undertakes a number of activities that require various types of goods and services.

To participate in procurement opportunities and increase the chances of an award, bidders are encouraged to get acquainted with rules and procedures of purchasing in the OSCE. The Organization has a procurement volume of more than EUR 90 million per year.

This factsheet is part of the SESAM project which has received funding from the European Union's COSME Programme (2014-2020).

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Principles of public procurement: *best value for money*

When procuring goods, services or works, all buyers involved in procurement activities need to ensure that the optimal outcome has been achieved by considering all factors, such as: relevant costs

and benefits, risks and resources over the entirety of the product or service life – cycle.

Best value for money is defined as the optimization of whole-life cycle costs and quality needed to meet the user's requirements, while taking into consideration potential risks factors and resources available. Its goal is to achieve maximum benefit for the organization. Accordingly, price alone is not necessarily determinative *value for money*.

The entirety of cost components that comprise the **Total Cost of Ownership (TCO)** of the acquired goods, services or works need to be taken into consideration in order to determine *value*

About the OSCE

The OSCE is the largest regional security organization with a comprehensive approach to security that encompasses politico-military, economic and environmental, and human aspects. It therefore addresses a wide range of security-related concerns, including arms control, confidence- and security-building measures, human rights, national minorities, democratization, policing strategies, counter-terrorism and economic and environmental activities. All 57 participating states enjoy equal status, and decisions are taken by consensus on a politically, but not legally binding basis. The OSCE's Secretariat is located in Vienna, Austria.

The OSCE as an Contracting Authority

As a public organization entrusted with donor funds, the objective of procurement activities within the OSCE is the timely purchase of goods and services to support the organization by applying the following *Principles of Public Procurement*:

- ⇒ Best value for money;
- ⇒ Fairness;
- ⇒ Integrity;
- ⇒ Transparency;
- ⇒ Effective competition.

Key procurement documents

Prior to submitting an offer, bidders are advised to familiarise themselves with:

- The OSCE General Conditions of Contract;
- Instructions to Bidders.

The documents are available on the OSCE website: <https://procurement.osce.org/key-procurement-documents>

The OSCE has a procurement volume of more than EUR 90 million.

Procurement paperwork in OSCE: terminology

The OSCE procurement terminology which should be applicable:

- ◆ for purchase of goods, a term *specification* should be applied,
- ◆ for purchase of services: *terms of reference* (TOR) should be applied,
- ◆ for purchase of works: *statements of works* (SOW) should be applied.

Types of solicitation documents

The OSCE uses three standard types of solicitation documents, namely:

- Invitation to bid (ITB);
- Request for proposal (RFP);
- Request for quotation (RFQ).

Each is used for a different type of procurement. The selection of the type of procurement shall take into account prudent commercial practices and consider the use of a competitive selection process appropriate within the particular industry for the goods, services and works being sought.

The OSCE may solicit only a single vendor for a particular procurement action. In this case, in order to ensure the *Principles of Public Procurement*, the procurement may post, if feasible, at any early stage, a notice of intent to procure the requirement using informal methods of solicitation in the form of a request for expression of interest (REOI). This notice should give vendors the opportunity to submit a statement of their qualifications so that they may indicate whether they have qualifications to fulfil the requirements. This should justify the rationale for a sole source selection process.

Databases

The sources of information about the OSCE tender marketplace are:

- ⇒ the website of the OSCE: <https://www.osce.org/>
- ⇒ the United Nations Global Marketplace: <https://www.ungm.org/>

For effective information on new tenders, it is highly recommended to use the OSCE website and the UNGM.

On the OSCE website, essential information relating to business opportunities with the Organization will be found. It should be noted that the content of the OSCE's bidding documents may be amended from time to time, prior to the deadline for submission of bids. Any such amendment will be posted on this website and will be binding on all bidders.

The United Nations Global Marketplace is the common procurement portal of the United Nations system of organizations and related entities, e.g. OSCE. The UNGM acts as a single window, through which potential suppliers may register using the UNGM as their vendor database. The UNGM therefore provides a springboard to introduce products and services to many organizations, countries and regions by only completing one registration form.

The UNGM also enables vendors to keep abreast of upcoming tender notices. By subscribing to the Tender Alert Service, vendors can receive relevant business opportunities emailed directly. The UNGM also acts as an important procurement tool to shortlist suppliers for competitive bidding.

Trends in the OSCE procurement market

The key to successful participation in the international procurement market, including OSCE tendermarketplace, is a well-prepared business strategy. Trends in the OSCE (top expenditures in the 2016, below) will be useful as a part of the strategy:

- ◆ rent: EUR 8.5 million;
- ◆ vehicles (armored and soft skin): EUR 7.6 million;
- ◆ unarmed aerial vehicles (UAVs): EUR 5 million;
- ◆ conferences and seminars: EUR 5 million;
- ◆ medical support scheme: EUR 4.2 million;

The OSCE procurement market is also an area for purchasing of communication services, IT and ICT equipment and services.

How to make a successful bid

- ◆ the tender reaches the OSCE before the deadline. Late tenders will be rejected;
- ◆ you read the solicitation document carefully;
- ◆ you reply to all questions of the solicitation, even if you provided the same information in connection with a previous solicitation. Tenders risk elimination from further consideration if requested information is not included in your submission;
- ◆ the financial offer is submitted in the format that is provided in the tender document. Additional information may be attached;
- ◆ technical information is provided in sufficient detail. Please attach technical data sheets, brochures, photos and/or samples as applicable to facilitate the evaluation of the offer;
- ◆ the tender is sent to the correct address. Wrongly addressed tenders may be rejected;
- ◆ the tender is NOT copied to the buyer or to any other OSCE recipient.

Social networks

LinkedIn: [SESAM_EU](#)

Facebook:

@projectSESAM

Twitter:

@SESAM_EU

YouTube:

[https://www.youtube.com/
user/parpgovpl](https://www.youtube.com/user/parpgovpl)

Website:

<http://www.sesamproject.eu/>

SESAM

Initiated in 2017, the project SESAM intends to improve SME's access to Cross-Border Public Procurement. This project provides knowledge and support for a successful participation in public procurement within the European Union, in particular in Germany, Italy, France and Poland.

The following tools are available for SMEs:

- ◆ Seminars;
- ◆ Webinars;
- ◆ Training sessions;
- ◆ Factsheets and guidelines;
- ◆ B2B (business to business) and B2P (business to procurer) events;
- ◆ Lists of potential partners/public buyers;
- ◆ Advisory service.

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