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## **Procurement Rules**

### **1. General provisions**

1.1 The Procurement Rules (hereinafter referred to as "Rules" apply at Tallinn University of Technology (hereinafter referred to as "university") to:

1.1.1 planning of public procurements (hereinafter referred to as "procurement");

1.1.2 preparation, carrying out of procurements and specifications of award of public contracts;

1.1.3 appointment of persons responsible for a procurement and for the performance of a public contract;

1.1.4 conducting of specific procedures;

1.1.5 purchasing supplies, services and works below the simple procurement threshold (hereinafter referred to as "low-value procurement");

1.1.6 measures for prevention of a conflict of interests;

1.1.7 designation of separate operational units.

1.2 The university shall carry out public procurements in compliance with the Public Procurement Act (hereinafter referred to as "PPA"), EU and other legislation and the Procurement Rules. The Procedure for Entry into and Implementation of Contracts established by the Rector applies to awarding public contracts with the specifications laid down in these Rules.

1.3 The type of the procurement procedure shall be selected in accordance with the PPA by taking into account the thresholds and the criteria for the selection of the type of procedure set out in the PPA.

1.4 The procedural rules laid down in the PPA shall not be applied if supplies or services set out as exclusions in § 11 of the PPA are procured or in-house transactions are carried out in accordance with § 12 of the PPA, including if a research and development service is bought, the final beneficiary of which is not the university or the service is not paid for only by the university.

1.5 The provisions of the public contract apply to the framework agreement unless otherwise specified in the Rules.

1.6 All the values specified in the Rules shall be calculated exclusive of value added tax.

### **2. Organisation of procurements**

2.1 Procurements at the university shall be coordinated by the Finance Office, who shall:

2.1.1 explain to the structural units the legislation, principles and practice concerning public procurements;

2.1.2 draw up and publish on the intranet guidelines and document samples and forms required for carrying out procurements;

2.1.3 arrange and provide instructions for the preparation of the university's annual procurement plan (hereinafter referred to as "procurement plan");

2.1.4 arrange preparation, conduct of procurements and award of public contracts;

2.1.5 open the submitted tenders;

2.1.6 inform the tenderers of the decisions of the Chief Financial Officer set out in clause 2.2.3; [entry into force 24.01.2022]

2.1.7 perform procedural acts in the public procurement register;

2.1.8 arrange preservation of the documents of the procurement procedures;

2.1.9 carry out other operations required for the implementation of the PPA.

2.2 The head of the public procurements sector at the university is the Chief Financial Officer who: [entry into force 24.01.2022]

2.2.1 approves the procurement plan and the updated procurement plan;

2.2.2 issues procurement orders;

2.2.3 on the proposal of the committee, makes decisions to declare a tender suitable, to declare a tender successful, to qualify a tenderer, as well as any other contracting authority's decisions set out in the Rules or the PPA;

2.2.4 grants a unit the right to carry out procurements as a separate operational unit.

2.3 A separate operational unit shall:

2.3.1 be independently responsible for its procurements and lawfulness thereof;

2.3.2 establish its own procurement rules;

2.3.3 appoint the persons responsible for carrying out procurements.

### **3. Procurement planning**

3.1 At the university procurements are carried out in accordance with the annual procurement plan. The purpose of planning is to ensure correct and timely conduct of procurements.

3.2 In order to prepare a procurement plan, all the structural units shall submit to the Finance Office their procurement plans (hereinafter referred to as "sub-plan") concerning the procurements to be conducted next year, the estimated value of the contract of which exceeds 5000 euros.

3.3 A sub-plan together with the draft budget shall be submitted no later than by the date of presentation of the budget.

3.4 The Finance Office shall draw up a draft procurement plan immediately after receipt of the sub-plans from the structural units.

3.5 An approved procurement plan shall be published on the university's website no later than on 7 January each year.

3.6 A procurement plan is updated once a year in June and the updated plan shall be published on the university's website immediately after approval thereof.

### **4. Procurement procedure**

4.1 The general procurement rules apply if the value of the public contract is 60 000 euros or more in the case of a public supply or service contract or a design contest, 150 000 or more in the case of a public works contract and 300 000 or more in the case of a contract for social services.

4.2 To start a procurement procedure the head of the structural unit (hereinafter referred to as "procurement initiator") shall, with the approval of the person in charge of the funding source, submit to the Finance Office a procurement application:

4.2.1 at least 20 days in advance in the case of a procurement set out in the procurement plan;

4.2.2 as soon as the need to carry out a procurement arises in the case of a procurement not set out in the procurement plan.

4.2.3 Upon planning procurements, it must be taken into account that in the case of a procurement carried out in compliance with the general rules the time limit for the submission of tenders must not be shorter than 15 days and in the case of procurements exceeding the international threshold not shorter than 30 days from the publication of the contract notice.

4.3 In the case of exceptional procurement procedures, the procurement application must be accompanied by documents confirming that the requirements for use of the selected type of procedure are met.

4.4 The procurements shall be started by giving priority to the procurements set out in the procurement plan.

4.5 The procurement initiator shall:

4.5.1 assess the volume and quantity of the supplies or services purchased;

4.5.2 submit the procurement application on time and determine the estimated value of the procurement;

4.5.3 make a proposal concerning appointment of the members of the committee;

4.5.4 award or approve the public contract.

4.6 On the basis of a procurement application, the Finance Office shall draw up a draft procurement order, which shall be approved by the area director if the estimated value of the procurement exceeds 60 000 euros.

4.7 By the procurement order the Chief Financial Officer: [entry into force 24.01.2022]

- 4.7.1 determines the estimated value of the public contract, the financing source and the type of the procurement procedure;
- 4.7.2 forms a procurement committee (hereinafter referred to as "committee") for carrying out procurements published in the public procurement register, which shall be composed of at least three members, and appoints the chairman of the committee;
- 4.7.3 appoints the person responsible for carrying out the procurement;
- 4.7.4 appoints the person responsible for the performance of the public contract.
- 4.8 On the basis of a procurement order:
  - 4.8.1 the procurement initiator shall, at least 15 days before the scheduled start of the procurement procedure, submit to the Finance Office technical specification of the object of the public contract, the qualification and assessment criteria and the essential terms and conditions of the public contract awarded;
  - 4.8.2 the Finance Office announces the procurement by publishing a contract notice in the public procurement register.

## **5. University-wide procurements**

- 5.1 A university-wide procurement is initiated as follows:
  - 5.1.1 Open University – for purchasing catering services;
  - 5.1.2 Information Technology Services – for purchasing technical, communication and IT equipment;
  - 5.1.3 Real Estate Office – for purchasing insurance services, security services, maintenance of engineering structures and utility systems, cleaning services, administrative services, transport services, furniture and construction work;
  - 5.1.4 Human Resources Office – for purchasing occupational health services and personal protection equipment;
  - 5.1.5 Document Management Division – for purchasing office supplies, translation services, courier services, food products [entry into force 01.04.2021];
  - 5.1.6 Marketing and Communications Office – for purchasing marketing services, souvenirs and travel services. [entry into force 01.02.2022]
  - 5.1.7 [repealed - entry into force 01.02.2022]
- 5.2 As a rule, a framework agreement is concluded as a result of a university-wide procurement.

## **6. Procurement committee**

- 6.1 The committee shall:
  - 6.1.1 approve the public procurement documents;
  - 6.1.2 check the existence of the Single Procurement Document complying with the PPA, compliance of the tender with the requirements and make a decision on self-cleaning in procurements exceeding the international threshold;
  - 6.1.3 compare and evaluate all tenders;
  - 6.1.4 make motivated proposals to the Chief Financial Officer for making decisions related to the procurement procedure, including decisions to declare a tender suitable or to reject a tender, to reject all tenders, to cancel a procurement procedure or to declare a tender successful. [entry into force 24.01.2022]
- 6.2 The chairman of the committee shall:
  - 6.2.1 be responsible for the work of the committee;
  - 6.2.2 call the meetings of the committee and be in charge of the work of the committee;
  - 6.2.3 arrange performance of the functions of the committee, incl. answer the questions of the parties interested in the procurement via the Finance Office and participate in the decision-making process with regard to declaring tenders suitable, determining the successful tenderer and qualification;
  - 6.2.4 involve independent experts in the work of the committee, if necessary.

## **7. Exceptional procurement procedures**

- 7.1 The simple procedure is carried out if:
  - 7.1.1 the estimated value of a supply contract or a services contract is from 30 000 euros up to the public procurement threshold,
  - 7.1.2 the estimated value of a public works contract is from 60 000 euros up to the public procurement threshold.

7.2 The general procurement rules apply to the simple procedure, but the time limit for the submission of tenders need not be longer than 5 working days in the case of a public supply or service contract and 15 working days in the case of a public works contract.

7.3 A negotiated procedure without prior publication can be used on the basis set out in § 49 and § 50 of the PPA. If the estimated value of a procurement is below the international threshold, supplies directly usable for research and development can, inter alia, be purchased in such a manner, if the supplies are:

7.3.1 required for carrying out a project or research;

7.3.2 bound to concrete equipment and cannot be replaced by equivalent supplies;

7.3.3 absolutely necessary for the achievement of the objectives of a scientific project or research;

7.3.4 an indispensable prerequisite to ensure comparability of research results.

7.4 Upon purchasing social and other specific services:

7.4.1 a procurement shall be conducted in the public procurement register and the general procurement rules shall apply to a contract for social services from 300 000 euros and a contract for specific services from 60 000 euros.

7.4.2 Clause 8 of the Rules shall be followed if the value of the contract for social services is below 300 000 euros and the value of a contract for specific services is below 60 000 euros.

## **8. Low-value procurement**

8.1 A procurement procedure need not be carried out in case of low-value procurement if the estimated value of the public contract is below 30 000 euros in the event of a supply contract or a public service contract or below 60 000 euros in the event of a public works contract.

8.2 Upon awarding a public contract the estimated value of which is 5000 euros up to the simple procurement threshold, the procurement initiator shall observe the principles set out in § 3 of the PPA, incl. achieve the objective of the procurement at a reasonable price by ensuring, in the event of competition, the best price-quality ratio by comparing at least three tenders. If less than three tenders are compared, the person responsible for the procurement must provide reasons for absence of competition.

8.3 To award a public contract with an estimated value of less than 5000 euros, the procurement initiator may invite to submit tenders or carry out an independent market study.

8.4 The head of the structural unit shall appoint the person responsible for carrying out low-value procurements and for the performance of public contracts in the structural unit.

8.5 Upon carrying out a low-value procurement, the person responsible for the procurement shall:

8.5.1 make sure that the procurement is not divided into lots with an aim to disregard the rules or requirements established for carrying out a procurement;

8.5.2 preserve the requested tenders and other documentation on the low-value procurement.

## **9. Award of public contract and reporting**

9.1 A public contract, except public contracts based on a framework agreement, shall be approved, in addition to the persons set out in the Procedure for Entry into and Implementation of Contracts, also by the chairman of the committee.

9.2 An authorised person has the right to amend a public contract in compliance with the PPA and the university's legislation, incl. to change the person responsible for the performance of the public contract.

9.3 A public contract is awarded in the form set out in the Procedure for Entry into and Implementation of Contracts.

9.4 Not later than within 20 days after expiry of the public contract, in the case of a framework agreement after each 12-month period from award of the public contract and after expiry of the last public contract, the person responsible for performance of the public contract shall submit to the Finance Office an instrument of delivery and receipt concerning the supplies or service prepared based on the public contract and an overview of the performance of the contract.

## **10. Performance of the public contract**

10.1 The person responsible for performance of a public contract shall make sure that the public contract is performed in accordance with the requirements and shall:

10.1.1 make sure that the deadlines and the scope in the public contract are complied with;  
 10.1.2 assess the quantity and quality of the supplies or services provided;  
 10.1.3 sign or approve the instrument and delivery and receipt of the object of the public contract;  
 10.1.4 make sure that all claims are filed on time;  
 10.1.5 initiate amendment or termination of the public contract, if necessary;  
 10.1.6 report on the performance of the public contract to the procurement initiator and the Finance Office.

10.2 The person responsible for the performance of the framework agreement shall:

10.2.1 if necessary, reopen the competition in order to award a public contract;  
 10.2.2 monitor proper performance and the scope of the framework agreement;  
 10.2.3 notify the Finance Office of any problems arising upon performance of the framework agreement;  
 10.2.4 arrange timely commencement of a new public procurement for purchasing the object of the framework agreement.

10.3 As a rule, a public contract expires when duly performed. If a warranty has been agreed in the public contract, the public contract will expire upon expiration of the warranty.

## **11. Measures to avoid a conflict of interests**

11.1 A university employee participating in the procurement procedure shall avoid any conflicts of interests during the procurement procedure and upon performance of the public contract.

11.2 Where a university employee may have a conflict of interests or there is good reason to question the employee's impartiality, the employee shall be removed from the procurement procedure.

11.3 The members of the procurement committee shall sign the declaration of absence of conflict of interest immediately after they are appointed members of the committee and shall confirm that they have no direct or indirect financial, economic or other personal interests which might be perceived to compromise their impartiality or independence.

11.4 If during the procurement procedure a risk of a conflict of interests arises or a tender is submitted by a tenderer with whom a member of the procurement committee has or has had a relationship which calls into question his/her impartiality in the procurement procedure, the member shall immediately inform his/her immediate superior and the Finance Office of the circumstances.

11.5 The Procedure for Avoiding a Conflict of Interests and for Prevention of Corruption in force at the university applies to the university employees involved in the procurement procedure.