PRE-COMMERCIAL PROCUREMENT (PCP)

SELECT FOR CITIES

Standardized, opEn, data-driven, service-oriented user-centric pLatform Enabling large-scale Co-creation, Testing validation of IoE services for Cities

TENDER DOCUMENT 1: REQUEST FOR TENDERS

Deadline for receipt of the tenders:
Friday 14 April 2017 at 10:00 AM CET

This Request for Tenders, designated as Tender Document 1, should be read in conjunction with other documents related to this Pre-Commercial Procurement (PCP), listed hereunder:

- **Tender Document 1 Annexes: A through G;**
- **Tender Document 2: The Functional Specification;**
- **Tender Document 3: The Framework Agreement;**
- **Tender Document 4: The Specific Contract for Phase 1.**

To submit an eligible Tender, the Tenderer shall sign and submit the Annexes to the Request for Tender as presented below. The use of these Annexes is mandatory.

All documents are to be downloaded from the SELECT for Cities website www.select4cities.eu

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Preface

This Request for Tenders invites all interested parties, e.g. companies and researchers, to present their vision for a data-driven, Internet-of-Everything (IoE) platform for European cities to enable large-scale co-creation, testing and validation of urban IoE apps and services.

SELECT for Cities is a research & development (R&D) project, which takes form as a Pre-Commercial-Procurement (PCP). The PCP approach and how it differs from traditional procurement, will be explained in **Section 1**. This Section also provides an overview of the timeline, budget, and contracting approach. In addition, a general introduction to the procurers' team (also referred to as Buyers Group) is provided. You can find more background information about the Buyers Group and the cities in Appendix 2.

Section 2 introduces the overall challenge this PCP must address and the motivation behind it. It explains the different phases of the PCP and the expected outcome of each phase. Finally, Intellectual Property Right (IPR) considerations are addressed. You can find more information about the technical aspects of the challenge in the 'Tender Document 2: Functional Specification'. **Section 3** explains the preconditions for submitting your Tender, and an overview of the criteria to be used in the evaluation of the Tenders. The process for the evaluation of the Tenders and how to communicate with the Buyers Group, namely putting forward your questions, is detailed in **Section 4.** **Section 5** explains the conditions of the contracts between the winning Tenderers and the Buyers Group, including the monitoring process, results evaluation, and payment conditions. This is followed up by a payment schedule outlined in **Section 6.**

This Request for Tenders should be read in conjunction with other documents related to this Pre-Commercial Procurement (PCP), listed hereunder:

Tender Documents	*Annexes to Tender Documents*
TD1 - Request for Tender, incl. Appendixes 1 to 8	Annex A - General Tender Submission Form
TD2 - Functional Specification	Annex B - Exclusion Criteria (declaration)
TD3 - Framework Agreement (template)	Annex C - Selection Criteria
TD4 - Specific Contract Phase 1 (template)	Annex D - Compliance Criteria (declaration)
	Annex E - Technical Offer
	Annex F - Financial Offer and Cost Breakdown
	Annex G - Financial Offer Phase 1

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Glossary/Definitions

Words beginning with a capital letter have the meaning defined either in this 'Request for Tender' (TD1) or in the Framework Agreement (TD3).

Terms/Acronyms	*Definition*
Background	Any intellectual property rights, data, software, know-how or information, whatever its form or nature (tangible or intangible), that is held by any Buyers Group member or the Contractor prior to the award of the Framework Agreement, which is needed to perform the R&D Services or exploit the Results.
Buyers Group	The entities procuring the R&D services under the SELECT for Cities project. The Buyers Group is constituted of 3 procurers, comprising Digipolis, Forum Virium Helsinki and the City of Copenhagen. The Lead Procurer is Digipolis, situated in Antwerp, Belgium.
Call-off	The procedure organised by the Lead Procurer to select the successful Contractor(s) who will participate in the next Phase of the Project under the Framework Agreement.
Contractor	A Tenderer that is awarded a contract to execute the R&D services.
End of Phase Report	The written report to be submitted by the Contractor to the Lead Procurer after completion of a Phase. The End of Phase Report includes all specific deliverables, Results and Sideground generated under the Phase concerned.
Fair and Reasonable Conditions	Appropriate conditions, including possible financial terms or royalty-free conditions, taking into account the specific circumstances of the request for access, including in particular the actual or potential value of the Results, Sideground or Background to which access is requested and/or the scope, duration or other characteristics of the exploitation envisaged.
Framework Agreement	The contract between the Lead Procurer and the Contractor concerning the delivery of the R&D services under this PCP, covering Phases 1 through 3.
Lead Procurer	The entity within the Buyers Group, appointed to coordinate and lead the joint PCP and to award and sign the Framework Agreements and Specific Contracts for all Phases of the PCP, on behalf of the Buyers Group. The Lead Procurer is Digipolis, situated in Antwerp, Belgium.

Preferred Partner	An entity that is not a member of the Buyers Group, but which has a special interest in closely following the PCP and therefore has access to SELECT for Cities project-related information, as determined by the Buyers Group.
Request for Tenders	The SELECT for Cities invitation to tender on the basis of which the Tenders for the award of the Framework Agreement and the Specific Contract for Phase 1 are submitted, and the subsequently issued invitations to tender for the Phase 2 and Phase 3.
Result	Any tangible or intangible output such as data, software, know-how or information generated under the Framework Agreement, whatever its form or nature, whether or not it can be protected, including any intellectual property rights or other rights therein. The Results expected to be generated under the Framework Agreement are identified in the relevant Specific Contract(s).
Sideground	Any tangible or intangible output, such as data, software, knowhow or information, whatever its form or nature, including any intellectual property rights or other rights therein generated during the timespan of the Framework Agreement but which does not constitute part of the Results expected to be delivered thereunder and is needed to perform the R&D services or to exploit the Results.
Specific Contract	The Contract for each Phase of the R&D services under the Framework Agreement to be concluded between the Lead Procurer and the Contractor in addition to the Framework Agreement.
Tender	The formal and commercial bid/offer submitted by the Tenderer on the basis of the Tender Documents.
Tenderer	The company/supplier/consortium/economic operator that submits a Tender on the basis of the Tender Documents.
Tender Documents	The following documents on the basis of which a Tenderer submits a Tender: Request for Tender, Framework Agreement, Specific Contract and Functional Specification; and its Annexes.

Table 2. Glossary/Definitions

1 General Context

1.1 Pre-commercial procurement (PCP)

This procurement is a ***pre-commercial procurement (PCP)***. It comprises the procurement of R&D services for the design, development and piloting of an innovative Internet of Everything (IoE) platform, in the context of the SELECT for Cities project.

In a PCP, public procurers challenge innovative players in the market, in an open, transparent and competitive process, to develop new solutions for a technologically demanding mid- to long-term challenge that is in the public interest.

PCP therefore awards R&D contracts to a number of competing contractors at the same time, in order to compare different approaches to solving the problem. It thus offers innovators an opportunity to show how well their solution compares with others. It also allows a first customer test reference to be obtained from countries of the procurers that will test the solutions.

PCP addresses mid- to long-term public procurement needs for which either no commercially stable solutions yet exist on the market, or existing solutions exhibit structural shortcomings that require further R&D to resolve. PCP is a way for procurers to trigger the market to develop new solutions that address these shortcomings. PCP focuses on specifically identified needs and provides customer feedback to businesses from the early stages of R&D. This improves the likelihood of commercial exploitation of the newly developed solutions.

The PCP process as part of the European Commission (EC) support mechanism for public driven innovation is illustrated in the figure in below. The PCP principles and the specific PCP conditions are explained in Appendix 1 of this Request for Tenders.

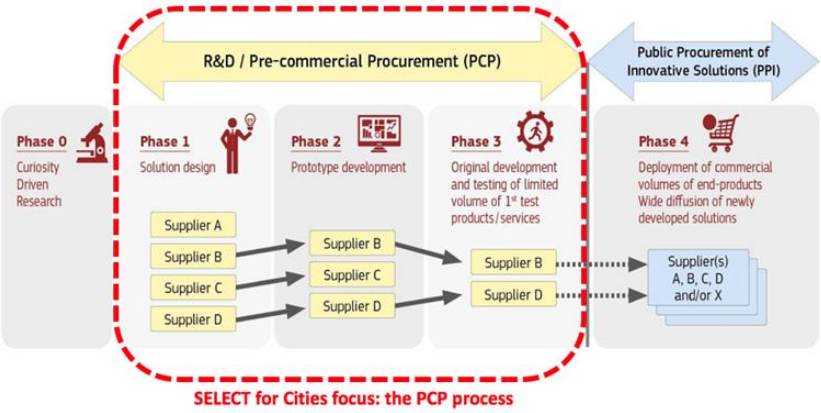

Figure 1. The PCP concept as part of the innovation procurement process, EC figure

1.2 EU funding

This PCP procurement is part of a project that is co-financed by the European Union's Horizon 2020 Research and Innovation Programme, under grant agreement No. 688196 — SELECT for Cities.

The procurement must therefore comply with the rules imposed by the EU Horizon 2020 grant agreement. For more information, see 'innovation procurement' and 'links to regional policy' in the Participant Portal Online Manual.

The EU is not participating as a contracting authority in this procurement.

1.3 Exemption from EU procurement directives, the WTO Government Procurement Agreement and EU state aid rules

This procurement procedure is exempt from the **EU public procurement directives,** because procurers do not retain all the benefits of the R&D (the IPR ownership stays with the contractors).[1]

It is also exempt from the **WTO Government Procurement Agreement (GPA),** since the GPA does not cover R&D services[2], which is the focus of the PCP.

[1] See Article 16(f) of Directive 2004/18/EC (Article 14 of Directive 2014/24/EU), Article 24(e) of Directive 2004/17/EC (Article 32 of Directive 2014/25/EU) and Article 13(f)(j) of Directive 2009/81/EC.

[2] See the EU's Annex IV of Appendix I to the WTO GPA.

The procurement does not constitute state aid under the **EU state aid rules,**[3] because it follows an open, transparent, competitive procedure with risk-and benefit-sharing at market price. The division of all rights and obligations (including IPRs) and all selection and award criteria for all phases are published at the outset. The PCP is limited to R&D services and is clearly separated from any potential follow-up procurements. PCP contractors are not given any preferential treatment in a subsequent procurement for provision of the final products or services on a commercial scale.

1.4 Overview: contracting, budget and schedule

Under this PCP, Tenderers will be selected through an open and competitive procurement process. Framework Agreements for the delivery of the R&D services will be awarded to the selected Tenderers (the Contractors). Digipolis, as Lead Procurer and in the name and on behalf of the Buyers Group, launches this Request for Tenders for the implementation of the PCP as set out below. A detailed overview of the Select for Cities PCP challenge, different project phases, requirements, deliverables and the way each phase will be scored, is described in the Description of Services to be Procured section of this document and in tender document 2 (TD2) - Functional Specification:

- Phase 1 - Solution design of the SELECT for Cities IoE platform: establishment of a written detailed design report including architecture and technical design of components.
- Phase 2 - Prototype implementation of the SELECT for Cities IoE Platform: build prototypes, including all components, and make them accessible to the Buyers Group. During the Prototyping Phase, functionality, interoperability and security tests will be performed in a technical lab environment.
- Phase 3 - Pilot deployment of the SELECT for Cities IoE Platform prototypes: deployment of expanded prototypes in Living Lab scenarios and against a number of use-cases predefined by the Buyers Group.

In each Phase, Tenderers are competing with each other for assignments. A Contractor is not required to integrate the IoE Platform prototype it develops with those developed by competing Contractors.

A Tenderer must have been awarded a Specific Contract for Phase 1 in order to be considered for Phase 2; a Contractor must have been awarded Specific Contracts for Phases 1 and 2 in order to be considered for Phase 3.

[3] See Point 33 of the Commission Communication on a framework for state aid for research and development and innovation (C(2014) 3282).

1.4.1 Total budget and budget distribution (per Phase)

The total budget for the PCP is 3.269.933,21 euro, 21% VAT excluded. The total budget is fixed and cannot be increased.

This total budget is divided into three PCP Phases and distributed per Phase as follows:

- The maximum budget for Phase 1 is 326.993,32 euro, 21% VAT excluded
- The maximum budget for Phase 2 is 1.307.973,29 euro, 21% VAT excluded
- The maximum budget for Phase 3 is 1.634.966,61 euro, 21% VAT excluded

The Buyers group expects a **minimum number of Contractors** per phase of 9 (Phase 1) – 6 (Phase 2) – 3 (Phase 3). However, the exact number of contracts finally awarded will depend on the prices offered and the quality of tenders passing the evaluation.

Tenderers need to keep in mind that the number of Contracts awarded per Phase is constrained by the maximum budget of that Phase. The lower the average price of Tenders, the more Contracts may be awarded. The total value of the Framework Agreements and Specific Contracts awarded can be lower than initially predicted if fewer than expected Tenders meet the minimum threshold for the evaluation criteria.

All Tenders who pass the administrative and evaluation criteria will be eligible for funding. The exact number of Contracts finally awarded will depend on the prices offered, and on the number of Tenders passing the evaluation. Contracts are funded until the remaining budget is insufficient to fund the next best Tender.

Unallocated leftover budget from the previous Phase may be transferred to the next Phase. Therefore, the total budget available for Phases 2 and 3 may eventually be higher than stated here. However, the **maximum budget per contractor (see** Table 3. Budgets, number of Contractors and duration of Phases.**)** for the total of Phases 2 and 3 will remain the same.

Nevertheless, the PCP process requires three or more contractors in Phase 1 and two or more contractors in the last phase. If these numbers are not achieved the PCP process can be cancelled at that stage. See 'Cancellation of the tender procedure', in 3.8.4.

1.4.2 Contracting approach

The SELECT for Cities PCP is implemented by means of a unique **Framework Agreement** covering the 3 PCP R&D phases, with **Specific Contracts** for each of Phases (altogether 'Contracts').

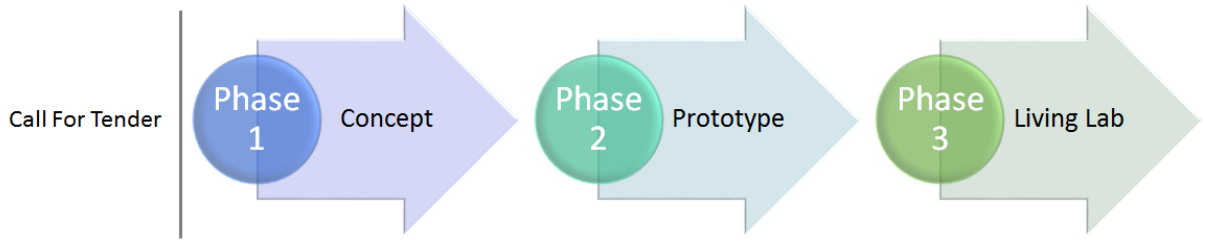

Figure 2. Call for tender Phases

1.4.2.1 Framework Agreement and Specific Contract for Phase 1

The Framework Agreement sets all the framework conditions for the entire duration of the PCP (covering all the Phases). There will be no renegotiation. The Framework Agreement remains binding for the duration of all Phases for which Contractors remain in the PCP.

Tenderers that are awarded a Framework Agreement will also be awarded a Specific Contract for Phase 1. Evaluation of Tenders for the Framework Agreement and Phase 1 are combined.

Tenderers are asked not only to submit their detailed offer for Phase 1 in their Tender, but also to state their goals, and to outline their plans (including price conditions) for the Phases 2 and 3, thus giving specific details of the steps that would lead to commercial exploitation of the R&D results.

Following the tendering stage, it is envisioned that **a minimum of nine (9) Contractors** will be awarded a Framework Agreement and a Specific Contract for Phase 1. The amount of awarded contracts can be reduced if the submitted Tenders do not reach the minimum evaluation thresholds, however if less than three tenders reach the evaluation thresholds the PCP process can be cancelled at that stage.

As displayed in 1.4.2, the maximum budget for Phase 1 is 326.993,32 euro, VAT excluded. Each Contractor will be awarded a Specific Contract for Phase 1 within a maximum budget of 36.332,59 euro. VAT excluded per Contract.

The Phase 1 shall have a maximum duration of **two months.**

The Buyers Group will evaluate the technical and non-technical milestones and deliverables comprised in the End of Phase 1 Report. The successful completion of Phase 1, including the final report validation and Solution Design approval, is a prerequisite to access the Phase 2 call-off (see next Section). More information about the prerequisites for each phase can be found in 2.3.4 Expected outcome per phase.

1.4.2.2 Phase 2 Call-off and Specific Contract

A call-off will be organized for Phase 2, with the expectation of awarding **a minimum of six (6) Phase 2 Specific Contracts**. The number of Phase 2 awarded Contracts may be reduced if the submitted bids do not reach the minimum evaluation thresholds, however if less than two Tenders reach the evaluation thresholds, the PCP process can be cancelled at that stage.

Only Contractors that successfully completed Phase 1 will be eligible to present Tenders for Phase 2.

The foreseen maximum budget for Phase 2 is 1.307.973,29 euro, VAT excluded. Each selected Contractor will be awarded a Specific Contract for Phase 2 within a maximum budget of 217.995,55 euro VAT excluded per Contract.

The Buyers Group may allocate any remaining leftover budget from Phase 1 to Phase 2, as indicated in 1.4.1, Total budget and budget distribution (per Phase). This may increase the number of Contractors in Phase 2 but the maximum budget per Contractor will remain the same. The actual total budget for Phase 2 will be communicated at the start of the Call-off for Phase 2.

Phase 2 shall have a maximum duration of **six months**.

The Buyers Group will evaluate the technical and non-technical milestones and deliverables comprised in the End of Phase 2 report, and test the prototypes' functionality, interoperability and security tests in a lab environment. More information on the testing approach is available in TD2 Functional Specification.

The successful completion of Phase 2, including the Prototype Platforms' validation and approval, is a prerequisite to access Phase 3.

1.4.2.3 Phase 3 Call-off and Specific Contract

A second call-off will be organized for Phase 3, with the aim of awarding **a minimum of three (3) Phase 3 Specific Contracts**. The actual number of awarded contracts can be reduced if the submitted Tenders are not reaching the minimum evaluation thresholds, however if less than two Tenders reach the evaluation thresholds the PCP process can be cancelled at that stage.

Only Contractors that successfully completed Phase 2 will be eligible to present Tenders for Phase 3.

The foreseen maximum budget for Phase 3 is 1.634.966,61 euro VAT excluded. Each selected Contractor will be awarded a Specific Contract for Phase 3 within a maximum budget of 544.988,87 euro VAT excluded per Contract.

The Buyers Group may allocate any remaining leftover budget from Phase 2 to Phase 3, as indicated in 1.4.1 Total budget and budget distribution (per Phase). This may increase the number of Contractors in Phase 3 but the maximum budget per Contractor will remain the same. The actual total budget for Phase 3 will be communicated at the start of the Call-off for Phase 3. Phase 3 shall have a maximum duration of **nine months**.

The Buyers Group will evaluate the technical and non-technical milestones and deliverables submitted within the Phase 3 report, and the prototype performance in accordance to the testing procedure and acceptance provisions made available in the call off for Phase 3.

The chart below summarizes the expected minimum number of Contractors, the estimated Phase duration, the maximum budget per Phase, and the maximum budget per Phase and per Contractor. Budgets excluding 21% VAT.

	Maximum Total Budget Excluding 21% VAT.	*Expected Minimum number of Contractors*	*Maximum Contract value Excluding 21% VAT.*	*Maximum Phase Duration in Months*
Total PCP Budget	€ 3.269.933,21			
PCP Phase 1	€ 326.993,32	9	€ 36.332,59	2
PCP Phase 2	€ 1.307.973,29	6	€ 217.995,55	6
PCP Phase 3	€ 1.634.966,61	3	€ 544.988,87	9

Table 3. Budgets, number of Contractors and duration of Phases.

1.4.3 PCP Time Schedule

Overview of the overall timing of the SELECT for Cities PCP.

Estimated time schedule for entering the SELECT for Cities PCP competition, awarding of the Framework Agreement and Phase 1

Date	Activity
13 February 2017	**Publication of the Contract Notice** on ● TED eNotices (Tenders Electronic Daily), the online version of the 'Supplement to the Official Journal' of the EU, ● e-Notification, the Belgian publication platform on e-Procurement ● The SELECT for Cities website. Tendering period open
20 February 2017	Q/A session and presentation of the Tender (webinar)
20 March 2017	Deadline for submission of questions on the Request for Tender. See 4.2
24 March 2017	Q/A overview and final clarification session (webinar)
31 March 2017	Publication of final Q&A overview (replies to the questions on the Request for Tender)
14 April 2017	**Deadline for submission of Tenders for the Framework Agreement and Phase 1. See 3.7**
14 April 2017	Opening of Tenders and Assessment by the Evaluation Committees. See 4.1
26 + 27 April 2017	Online presentations of the Tenders to the Evaluation Committees, if deemed necessary. See Section 4.1.2.
17 May 2017	Tenderers notified of decisions.
31 May 2017	Deadline Signature of Framework Agreements and Phase 1 Specific Contracts. Publication of the contract award notice in Tender Electronic Daily (TED, The Official Journal of the EU)
1 June 2017	**Start of phase 1 implementation/work by Contractors. Duration: 2 months**
23 June 2017	Winning Phase 1 Project Abstracts sent to EU and published on the SELECT for Cities website + updated list of Background IP sent to Lead procurer
31 July 2017	**Deadline for End of Phase 1 Report with Deliverables.** See also Section 2.3.4 Expected outcomes (per Phase)

25 September 2017	**Expected completion of Phase 1. Contractors notified as to whether they have completed Phase 1 'satisfactorily' and 'successfully' and payment to Contractors that completed this phase Satisfactorily or Successfully (within 30 days from invoice reception)**

Table 4. Phase 1 – Estimated schedule

Estimated time schedule Phase 2

Date	*Activity*
29 September 2017	**Call-off Phase 2 open: expected Request for Tender Phase 2**. Only Contractors that 'Successfully' completed Phase 1 are eligible to submit their offers.
27 October 2017	**Deadline for submission of Tenders for Phase 2**
27 October 2017	Opening of Tenders Phase 2 and Assessment by the Evaluation Committees
29 November 2017	Contractors notified of the decision of the award of the Phase 2 Specific Contracts.
14 December 2017	Deadline for the signature of the Phase 2 Specific Contracts.
15 December 2017	**Start of phase 2 implementation/work by Contractors.** **Duration: 6 months**
26 January 2018	Phase 2 project abstracts sent to EU and published on the SELECT for Cities website + updated list of Background IP sent to Lead procurer
15 June 2018	**Deadline for End of Phase 2 Report with Deliverables and prototype testing.** See also Section 2.3.4 Expected outcomes (per Phase)
13 August 2018	**Expected completion of Phase 2. Contractors notified as to whether they have completed Phase 2 'satisfactorily' and 'successfully' and payment of balance to Phase 2 Contractors that completed this phase Satisfactorily or Successfully (within 30 days from invoice reception)**

Table 5. Phase 2 – Estimated schedule

Estimated time schedule Phase 3

Date	*Activity*
27 August 2018	**Call-off Phase 3 open: expected Request for Tender Phase 3.** Only Contractors that 'Successfully' completed Phase 2 are eligible to submit their offers.
14 September 2018	**Deadline for submission of Tenders for Phase 3**
14 September 2018	Opening of Tenders Phase 3 and Assessment by the Evaluation

	Committees
24 October 2018	Contractors notified of the decision of the award of the Phase 3 Specific Contracts.
9 November 2018	Deadline for the signature of the Phase 3 Specific Contracts
9 November 2018	**Start of Phase 3 implementation/work by Contractors. Duration: 9 months**
30 November 2018	Phase 3 project abstracts sent to EU and published on the SELECT for Cities website + updated list of Background IP sent to Lead procurer
9 August 2019	**Deadline for End of Phase 3 Report with Deliverables and Living Lab testing.** See also Section 2.3.4 Expected outcomes (per Phase)
4 October 2019	**Expected completion of Phase 3. Contractors notified as to whether they have completed Phase 3 'satisfactorily' and 'successfully' and payment of balance to Phase 3 Contractors that completed this Phase Satisfactorily or Successfully (within 30 days from invoice reception)**
31 October 2019	Summary of the lessons learnt and the results achieved by each contractor during the PCP sent to EU for publication purposes

Table 6. Phase 3 – Estimated schedule

The SELECT for Cities **Buyers Group** reserves the right to adjust the time schedule if necessary. This will be communicated in a timely manner to all Tenderers. The dates and total duration for Phase 2 and Phase 3 are indicative at this stage and could be subject to change.

1.5 Procurer(s)

This procurement relates to a joint PCP that will be carried out by 3 legal entities.

Lead Procurer
The Lead Procurer is Digipolis, the joint non-profit ICT provider for the Cities of Antwerp and Ghent, Belgium. In this PCP Digipolis acts as the ICT partner – and also as ICT procurer - on behalf of the City of Antwerp.

Buyers Group
Digipolis is appointed to coordinate and lead the joint PCP, and to sign and award the Framework Agreement and the specific contracts for all Phases of the PCP, in the name and on behalf of the following procurers, which together constitute the **Buyers Group**:

- Digipolis, Belgium;

- Forum Virium Helsinki, Finland;
- City of Copenhagen, Denmark.

The lead procurer is part of the buyers group.

All these procurers have contributed to the procurement budget of this PCP, have defined the functional and procurement requirements, and will participate in the award decision making process for contracts. Consequently, they shall all have access to the Results generated under this PCP in accordance with the conditions set out in this 'Request for Tenders' and the 'Framework Agreement'.

Preferred Partners

The Preferred Partners are not members of the Buyers Group but have a special interest in closely following the SELECT for Cities PCP, from either a policy, an expert or a demand perspective. Therefore, they have access to all SELECT for Cities project and PCP related information, as determined by the Buyers Group.

The Preferred Partners do not acquire Intellectual Property rights under the Framework Agreement.[4] However, they do participate in the establishment of the Tender Documents and may have an advisory role in the Evaluation and Monitoring Committees, see Section 4 Process rules and information and Section 5 Conditions of the contracts below.

The Preferred Partners are:

- CITY OF ANTWERP, Belgium;
- imec, Belgium.

In the course of the PCP, the Buyers Group may expand the list of Preferred Partners, of which the Contractors will be informed accordingly.

More information about the Buyers Group and Preferred Partners in Appendix 2 – Buyers Group and Preferred Partners.

[4] Digipolis, established in line with the Flemish intercommunal law in 2003, is assigned as the dedicated non-profit ICT-partner for the City of Antwerp. Therefore, the ownership and sharing of potential Intellectual Property rights is governed by a previous agreement between both legal entities, and not by the aforementioned Framework Agreement. The Framework Agreement, regarding the Results of the SELECT for Cities PCP, however, does apply to Digipolis as a member of the Select for Cities Buyers Group.

2 Description of Services to be Procured

2.1 Motivation for the PCP

Europe has great potential in the Smart City sector and European cities can become exemplary cases to the world. Currently, however, there is a lack of ecosystem thinking across Europe. Shared European policy making makes it possible to boost wide-scale adoption of new solutions, as the history of for example mobile phone development has proven. This top-down decision-making power should be connected to the power of active user and developer communities in the cities to create a positive feedback loop.

Smart cities are a combination of horizontal data and service platforms and vertical market sectors. The service development for Smart Cities should also follow the Internet model, harvesting the lateral power of the Web, utilizing wide-scale citizen participation and involvement, distributed value chains, fast prototyping and piloting, and service creation through experimentation.

The objective of the SELECT for Cities PCP project is to create a platform for European cities that enables large-scale co-creation, testing and validation of urban Internet of Everything (IoE) applications and services. This approach fosters the longer-term goal of evidence-based innovation in cities.

To succeed in supporting the urban innovations landscape, cities need to introduce more systematic ways to work with external developers and evaluate new solutions. Current development and testing is mostly done in unorganised, random ways, within existing organisational silos. This practice – or the lack of it - has lots of problems:

- Different city departments pilot solutions in an unorganised manner, mostly based on the interests of individual sub-departments or even individuals;
- The impact of the pilots is not officially captured; good solutions are not taken into use;
- Pilots are deployed in isolation, without checking if other entities in the city might have already existing solutions or similar needs, or non-compatible services already in use;
- The outcomes of pilots are not measured and followed up;
- Successful pilots do not lead to wider implementation, and resources are lost;
- Failed pilots are not analysed and communicated, which creates the danger of repeating same mistakes,
- Pilots and tests are not road mapped or evaluated from the technology or practice maturity point of views, which leads on one hand to the adaptation of obsolete “sunset

technologies", or on the other hand to disappointments when new technologies are introduced to actual services too early.

The biggest challenge is managing existing legacies (in ICT, service offering and processes). Cities have to be retrofitted to become smart. Retrofitting requires both top-down and grassroots-up approaches: on one hand, cities should collaborate to agree on Smart City standards and de-facto-standards, and on the other hand, they should support open approaches to data, licenses, interfaces and participation to create robust interoperability. Standardisation should not slow down the development of the market.

The overarching challenge is simple to define: one-domain and one-city, stand-alone and proprietary platforms and solutions are too small-scale, and therefore too expensive to develop and maintain. Therefore, cities must support the creation of a properly functioning smart city marketplace by supporting maximum interoperability of service interfaces and portability of services, solutions and apps internally (across city departments, and across the boundaries of private and public urban services), regionally, nationally (in national city networks) and internationally (roaming of services across borders to create the critical mass). Portability of solutions is critical to the success of Smart Cities and Smart City service companies.

The development of urban services is exceedingly a collaboration process, in which the cities act as enablers of innovation in various ways:

- Procuring sub-services and solutions from companies, to be integrated in the entity of urban services which the city offers;
- Opening the data and service interfaces of cities for private developers to build and run their services;
- Monitoring the field of urban innovations, and supporting the creation and usage of innovative services developed by the urban community, especially developers and SMEs;
- Reacting in an agile way to new innovations and opportunities by quickly removing the barriers of innovation created by old regulation and practices.

The envisaged platform has several requirements, components and features that are currently not available in a single solution (nor as interoperable separate components) that allows profound interaction between cities, nor (automated) testing and validation of -related services. Bidders should take into account the design and development of an open platform and its ability to support (externally developed) IoE service components that can be tested and validated in (semi-) automated ways.

2.2 Preparation for the PCP

In preparation of the Select for Cities PCP project, during a period called "phase 0 - Curiosity Driven research", the consortium performed the following steps:

Needs assessment and end-user requirements
Through market research the Buyers Group acquired an extensive understanding of the end-user requirements, innovation expectations and impact potential of the envisioned IoE platform for different Smart City domains.

An initial review of existing IoT platform solutions was undertaken, to assess the potential of the current market to address the SELECT for Cities challenge and meet cities' expectations/vision numerous domain related projects and commercial tools were analysed. As a result of this due-diligence, the Buyers Group concluded that the current market offering does not satisfy the concrete needs and requirements outlined in the SELECT for Cities challenge in its entirety.

This outcome served as basis for the following stage, the Open Market Consultation (OMC).

Open Market Consultation (OMC)
The objective of the OMC stage was to validate the Buyers Group needs assessment, expectations and innovation potential with regards to the future platform eligibility and ambition, as well as, gaining a deeper insight into the current market situation from a market offer perspective, and assessment of potential suppliers. In addition to potential tenderers, the consortium hoped to reach out to subject matter experts and city officials in order to get additional points of view on the Select for Cities ambition and goals.

The OMC encompassed a survey, locally organised workshops and a webinar to inform potential Tenderers of the challenge, to give them information on the PCP process and to encourage them to participate in the project. Combined, over 250 people participated in the dedicated OMC events. This engagement provided a solid foundation for the promotion of the PCP, giving potential suppliers a good knowledge base with regards to the intentions and needs of the Buyers Group. The OMC also served as a way to gain insight into the innovativeness of the challenge, the feasibility of the challenge, the living lab approach, the foreseen budget as well as the overall timing.

The results of the OMC and the initial needs assessment review formed the basis of this PCP and related tender documents. The full OMC report is available on the Select for Cities website: http://www.select4cities.eu/.

2.3 Expected outcomes

2.3.1 Phase 1: Concept Design

In this Phase the Buyers Group wish to have a view on how the Tenderers conceptualise the platform. This includes a written detailed design report including architecture and technical design of components, how the platform will implement the different functional criteria, how the platform will implement the innovation, and how the architecture of the platform will meet the different quality criteria.

The Tenderer will also present a business plan and business model, intended to demonstrate the long-term vision for turning the platform prototype into a sustainable and viable product capable of answering the innovation challenge outlined by the Buyers group.

The presentation may be accompanied by mock-ups showing early stage results of the platform.

At the end of Phase 1 there will be an evaluation of the Concept Design. This evaluation will decide if the Contractor is eligible for payment and/or to enter the next PCP Phase.

The evaluation of this Phase will be a mixed process consisting of a desk review and online evaluation. The Evaluation Committee will review the concept document, provided by the Contractor. This will be followed by an online evaluation, during which the Contractor will present their solution in a presentation where the concept, its advantages, innovation and business model is highlighted.

2.3.2 Phase 2: Prototype

In Phase 2 the Contractors will build their Concept Design into a working Prototype ready for pilot deployment in the next Phase. This prototype, including all its components, will be tested during Phase 2. Functionality, interoperability and security tests will be performed in a lab environment. More information on the Phase 2 prototypes testing is available in TD2 Functional Specification.

Please note, the testing done in Phase 2 differs from the large-scale Living Lab approach taken during piloting in Phase 3 (see below). During the Prototype Phase, a demonstrator needs to be available for testing purposes with a few potential users or dummy data, while Phase 3 requires a test in a real-life setting, under specific use-case scenarios, with a larger number of users.

The development of the Prototype will be monitored closely by the Buyers Group through several monitoring and project progress meetings and briefings, during which the Contractor will present

the current Prototype status and will receive feedback from the Buyers Group (see 2.4.4 'Expected Outcomes' below for an overview).

2.3.3 Phase 3: Living Lab pilots

The final Phase of the PCP foresees piloting, in the form of Living Labs validation, of selected prototypes created during the previous phase which have successfully entered Phase 3. Living Labs improve digital innovations by actively involving users through real-life interventions. More information on Living Labs in general can be found at http://www.openlivinglabs.eu/aboutus.

The goal of the test is to validate the Prototypes in a real-life setting and provide the Buyers Group with detailed insight into the relevance, feasibility and applicability of the solutions in their cities.

There are three main components that constitute a successful Living Lab test:

1) The proposed solution should be validated in a real-life setting;
2) Simultaneous and iterative testing in three cities needs to be demonstrated;
3) The solution should be validated with local stakeholders for the different use cases in each city.

This approach requires Contractors to:

- Ensure their solution can be applied in different cities;
- Show their solution is generic enough to support divergent use cases;
- Demonstrate their solution scales across Europe;
- Prove they can manage real-life operations on this scale.

The goal is to provide the Buyers Group with as much information as possible on the actual potential of the solution in a real-life setting. Its validation in such a context means that the developed solutions can indeed create an actual benefit should a future procurement procedure be undertaken once the PCP process is over.

To test the solution in a Living Lab environment, **three obligatory use cases** are foreseen, one in each city, to be tested at the same time and in parallel. The goal of these use cases is to demonstrate that the supplier's' solution is flexible and generic, in line with the SELECT for Cities challenge.

Given the complexity of the Smart City domain and the divergent verticals involved, such flexibility and adaptability is a key feature. The specific setup and circumstances of each use case will be further detailed, together with suppliers, in the Phase 3 call-off.

The use case domains are:

- Antwerp: Managing city traffic congestion with mobility Real Time Information (*RTI*);
- Helsinki: City IoE service provisioning to diabetes patients in Smart Homes;
- Copenhagen: Integrating real-time IoT city sensor networks in the areas of air quality, noise and mobility.

To achieve piloting goals, the Buyers Group will offer support to the Contractors. A lot of Living Lab expertise is present within the SELECT for Cities consortium and a common methodological approach to running the Living Lab tests will be made available.

As the city authorities and Living Lab managers are also part of the consortium, support will be offered in reaching out to local stakeholders and ensuring the tests can take place. In the end, however, Contractors are responsible for setting up and running their prototypes under the use-cases in each of the three participating cities Living Labs, simultaneously.

2.3.4 Expected outcomes (per Phase)

Expected outcomes	
Phase 1: Concept	
Objective:	During this Phase, the selected Contractors are asked to provide a solution design for the platform that will address the challenge and all of the functional and quality requirements to enable the implementation of a Smart City. On the basis of the Functional Specification (TD2), the goal is to demonstrate the technical, financial and commercial feasibility of the proposed concepts and approach to meet the procurement needs.
Output and	The Contractors shall provide an End of Phase Report and give a detailed presentation to the technical representatives from the Buyers Group on the

results:	design. The End of Phase Report shall include a written detailed solution design, a system architecture, a technical design of all the components and the list of Deliverables and Results as indicated below.			
Milestones:		**By when?**	**How?**	**Output and results**
MS1.1	Kick-off Phase 1	Start of Phase 1	Presentation (webinar)	Presentation of the Contractor's team and solution + Q/A
MS1.2	Interim briefing	Mid of Phase 1 (month 1)	Presentation (webinar)	Presentation of the Contractor's project evolution
MS1.3	End of Phase review	End of Phase 1 (month 2)	Presentation + evaluation (Physical meeting, Copenhagen, Denmark**)	Evaluation of the Contractor's solution
Deliverables:		**By when?**	**How?**	**Output and results**
D1.1	Project abstract for Phase 1 and list of Pre-existing IP (see 3.5)	2 weeks after Phase 1 start	Document (format required by the EU for publication) (upload on the online platform)	Project abstract and list of Background IP.
Technical deliverables*:				
D1.2	Concept presentation	End of Phase	Document (upload on the	End of Phase Report

		(description in deliverable table)		online platform) and Presentation	
	D1.3	Concept design report (description in deliverable table)			
	D1.4	Detailed time schedule and implementation plan			
	D1.5	Detailed report covering all the results in the concept phase			
	D1.6	Re-assessment of the R&D efforts for the prototype and living lab			
	Non-technical deliverables:				
	D1.7	Description of the state-of-the-art versus innovation	End of Phase	Document (upload on the online platform)	End of Phase Report
	D1.8	Measures taken to protect			

	Results (IPR)			
D1.9	List of names and location of personnel that carried out the R&D activities			
D1.10	Abstract of the main Results achieved (EU-format)			

Phase 2: Prototype

Objective:	Through this Phase the contractors for Phase 2 will develop their concepts into working prototypes. During the prototyping Phase, functionality, interoperability and security tests will be performed in a lab environment. To monitor the progress and facilitate the dialog, the phase will have a series of iterations, each ending with a monitor briefing, where the contractor presents the current status of the prototype to the buyers group, and receives feedback on the current status.
Output and results:	The Contractors shall provide an End of Phase Report and give a detailed presentation to the technical representatives from the Buyers Group on the pilot solution. The End of Phase Report shall be a written documentation of the prototype including development details, operational procedures and a report explaining the output and feedback from the monitoring briefings by the buyers group. Contractors will be subject to 1 formal mid-way interim reporting.

Milestones:		By when?	How?	Output and results
MS2.1	Intake meeting	Start of Phase	Online meeting (webinar)	
MS2.2	First Prototype iteration Interim briefing	6 weeks after Phase 2 start	Online meeting (webinar)	
MS2.3	Second Prototype iteration Interim monitoring	3 months after Phase 2 start	Physical meeting (Copenhagen, Denmark	
MS2.4	Third (final) Prototype iteration **and lab testing**	6 months after Phase 2 start	Physical meeting (Helsinki, Finland)	
MS2.5	End of Phase 2 Review	End of Phase	Potential additional physical meeting. Demonstration to the EC (usually Brussels, Belgium)	
Deliverables:		**By when?**	**How?**	**Output and results**
D2.1	Project abstract for Phase 2 and updated list of pre-existing	1 month after Phase 2 start	Document (format required by the EU for publication)	Project abstract and list of Background IP

	IP		(upload on the online platform)	
Technical deliverables:				
D2.2	First iteration Prototype	6 weeks after start of Phase 2	Demonstration of the current status of the Prototype. (Virtual meeting)	Document and demonstration
D2.3	Second iteration Prototype	3 months after start of Phase 2	Demonstration of the current status of the Prototype. (Physical meeting)	Document and demonstration. Interim Monitoring Report
D2.4	Third (final) iteration Prototype	End of Phase	Demonstration of the current status of the Prototype. (Physical meeting with report and presentation)	Evaluation of the whole Prototype phase in a presentation and report, including Prototype lab test results.
Non-technical deliverables:				
D2.5	Description of the state-of-the-art versus innovation gap	Simultaneously with End of Phase report	Document (upload on the online platform)	End of Phase Report
D2.6	Measures taken to protect			

	Results (IPR)			
D2.7	List of names and location of personnel that carried out the R&D activities			
D2.8	Abstract of the main Results achieved (EU-format)			

Phase 3: Living Lab Pilots

Objective:	In this final Phase, the prototypes are developed further into solutions that are piloted and validated in real-life settings. This translates into the prototypes integration into Living Labs that are set up in specific domains through use-cases in each of the cities in the Buyers Group. The objective is to provide the Buyers Group with sufficient insight into the capabilities of the vendor to provide a solution that can work in a real-life environment, in a domain that is of local importance. Contractors will be subject to 2 formal interim reporting's.
Output and results:	The output is the successful completion of at least three pilots (one use case for each city), described in an End of Phase Report and demonstrated to the Buyers Group as input towards a potential future procurement procedure after SELECT for Cities has run its course.

Milestones:		**By when?**	**How?**	**Output and results**
M3.1	Intake meeting and Pilot preparation	Start of Phase	Physical meeting (imec Antwerp offices, Belgium)	Completed LL validation exercise, agreement on use cases, milestones, data policies and practical

M3.2	First interim Living Lab monitoring	3 months after start of Phase 3	Physical meeting with demonstration. (Helsinki, Finland)	Evaluation of the first part of Phase 3 and formulation of aspects that require iteration
M3.3	Second interim Living Lab monitoring	6 months after start of Phase 3	Physical meeting (Copenhagen, Denmark)	Evaluation of the second part of Phase 3 and formulation of aspects that require iteration
M3.4	Third (final) Living Lab monitoring	End of Phase	Physical meeting with demonstration. (Antwerp, Belgium)	Evaluation of the whole Living Lab phase in a presentation and report
M3.5	Demo of final solution. End of Phase 3 review	End of Phase	Potential additional physical meeting. Demonstration to the EC (usually Brussels, Belgium)	Successful demonstration of the work done in the 3 Phases to EU representatives
Deliverables:		**By when?**	**How?**	**Output and results**
D3.1	Project abstract for Phase 3 and list of Pre-existing IP (see 3.5)	1 month after Phase 3 start	Document (format required by the EU for publication) (upload on the online platform)	Project abstract and list of Background IP

Technical deliverables:				
D3.2	Living Lab Validation Exercise	Start of Phase	Physical meeting	Completed Living Lab Validation Exercise matrix and goal definition
D3.3	Detailed use case work plan	Start of Phase	Document (upload on the online platform)	Concrete agreement on use cases, milestones, data policies and other practical
D3.4	First Living Lab -Prototype iteration exercise	3 months after start of Phase 3	Document and meeting with representative	Description of the use case progress in each city, with iteration plan for next 3 months
D3.5	Second Living Lab - Prototype iteration exercise	6 months after start of Phase 3	Document and meeting with representative	Description of the use case progress in each city, with iteration plan for next 3 months
D3.6	Third (final) Living Lab - Prototype iteration exercise	End of Phase	Physical meeting with report and presentation	Evaluation of the whole Living Lab phase in a presentation and report
Non-technical deliverables:				
D3.7	Description of the state-of-the-art versus innovation	End of Phase	Document (upload on the online platform)	End of Phase Report

	D3.8	Measures taken to protect Results (IPR)			
	D3.9	List of names and location of personnel that carried out the R&D activities			
	D3.10	Abstract of the main Results achieved (EU-format)			

Table 7. Expected outcomes (per Phase)

Milestones and Deliverables for the Phases 2 and 3 are indicative at this stage and could be subject to change. Any changes will be included in the respective Phase's call-off stage.

***Detail Phase 1 Deliverables:**

D1.2	Concept presentation	• Showcase the platform/prototype concept and what was realised in this phase • Showcase the platform/prototype architecture and technical design components • Show how the platform/prototype realises the different functional criteria • Show how the platform/prototype realises the different quality criteria • Show the business model and the go to market • Show overall project plan (for phases 2 and 3) and specific plan for phase 2
D1.3	Concept design	Document that describes the prototype/platform in more detail. To be presented in accordance with the following:

	report	• Max one page per functional criteria that shows how the platform meets the basic criteria • Max one page per functional criteria that shows how the platform/prototype is innovative • Max one page that shows how the platform is innovative in other domains • Max four pages that show the architecture and how the platform/prototype matches the quality criteria

Table 8. Detail Phase 1 Deliverables

** The live presentations of the Contractors' Phase 1 Results to the Buyers Group are tentatively scheduled on **2 or 3 August 2017** in Copenhagen.

However, the timing and locations for the physical meetings in all Phases, particularly in the Phases 2 and 3, are indicative at this stage and could be subject to change. The SELECT for Cities Buyers Group reserves the right to adjust the duration of the iteration periods, meetings frequency and locations if necessary. This will be communicated in a timely manner to all Tenderers.

2.4 IPR - Commercial exploitation of the results - Declaration of pre-existing rights

2.4.1 Ownership of results (Foreground)

Each contractor keeps ownership of the IPRs attached to the results it generates during the PCP implementation. The tendered price is expected to take this into account (see Financial Section of the tender and Annex F).

The ownership of the IPRs will be subject to the following:

- The members of the Buyers Group have the right to:
  - Access results, on a royalty-free basis, for their own use;
  - Grant (or to require the contractors to grant) non-exclusive licences to third parties to exploit the results under fair and reasonable conditions (without the right to sub-license);
- The contractors must transfer ownership of the IPRs to the members of the buyers group if they fail to comply with their obligation to commercially exploit the results (see below) or use the results to the detriment of the public interest, including security interests.

2.4.2 Commercial exploitation of Results

The contractors are expected to commercially exploit the results of the R&D undertaken in the PCP within a period of four years after the end of the Framework Agreement. With respect to this the Buyers Group invites Tenderers to explore several innovative approaches and propose them with a future proof business model and commercialisation plan that is in line with state-of-the-art software development and exploitation like community development, FOSS (free and open-source licenses) etc.

The feasibility of the business plan to commercially exploit the R&D results will be assessed as part of the award criteria (see Overview of the award criteria).

2.4.3 Declaration of pre-existing rights (Background)

The ownership of pre-existing rights remains unchanged by the PCP.

To be able to distinguish clearly between results and pre-existing rights (and to establish which pre-existing rights are held by whom):

- Tenderers are requested to list the pre-existing rights for their proposed solution in their offer;
- The Buyers Group and Contractors will establish a list of respective pre-existing rights to be used — one month after the signature of the contracts (Framework Agreement and the Specific Contracts). This will include the software and data provided by the procurers to the Contractors for the purpose of the testing of the platform model.

The Framework Agreement contains a provision that describes in more detail the rights and obligations of the different parties regarding the pre-existing rights, Sideground and results.

3 Conditions of tender

The tendering procedure is articulated in different stages. The submitted Tenders will be subject to different evaluation steps. Hereunder, the different evaluation criteria are described, the full evaluation process is outlined in section 4.1 below.

3.1 Eligible tenderers, joint tenders and subcontracting

Participation in the tendering procedure is open on equal terms to all types of operators from any country, regardless of their geographic location, size or governance structure. There will, however, be a requirement relating to the place of performance of the R&D services, see section 3.5.3.

For Phases 2 and 3, participation is limited to Tenderers that successfully complete the preceding phase.

Where it is stated that Tenderers are to comply with administrative instructions, those that do not will be excluded from further participation in the SELECT for Cities PCP.

Tenders may be submitted by a single entity or in collaboration with others. The latter can involve either submitting a joint Tender or by means of subcontracting, or a combination of the two approaches.

3.1.1 Joint Tender or Tender submitted by a consortium

A Consortium (a combination of firms) may submit a joint Tender. Any type of natural or legal person (including non-profit entities properly registered like universities) shall be entitled to submit a Tender either individually or by way of an association or consortium comprising several Tenderers, set up temporarily for the purposes of the SELECT for Cities PCP.

A joint Tender must specify the role, qualification and experience of each member of the consortium. A single authorized representative of the association or consortium, with sufficient powers to exercise the rights and comply with the obligations that arise from the SELECT for Cities PCP procedure shall be appointed and be mandated as the Lead Tenderer (further named as Tenderer). The Lead Tenderer shall sign the Tender and the contracts in the name and on behalf of all members, and shall be responsible for all aspects and execution of the contracts without prejudice to the existence of joint powers that they may grant for receiving and making payments of a significant amount.

All members of the consortium shall be jointly and separately bound to fulfil the terms of the contracts. The Lead Tenderer shall be mandated to act on behalf of the consortium for the purposes of the contracts and shall have the authority to bind the consortium. The composition of the consortium shall not be altered without the prior consent of the Lead Procurer. Any alteration in the composition of the consortium without the prior consent of the Lead Procurer may result in the termination of the contracts.

A Consortium statement should be signed by all Contractors agreed to set up a team to participate jointly in the SELECT for Cities procedure, and to set up a temporary Consortium of Contractors, to comply jointly with the purposes of the PCP procedure and with the contracts providing a statement from the Contractor declaring that it is aware of the provisions set out in the Tender Documents (in particular in relation to IPRs).

Contact details of the Lead Tenderers must be stated in Annex A. The names, circumstances and participation of the members of the association or consortium should be properly described.

3.1.2 Subcontracting

The Tenderer shall state in the Tender Submission Form (Annex A) which part of the PCP obligations and contract performance, if any, is intended to be subcontracted to other suppliers. Also in this form, the Tenderer will identify who the subcontractor(s) is/are and which services they will deliver in the project. Furthermore, the Tenderer shall describe its approach in selecting and managing its sub-contractors.

Subcontracting is permitted in each Phase of the SELECT for Cities PCP procedure. No essential parts of the contracts can be subcontracted, nor the management of the PCP.

A Tenderer that wishes to rely on a subcontractor to participate in the tendering procedure, and successively the Contractor for the execution of its contractual obligations shall detail in its Tender which parts of the scope of the PCP (Phases 1 through 3), it intends to subcontract to other Contractors, if any, providing a statement from the subcontractor declaring that it is aware of the provisions set out in the Tender Documents (in particular in relation to IPRs), that it meets the qualification requirements for the subcontracted service and that it has its resources at the Tenderer's disposal for the full duration of the contract.

3.1.3 Replacement of a subcontractor

If, subsequently, the Contractor needs to change or add new subcontractors (Phases 1 through 3), these new subcontractors must provide a statement with the same content described in the above

paragraph and following the same form. Nevertheless, no change in subcontractor shall be possible if:

- It leads to a reduction of the SELECT for Cities PCP participants throughout the PCP Procedure below three (3) in Phase 1, below three (3) in Phase 2 or below two (2) in Phase 3
- It leads, according to an independent legal report, to IPR/confidentiality issues (i.e. if associated participants selected for Phase 1 decide to continue as subcontractor for another Tenderer)
- It does not allow the Tenderer maintaining the technical and financial capacity required

Notwithstanding the grant of any subcontract, the Contractor remains responsible to the Buyers Group for the performance and observance of all its obligations under the Framework Agreement and the Specific Contracts and for the consequences of any negligent acts of the Subcontractors.

The execution of the tasks assigned to a subcontractor shall not be the subject of further subcontracting.

3.2 Evaluation criteria: overview

The process to award the Framework Agreements and the Specific Contracts is based on four main categories:

- The **exclusion** criteria: evaluate the individual situation of a Tenderer;
- The **selection** criteria: determine whether a Tenderer has the financial, technical and professional capacity necessary to carry out and perform the work;
- The **compliance** criteria: evaluate if the submitted Tender is compliant with the principles of PCP, public financing, place of performance, research integrity and security;
- The **award** criteria: award contracts to the best ranked Tenders.

3.3 Exclusion criteria and conflict of interest

The purpose of the exclusion criteria is to determine the situation of the Tenderers and subcontractors. The situation of the economic operator will be assessed based on responses to questions in Annex B on a pass/fail basis.

A tenderer will be excluded from further participation in the SELECT for Cities PCP if it, or any subcontractor on whose resources it relies upon in this procurement, does not meet one or several of the exclusion criteria.

3.3.1 Exclusion criteria

Tenderers must confirm, by signing a declaration of honour, that they are not subject to any of the exclusion criteria listed below, see Annex B, Part A1:

- Criminal offences referred to in Article 2 of Council Framework Decision 2008/841/JHA of 24 October 2008 on combating organized crime;
- Corruption as defined in Article 3 of Council Act of 26 May 1997 preparation on the basis of Article K.3.2 c Treaty on European Union, the Convention on the fight against corruption involving officials of the European Communities or officials of Member States of, and Article 3.1 Council Joint Action 98/742/JHA of 22 December 1998 adopted by the Council on the basis of Article K.3 of the Treaty on European Union, on corruption in the private sector;
- Fraud within the meaning of Article 1 of the Convention drawn up on the basis of Article K.3 of the Treaty on European Union for the Protection of the Communities' financial interests;
- Money laundering as defined in Article 1 of Council Directive 91/308/EEC of 10 June 1991 on measures to prevent the financial system for money laundering, amended by European Parliament and Council Directive 2001/97/EC;
- Terrorist offences or offences linked to terrorist activities as defined in Articles 1 and 3 of Council Framework Decision of 13 June 2002 on combating terrorism;
- Child labour and other forms of trafficking in human beings as defined in Article 2 of Directive 2011/36/EU of the European Parliament and of the Council of 5 April 2011 on preventing and combating trafficking in human beings and protecting its victims, and replacing Council Framework Decision 2002/629/JHA;
- Is guilty of serious misrepresentation in supplying the information required under this Section or has not supplied such information.

If the Buyers Group become aware that a Tenderer, Contractor, or a representative of the Tenderer, Contractor or Subcontractor, under a judgment that has entered into final legal force has been sentenced for a criminal offence listed above, such Tenderer, Contractor or Subcontractor, will be excluded from the SELECT for Cities PCP.

A Tenderer will be excluded from participation if he:

- Is bankrupt or is being wound up, is under compulsory administration or is the subject of a composition or has indefinitely stopped its payments or is subject to a prohibition on conducting business;
- Is the subject of proceedings for a declaration of bankruptcy, for an order for compulsory winding up or administration by the court or composition or any other similar proceedings;
- Has been convicted by a judgment which has the force of res judicata for an offence relating to professional practice;
- Has been guilty of grave professional misconduct and the procuring agencies can prove this;
- Has not fulfilled its obligations relating to social insurance charges or tax in its own country;
- In some material respect has failed to provide information requested or provided incorrect information required pursuant to this invitation to tender document.

Tenderers that do not comply with these criteria will be excluded. A Statement of the Tenderer will have to be signed in Annex B, Part A2.

3.3.2 Conflict of interest

Tenderers that are subject to a conflict of interest may be excluded. If there is a potential conflict of interest, Tenderers must immediately notify the Lead Procurer in writing.

A conflict of interest is any situation where the impartial and objective implementation of the evaluation of tenders and/or implementation of the contract is compromised for reasons relating to economic interests, political or national affinity, family, personal life (e.g. family of emotional ties) or any other shared interest.

If an actual or potential conflict of interest arises at a later stage (i.e. during the implementation of the contract), the contractor must contact the Lead Procurer, who is required to notify the EU and to take steps to rectify the situation. The EU may verify the measures taken and require additional information to be provided and/or further measures to be taken.

Tenderers shall - for each of the PCP Phases - explicitly confirm that they are not subject to any of the exclusion criteria listed above and shall sign a declaration of honour stating the 'absence of a conflict of interest'.

See Declaration confirming the absence of any conflict of interest in Annex B, Part B.

3.4 Selection criteria

The purpose of the selection criteria is to determine whether a Tenderer has the financial, economic, technical and professional capacity necessary to carry out and perform the work. These selection criteria will be evaluated on a pass/fail basis.

"Fail" means that the evidence given does not provide sufficient indication of the Tenderer's expertise, ability and/or equipment to meet project's objectives. Any Tenderer that cannot meet all requirements in this Section will not be selected.

The selection criteria are as follows:

Ability to perform R&D up to original development of the first products or services and to commercially exploit the results of the PCP, including intangible results in particular IPRs

The Tenderer needs to showcase its ability to successfully complete a project of the size and with the challenges of the SELECT for Cities PCP. Tenderers must have:

- The capacity, tools, material and equipment to:
  a) Carry out research, development, testing and lab prototyping;
  b) Produce and supply a limited set of first products or services and demonstrate that these products or services are suitable for production or supply in quantity and to quality standards defined by the procurers (cfr. a prototype).

- The financial and organisational structures to:
  a) Manage, exploit and transfer or sell the results of the PCP (including tangible and intangible results, such as new product designs and IPRs);
  b) Generate revenue by marketing commercial applications of the results (directly or through subcontractors or licensees).

To do so, he is asked to provide at the following evidence:

Provide **a description of relevant reference and/or previous projects** which reflect the competences and capacity of the Tenderer in the different phases and domains of the SELECT for Cities project (cfr. research, development, prototyping, testing and commercialisation).

These references can be provided based on previous projects of the Tenderer or one or several of the consortium partners and/or Subcontractors who will be working on the project. These projects

should be completed in the last 5 years. Examples of areas in which references can be provided: large scale data projects, integration projects with sensors and other devices, experience with privacy and security in a network context …

In describing these reference projects Tenderers will provide:

Proof of the capacity, tools, material and equipment to carry out research, development, testing and lab prototyping, as well as proof of the capacity to produce and supply a limited set of first products or services, and demonstrate that these products or services are suitable for production or supply in quantity and to quality standards defined by the procurers (cfr. a prototype)

Proof he is able to manage, exploit and transfer or sell the results of the PCP (including tangible and intangible results, such as new product designs and IPRs) and generate revenue by marketing commercial applications of the results (directly or through subcontractors or licensees)

Proof he is able to provide the necessary competences to complete this project.

Therefore, each Tenderer will provide a number of **CVs of key personnel and competences** which he deems necessary to complete the project. The non-exhaustive list of possible competences: developers, integration specialists, project leaders, data-visualisation specialists, data analysts, data scientists, security and privacy experts, enterprise architects, commercial specialists, etc. …

Confirm that the Tenderer has a Business Continuity / Disaster Recovery / Risk Management plan that ensures that the described services are delivered in the event of a disruption affecting its business, and ensures continuity of supply / service from its critical suppliers.

C**onfirm whether the Tenderer will take the appropriate level of insurance cover** if he is to be successful in winning the contract.

The Tenderer needs to keep in mind that the submitted CVs and references will have to showcase their abilities in all domains and phases of the SELECT for Cities project.

Each Tenderer shall - **for each of the PCP Phases** - describe, present and confirm the required references and competences in Annex C. Should there be any doubt as to any of these criteria, the Tenderer may be requested to provide additional information.

3.5 Compliance criteria

The purpose of the compliance criteria is to determine whether the Tender is compliant with the principles of PCP, public financing, place of performance, research integrity and security.

These compliance criteria will be evaluated on a pass/fail basis, based on the responses to the questions in Annex D.

Tenderers and their Tenders must comply with all of the following compliance criteria:

3.5.1 Criterion A - Compliance with the definition of R&D services

Tenders that go beyond the provision of R&D services will be excluded.

R&D covers fundamental research, industrial research and experimental development, as per the definition given in the EU R&D&I state aid framework[5]. It may include exploration and design of solutions and prototyping up to the original development of a limited volume of first products or services in the form of a test series. Original development of a first product or service may include limited production or supply in order to incorporate the results of field-testing and to demonstrate that the product or service is suitable for production or supply in quantity to acceptable quality standards.[6] R&D does not include quantity production or supply to establish commercial viability or to recover R&D costs. It also excludes commercial development activities such as incremental adaptations or routine or periodic changes to existing products, services, production lines, processes or other operations in progress, even if such changes may constitute improvements. The purchase of commercial volumes of products or services is not permitted.

The definition of services means that the value of any products covered by the contract must be less than 50 % of the total value of the PCP Framework Agreement.

The following evidence is required:

[5] See Point 15 of the Commission Communication on a framework for state aid for research and development and innovation (C(2014) 3282).

[6] See Article XV(1)(e) WTO GPA 1994 and the Article XIII(1)(f) of the revised WTO GPA 2014.

- The financial part of the offer for the framework Agreement must provide binding unit prices for all foreseeable items for the duration of the whole Framework Agreement, and
- The financial part of the offer for each Phase must give a breakdown of the price for that Phase in terms of units and unit prices for every type of item in the contract, distinguishing clearly the units and unit prices for items that concern products, and
- The offers for all three Phases may include only items needed to address the challenge in question and to deliver the R&D services described in the request for tenders, and
- The offers for all three Phases must offer services matching the R&D definition above, and
- The total sum of the value of products offered in each Phase and all previous Phases must be less than 50 % of the total value of the framework agreement.

Tenderers shall - for each of the PCP Phases - provide a financial offer. See Annex F.

3.5.2 Criterion B - Compatibility with other public financing

Tenders that receive public funding from other sources will be excluded if this leads to double public financing or an accumulation of different types of public financing that is not permitted by EU legislation, including EU state aid rules.

Tenderers shall - for each of the PCP Phases - sign a declaration of honour stating the 'absence of other incompatible public financing'. See Annex D.

3.5.3 Criterion C - Compliance with requirements relating to the contract place of performance

Tenders will be excluded if they do not meet the following requirements relating to the place of performance of the contract:

- At least 50 % of the total value of activities covered by the Framework Agreement must be performed in the EU Member States or H2020 associated countries (see below). The principal R&D staff working on the PCP must be located in the EU Member States or H2020 associated countries;
- At least 50 % of the total value of activities covered by each specific contract for each PCP phase must be performed in the EU Member States or in H2020 associated countries. The principal R&D staff working on each specific contract must be located in the EU Member States or H2020 associated countries.

The percentage is calculated as the part of the total monetary value of the contract that is allocated to activities performed in the EU Member States or in other countries associated to Horizon 2020.

All activities covered by the contract are included in the calculation, i.e. all R&D and operational activities that are needed to perform the R&D services *(e.g. research, development, testing and certifying solutions)*. This includes all activities performed under the contract by contractors and, if applicable, their subcontractors.

The principal R&D staff are the main researchers, developers and testers responsible for leading the R&D activities covered by the contract.

The countries associated to Horizon 2020 are those listed as associated countries in the Participant Portal Online Manual[7].

The following evidence is required:

- The financial part of the offer (see Annex F) must provide binding unit prices for all foreseeable items for the duration of the whole framework agreement and give a breakdown of the price for the current Phase in terms of units and unit prices (hours and unit price per hour), for every type of item in the contract (e.g. junior and senior researchers), and
- A list of staff working on the specific contract (including for subcontractors), indicating clearly their role in performing the contract (i.e. whether they are principal R&D staff or not) and the location (country) where they will carry out their tasks under the contract, and
- A confirmation or declaration of honour that, where certain activities forming part of the contract are subcontracted, subcontractors will be required to comply with the place of performance obligation to ensure that the minimum percentage of the total amount of activities that has to be performed in the EU Member States or in countries participating in Horizon 2020 is respected.

Tenderers shall - for each of the PCP Phases - provide a financial offer. See Form Annex F.

3.5.4 Criterion D - Ethics and research integrity

Tenders will be excluded if they:

[7] List of H2020 associated countries.

- Do not comply with the following rules:
  - Ethical principles (including the highest standards of research integrity, notably as set out in the European Code of Conduct for Research Integrity[8], and, in particular, avoiding fabrication, falsification, plagiarism and other research misconduct);
  - Applicable international, EU and national law, including those on checks, reviews and audits by the European Commission and the European Anti-fraud Office (OLAF) and on data protection.

In addition, Tenders must not include plans to carry out activities that are prohibited in all Member States or in a country outside the EU (where those activities are allowed)

If the tender involves activities that raise ethical issues, the Tenderer must submit an ethics self-assessment (see the guidance for EU grant beneficiaries How to complete your ethics self-assessment).

Call-offs for Phases 2 and 3 may request that this information be updated in the offers submitted for these phases.

3.5.5 Criterion E - Security

Tenders and the Results of the executed work may not contain any classified information. They will be excluded if they do not comply with EU, national and international law on dual-use goods or dangerous materials and substances.

Call-offs for Phases 2 and 3 may request that this information be updated in the offers submitted for these phases.

3.6 Overview of the award criteria

The award will be made based on the Most Economically Advantageous Tender (MEAT), based on the best quality price ratio.

The evaluation will be assessed based on the following criteria. The model in Annex E will be used to assess and score the extent to which a Tender meets the award criteria.

A threshold has been added to those criteria that are valued mostly by the Buyers group.

[8] The European Code of Conduct for Research Integrity of ALLEA (All European Academies) and ESF (European Science Foundation) of March 2011.

Award criteria	***Maximum points***	***Threshold***	***Total Weighting***
Award Criteria Phase 1 and Framework Agreement			
1. Project Management			**10%**
Feasibility of the Project plan and schedule	10		
Methodology of the project, including risk management and quality assurance	10		
2. Impact on Challenge			**30%**
F1: Serve as a City Dashboard F1.1: Describe how you will implement a dashboard that fits the basic requirements F1.2: Describe how your solution will be innovative in this domain	10		
F2: Serve as an Open City Platform F2.1: Describe how you will implement an Open City Platform that fits the basic requirements F2.2: Describe how your solution will be innovative in this domain	10		
F3: Real Time communication F3.1: Describe how your solution implements the basic requirements F3.2: Describe how your solution is innovative in this domain	10		
F4: Data referential F4.1: Describe how your solution implements the basic requirements F4.2: Describe how your solution is innovative in this domain	10		
F5: Platform	10		

F5.1: Describe how your solution implements the basic requirements F5.2: Describe how your solution is innovative in this domain			
3. Technical Quality of the platform			**20%**
Q1: Open Source	10	5	
Q2: Open Standards	10	5	
Q3: Scalable	10	5	
Q4: Robustness	10	5	
Q5: Distributed and Decoupled	10	5	
Q6: Heterogeneous	10	5	
Q7: Interoperability	10	5	
Q8: Communication with things	10	5	
Q9: Security by design	10	5	
Q10: Privacy by design	10	5	
4. Commercial Feasibility			**5%**
Completeness, sense of reality and feasibility of the commercialisation plan including the market analysis and risk management Sense of reality and feasibility of the principles for licensing, pricing, packaging, distribution	10		
5. Living Labs			**5%**
Vision and plan for executing a Living Lab trial in the context of this PCP	10		
6. Price			**30%**
Binding contract price for carrying out the work in the present phase	10		
Indicative price for the work in all three PCP Phases, incl. the present phase (total price)	10		
Award Criteria Phase 2			
1. Project Management			**10%**
Feasibility of the Project plan and schedule	10		
Methodology of the project, including risk management and quality assurance	10		

2. Impact on challenge			30%
F1: Serve as a City Dashboard F1.1: Show how the prototype will implement a dashboard that fits the basic requirements F1.2: Show how the prototype will be innovative in this domain	10		
F2: Serve as an Open City Platform F2.1: Show how the prototype will implement an Open City Platform that fits the basic requirements F2.2: Show how the prototype will be innovative in this domain	10		
F3: Real Time communication F3.1: Show how the prototype will implement the basic requirements F3.2: Show how the prototype will be innovative in this domain	10		
F4: Data referential F4.1: Show how the prototype will implement the basic requirements F4.2: Show how the prototype will be innovative is this domain	10		
F5: Platform F5.1: Show how the prototype will implement the basic requirements F5.2: Show how the prototype will be innovative is this domain	10		

3. Technical Quality of the platform			**20%**
Q1: Open Source	10	5	
Q2: Open Standards	10	5	
Q3: Scalable	10	5	
Q4: Robustness	10	5	
Q5: Distributed and Decoupled	10	5	
Q6: Heterogeneous	10	5	
Q7: Interoperability	10	5	
Q8: Communication with things	10	5	
Q9: Security by design	10	5	
Q10: Privacy by design	10	5	
4. Commercial feasibility			**5%**
Completeness, sense of reality and feasibility of the commercialisation plan including the market analysis and risk management Sense of reality and feasibility of the principles for licensing, pricing, packaging, distribution	10		
5. Living Labs			**5%**
Vision and plan on executing a Living Lab trial in the context of this PCP	10		
6. Price			**30%**
Binding contract price for carrying out the work in the present phase	10		
Indicative price for the work in the remaining phase (Phase 3)	10		
Award Criteria Phase 3			
1. Project Management			**10%**
Feasibility of the Project plan and schedule	10		
Methodology of the project, including risk management and quality assurance	10		
2. Impact on challenge			**20%**
F1: Serve as a City Dashboard F1.1: Demonstrate how the prototype implements a dashboard that fits the basic requirements	10		

F1.2: Demonstrate how the prototype is innovative in this domain			
F2: Serve as an Open City Platform F2.1: Demonstrate how the prototype implements an Open City Platform that fits the basic requirements F2.2: Demonstrate how the prototype is innovative in this domain			
F3: Real Time communication F3.1: Demonstrate how the prototype implements the basic requirements F3.2: Demonstrate how the prototype is innovative is this domain			
F4: Data referential F4.1: Demonstrate how the prototype implements the basic requirements F4.2: Demonstrate how the prototype is innovative is this domain			
F5: Platform F5.1: Demonstrate how the prototype implements the basic requirements F5.2: Demonstrate how the prototype is innovative is this domain			
3. Technical quality of the platform			**15%**
Q1: Open Source	10	5	
Q2: Open Standards	10	5	
Q3: Scalable	10	5	
Q4: Robustness	10	5	

Q5: Distributed and Decoupled	10	5	
Q6: Heterogeneous	10	5	
Q7: Interoperability	10	5	
Q8: Communication with things	10	5	
Q9: Security by design	10	5	
Q10: Privacy by design	10	5	
4. Commercial feasibility			**5%**
Completeness, sense of reality and feasibility of the commercialisation plan including the market analysis and risk management Sense of reality and feasibility of the principles for licensing, pricing, packaging, distribution	10		
5. Living Labs			**20%**
LL1: Running in real-life setting			
LL1.1: Approach to test the platform with users in the three cities	10		
LL1.2: Business case	10		
LL2: Iterative testing			
LL2.1: Plan to meet intermediate milestones	10		
LL2.2: Expected evolution after iterations	10		
LL3: Validation with local stakeholders			
LL3.1: Local stakeholders involved in validation	10		
LL3.2: Predefined use cases	10		
LL3.3: Ability to demonstrate scaling	10		
LL4: Innovation trajectory			
LL4.1: Advancement over state-of-the-art	10		
LL4.2: Potential for procurement	10		
6. Price			**30%**
Binding contract price for carrying out the work in the present phase	10		

Table 9. Award criteria

3.7 Submission content and format

3.7.1 Submission and format of tenders, tender closing time

Tenders shall be received at no later than the closing date **14 April 2017 10:00 AM CET**.

All Tenderers must use the SELECT for Cities Tender Annexes, which can be accessed along with all of the other Tender Documents by following the instructions in the Contract Notice on TED and e-Procurement (e-Notification). The Tender documents are published on the SELECT for Cities website.

All Tenders must be submitted as follows:

1. Tenders **have to be submitted electronically** via the e-platform of the Belgian Federal Government e-Tendering (https://eten.publicprocurement.be/etendering/home.do);
2. Tenders **shall contain an administrative, a technical and a financial section**, see Annexes A through G;
3. The Tender, i.e. the Tender Submission Forms (Annexes A through G) and all attachments, mandatory or not, will be **signed by the Tenderer**, electronically or in "blue ink".

e-Procurement provides for every stage of the process an application that allows the electronic handling of the public tender, starting from the publication of the contract notice up to the awarding. The full details about these applications can be found on the web portal: www.publicprocurement.be.

More information on the electronic submitting of the Tenders in Appendix 3 – Electronic submission of the SELECT for Cities Tender.

Each Tenderer carries the sole responsibility for the accurate, timely and complete uploading of its unique and only tender. Tenders which are not compliant to the above mentioned conditions will be regarded as irregular and will not be retained.

Only one Tender from a Tenderer as main Contractor will be accepted. Please do not submit the Tender on paper or submit more than one electronic Tender. The submission of a backup copy in any form is not allowed.

Tenders must be submitted in a valid text format such as e.g. PDF, MS Office, OpenOffice, or of equal value. Visuals can be added in attachment. Attached publications like brochures and promotional material are allowed, but will not be taken into account as part of the evaluation.

If the Tender exceeds a page limit then all words and/or pages in excess of the specified limit may not be considered further. Tenderers will use a minimum font size of 10. For the table with page limits per Annex (Tender Submission Forms), see Appendix 7 - Table of page limits

More specific information about the requirements for the Phase 2 and 3 Tenders will be provided in the Phase 2 and 3 call-offs.

Where it is stated that Tenderers are to comply with the administrative instructions, those that do not comply will be excluded from further participation in the Tender procedure. Tenders that do not comply with the selection and compliance criteria will automatically be rejected. The Lead Procurer's decision as to whether or not a Tender complies with these instructions will be final.

3.7.2 Administrative Section of the tender

In order to be eligible, Tenderers shall submit the following documents and declarations as listed in the indicated order below:

Annex A - General Tender Submission Form
Annex B - Exclusion Criteria (declaration)
Annex C - Selection Criteria
Annex D - Compliance Criteria (declaration)
Annex E - Technical Offer
Annex F - Financial Offer and Cost Breakdown
Annex G - Financial Offer Phase 1

The Tenderer is by its Tender bound by a validity period of **120 calendar days**, starting from ultimate deadline for submission, i.e. **14 April 2017**.

The Lead Procurer may request clarification or additional evidence or amplification of details provided. In accordance with the principle of equal treatment, no alterations to Tenders are to be sought or accepted through requests for clarifications. In case the provided clarification is found not compliant with what was requested, the Tender will be excluded from further evaluation.

Responses to the questions in the Annexes B (Exclusion Criteria) and C (Selection Criteria) will be assessed as pass/fail. Only Tenderers achieving a "pass" for all criteria will be put forward for further evaluation.

More detailed information for the Phase 2 and 3 offers will be provided in the Phase 2 and 3 call-offs.

3.7.3 Technical Section of the tender

Tenders must include a detailed **Technical Offer for Phase 1**, containing:

- A **technical plan** that outlines the Tenderer's idea for addressing all the requirements given in the PCP challenge description, relating both to functionality and performance; and the technical details of how this would be implemented. This technical plan must include an explanation of the method, a work plan including time schedule, deliverables and milestones as detailed in the Request for Tenders and the Functional Specification.
- The Tender must specify the plans and objectives of the subsequent Phases 2 and 3 and beyond.
- A **draft business plan** that explains the proposed approach to commercially exploit the results of the PCP and to bring a viable product or service onto the market.
- A **risk assessment and risk mitigation strategy.**
- A reply to the question "Does this tender involve **ethical issues**? (YES/NO)" and if YES, an ethics self-assessment, with explanations how the ethical issues will be addressed.
- A reply to the question "Does this tender involve: activities or results that may raise **security issues** and/or **EU-classified information**[9] as background or results?
- A list of the **pre-existing rights (Background)** relevant to the Tenderer's proposed solution, in order to allow IPR dependencies to be assessed within 30 days following the awarding of the Framework Agreement, see PCP time schedule in PCP Time Schedule.

Tenders failing to meet these requirements will be excluded.

The information provided in the technical Sections of the tender will be used to evaluate the Tenders, on the basis of the technical award criteria and the compliance criteria A (Compliance with the definition of R&D services), D (Ethics and research integrity) and E (Security).

[9] See Decision 2015/444/EC, Euratom on the provisions on security of EU-classified information.

More detailed information for the Phase 2 and 3 offers (in particular on the technical implementation plan, the updated business plan and the list of IPRs) will be provided in the Call-offs.

3.7.4 Financial Section of the tender

The tender must include a detailed **financial offer** specifying:

- **Binding unit prices** for all items needed for carrying out Phase 1 and for items that are expected to be needed for Phases 2 and 3 (given in euros, excluding VAT but including any other taxes and duties). The Tenderers must quote binding unit prices/hourly rates for each category of R&D resources (e.g. junior, senior researchers, developers, etc.) and specify other costs. The Tenderers must also quote binding unit prices for their own resources for Phases 2 and 3 that are not expected to be used in Phase 1 and quote estimated unit costs for resources of third parties to be used in Phases 2 and 3;
- A fixed **total price** for Phase 1 and an estimated total price for Phases 2 and 3, broken down to show unit prices and the number of each unit needed to carry out phase 1 (given in euros, excluding VAT but including any other taxes and duties).

In addition, the financial Section must include:

- A **price breakdown** that shows the price for R&D services and the price for supplies of products (to demonstrate compliance with the definition of R&D in compliance criterion A, Compliance with the definition of R&D services);
- A **price breakdown** that shows the location or country in which the different categories of activities are to be carried out *(e.g. x hours of senior researchers in country L at y euro/hour; a hours of junior developers in country M at b Euro/hour)* (to demonstrate compliance with the requirement relating to place of performance in compliance criterion C, Compliance with requirements relating to the place of performance of the contract);
- In order to ensure compliance with the EU R&D&I state aid framework, the **financial compensation** valuing the allocation of ownership of the **IPRs** generated during the PCP to the Tenderer, by giving an absolute value for the price reduction between the price offered in the Tender compared to the exclusive development price (i.e. the price that would have been quoted were IPR ownership to be transferred to the Buyers Group).

The financial compensation for IPRs must reflect the market value of the benefits received (i.e. the opportunity that the IPRs offer for commercial exploitation) and the risks assumed by the Contractor (e.g. the cost of maintaining IPRs and bringing the products onto the market).

To ensure that a fair market price is offered, Tenderers must state two prices:

- The hypothetical price that they would have quoted if all Intellectual Property Rights, including the ownership of Results under the PCP, would have been fully retained by the Buyers Group and Tenderers would not have the possibility to exploit the Results (the "Virtual Price"); and
- The price that takes into account the fact that they keep ownership of the Intellectual Property Rights attached to the Results under PCP, in accordance with the provisions of the contracts, and that they can exploit these Results (the "Actual Price").

The Actual Price will be evaluated according to the formula:

Weight awarded to Price * (Price lowest tender/Price Tender)

The unit prices quoted for each category of items *(e.g. hourly rates for junior and senior researchers, developers and testers)* remain binding for all phases (i.e. for the duration of the framework agreement).

Since all Contractors will be paid by the Lead Procurer (centralised payments) and as Digipolis is the Lead Procurer in the SELECT for Cities PCP the Belgian VAT regime of 21% will apply.

In the Tenders for Phases 2 and 3, the Tenderers must also provide a breakdown of price, as in Phase 1.

The SELECT for Cities financial Section of the Tender has to be submitted by means of Annexes F and G. The information provided in this Section of the Tender will be used to evaluate the Tenders on the basis of the price award criteria and of the compliance criteria.

The Lead Procurer may reject a Tender if it has determined that the submitted price, in combination with other constituent elements of the submission, is abnormally low in relation to the subject matter of the procurement and raises concerns with the Lead Procurer as regards the ability of the Tenderer to perform the contracts. If the Lead Procurer considers that a Tender may be abnormally low, he will request the Tenderer to provide, in writing, details of the constituent elements of the tender, in particular with respect to:

- The economy of the services provided;
- The technical solutions chosen;

- Potential exceptionally favourable conditions available to the Tenderer for the execution of the work;
- The compliance with the provisions relating to employment protection and working conditions in force at the place where the work is performed.

3.8 Other tender conditions

3.8.1 Signed tenders

A signed Tender will be considered to constitute a firm, irrevocable, unchangeable and binding offer from the Tenderer. The Tenderers signatory must have the proven power and capacity. A declaration of the power and capacity of the authority's signatory is required, see Annex A. A signature of an authorised representative will be considered as the signature of the Tender (and will be binding on the Tenderer or, for joint tenders, the group of Tenderers).

Each document, Tender Submission Form or Attachment, every correction, alteration and/or addition which may impact the original conditions of the Tender must also be signed by the signatory or his representative(s).

For the submission of the SELECT for Cities Tender e-Tendering is used. Tenderers are asked to have an authorised representative sign each of the Submission Forms (Annexes A through G) separately, either manually ("blue ink") in the foreseen signature box, or electronically, and upload them separately.

More information on the electronic submitting of the Tenders in Appendix 3 – Electronic submission of the SELECT for Cities Tender.

3.8.2 Confidentiality

Tenderers must keep confidential any information obtained in the context of the tender procedure (including EU-classified information[10]).

3.8.3 Language

English is the working language of the SELECT for Cities Project Team and Buyers Group. Publications on the project website http://www.select4cities.eu/ and all communication relating to

[10] Commission Decision 2015/444/EC, Euratom of 13 March 2015 on the security rules for protecting EU-classified information.

the Tender procedure or the implementation of the Contract, before, during and after the procurement, will be in English.

Tenderers shall submit their Tender by means of the predefined Tender Forms, Annexes and all related correspondence. This applies to the Tenders for the Request for Tender and Phase 1, as well as for the Tenders for the Phase 2 and 3 call-offs.[11]

3.8.4 Cancellation of the tender procedure

The Buyers Group may, at any moment, cease to proceed with the tender procedure and cancel it. The Buyers Group reserves the right not to award any Contracts at the end of the Tender procedure. The Buyers Group is not liable for any expense or loss the Tenderers may have incurred in preparing their Tender.

[11] Taking into account that the legal and official language of the SELECT for Cities Lead Contracting Authority is Dutch (in accordance with article 33 §1 of the Laws dated July 18, 1966 on the use of languages in administrative matters), the Select for Cities Request for Tenders is announced in both English and Dutch. Tender documents are published in English on the Select for Cities website. Upon request they can be made available in Dutch. Tenders submitted in other languages than English or Dutch will not be accepted.

4 Process rules and information

4.1 Evaluation process

There are two types of evaluations under this PCP:

1. Evaluation process intended to rank the Tenderers in order to **award Contracts** to the best-ranked Tenders;
2. Evaluation process intended to assess the **outcome of the work** executed in a particular Phase. This evaluation will lead to the decision of payments and regarding the eligibility of a Contractor to bid for the next Phase.

Tenders will be evaluated in a non-discriminatory and transparent manner. In order to achieve this, the SELECT for Cities project structure foresees a Procurers Steering Committee as well as a number of independent Evaluation and Monitoring Committees.

First, Tenders are checked on the basis of content and format compliance with the conditions of the Tender. Then, the administrative section is checked, and finally, if proven to be compliant, the technical section will be evaluated. The financial section will be assessed on the condition that the technical Section has been evaluated and proven to comply with the Functional Specification (TD2).

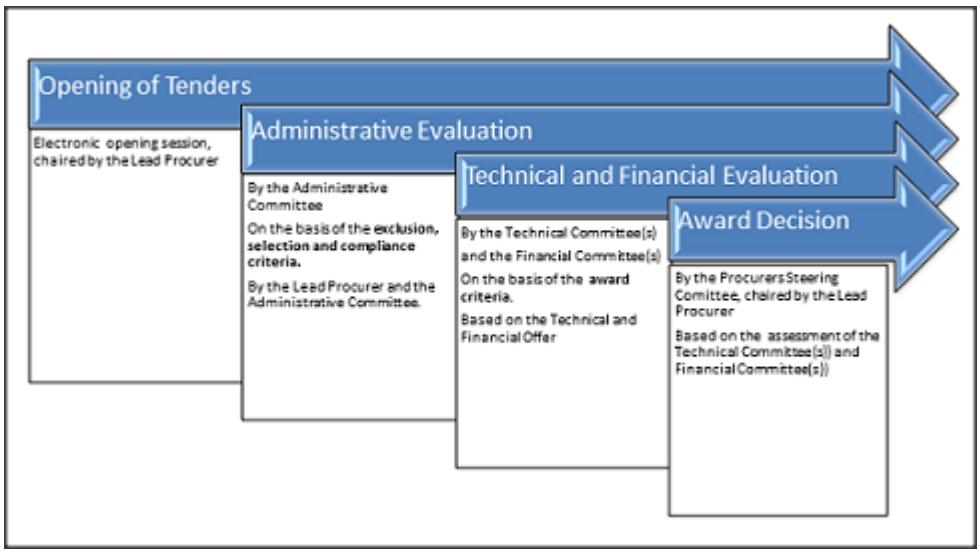

Figure 3. The SELECT for Cities evaluation process

4.1.1 Opening of Tenders

For the opening of the Tenders, the Lead Procurer will appoint an Administrative Evaluation Committee composed of two representatives of Digipolis (from the Procurement Department).

The Administrative Evaluation Committee will be in charge of opening the Tenders and checking their general administrative compliance with the conditions on the content and format of the Tender.

There will be a formal opening session with the opening of the electronic safe on e-Tendering.
The Lead Procurer will receive the proposals filed before the corresponding deadline in each Phase of the SELECT for Cities PCP Procedure, opening them in the term described in this Request for Tender, as well as in the Specific Contract call-offs.

A report is compiled of this opening session. This report contains all the information about the opening. All submitted Tenders are automatically included in the report. The report is then signed by at least two representatives of the Administrative Evaluation Committee.

Tenders not complying with the formal and procedural requirements will be excluded from the Tender evaluation.

4.1.2 Evaluation of the submitted Tenders and initial Contract award

For the evaluation of the Tenders, the Lead Procurer will appoint and chair the Evaluation Committee, composed of an odd number of maximum 7 evaluators with an appropriate technical background and representing the Buyers Group in a proportional way, for the evaluation of the Tenders based on the award criteria. The Buyers Group has the right to ask external experts for support.

Tenders to the PCP Request for Tender, as well as the Tenders for the Phase 2 and 3 call-offs, will preferably be assessed and ranked by the same Evaluation Committee. The SELECT for Cities Buyers Group holds the right to replace evaluators during the project provided that the replacement evaluator has the necessary skills and represents the same member of the Buyers Group.

Members of the Evaluation Committee will be appointed by the Lead Procurer ad personam, based on the Procurers Steering Committee (PSC)[12] ruling. When carrying out its tasks, the Evaluation

[12] The Procurers Steering Committee is the main decision making body in the scope of the implementation and running of the SELECT for Cities PCP, and in the management of the Contracts. In the SELECT for Cities project the Procurers Digipolis, Forum Virium Helsinki and City of Copenhagen are the Buyers Group and participate in the Procurers Steering Committee.

Committee shall not seek or take instructions from the Lead Procurer, from any government of a Procurer or from any other body.

The evaluation process will be conducted as follows:

First of all evaluators will independently and individually assess all Tenders. The more points a Tender scores in total, the higher it is ranked. Based on the evaluators' individual assessments, which are all equally weighted, a preliminary ranking of the Tenders will be made.

If deemed necessary, an online hearing will take place, where Tenderers will be asked to clarify aspects of their Tender.

Subsequently, the Evaluation Committee will meet to collect, compare and discuss the comments of each evaluator for each Tender, and to review the preliminary scoring and ranking to ensure that the assessment of all Tenders is consistent and non-discriminatory. By consensus or, if that fails, by a majority of two thirds, the Evaluation Committee will make the final recommendations for the award of the contracts to the PSC. The PSC will ultimately decide on:

1. The final ranking of the Tenders;
2. The award of the Contracts.

After the general administrative compliance check, Tenders compliant with the procedural requirements and formalities and not in conflict with the exclusion criteria will be passed on to the Technical Evaluation Committee.

An assessment of the Tenderer's capacity to perform the contract will be done on the basis of the selection criteria. The Tenderers shall be able to satisfy all of the criteria. These will be evaluated on a pass/fail (yes/no) basis.

The Procurers Steering Committee is composed of one representative of each Procurer and their alternates. Only staff of a Procurer, or their alternates, are entitled to participate. The Lead Procurer shall chair the meetings of this body.

All proposals of relevance such as the ones pertaining to tender documentation, content, funding, contracts, experts or partner nomination and/or replacement, will be taken by unanimous decision of the Procurers Steering Committee.

The Members and their alternates may be assisted by Advisors. Advisors have observer status during the meetings of the Procurers Steering Committee. They do not have the right to submit proposals or to vote. At least the Preferred Partners City of Antwerp and imec will take up this role.
Each Member or Advisor who participates in the Procurers Steering Committee meetings is bound by a confidentiality obligation and a statement of the absence of conflict of interest.
The Lead Procurer will be responsible for chairing and implementing the decisions of the Procurers Steering Committee. When the Procurers Steering Committee approves a proposal, the Lead Procurer shall execute it.

Only Tenders passing this step will be evaluated by the Technical Evaluation Committee. The technical Section of the Tender will be evaluated. The compliance criteria (see Compliance criteria) will be assessed on the basis of the declaration made in Annex D, followed by the assessment of the Technical Offer (Annex E). The evaluation of the Technical Offer will be done based on technical and non-technical award criteria and according to the scoring model (see Appendix 4 - Scoring Model for the Award Criteria to this Request for Tenders). A minimum threshold of 60% of the total amount of points (excluding the price) must be reached.

The financial Section of Tenders passing this step will then be evaluated. The Financial Offer (Annex F) will be assessed on the basis of the formula foreseen in the scoring model (Appendix 5 - Scoring Model for the Price of the Request for Tenders). The price that will be evaluated is the Actual Price.

Large differences in assessment by the evaluators will be identified. If the reasoning given by the evaluators requires further clarification, this is provided by them.

The final award will be made on the basis of the Most Economically Advantageous Tender (MEAT).

After the award decision has been taken, the Tenderers will be informed about their ranking. To the selected Tenderers a Framework Contract and Specific Contract for Phase 1 will be sent shortly thereafter. Tenderers will have approximately 2 weeks to sign the contracts.

Successful Tenderers will be, if awarded a contract, expected to start and finish their project in time. If the project is not finished by the deadline, the Contractor will not be eligible to submit a Tender for the next Phase.

Unsuccessful Tenderers, that have not been excluded and who comply with the selection criteria, may contact the Lead Procurer, within 10 days, to obtain additional information about their Tender not being selected for a contract. Tenderers will be given feedback on their tender.

4.1.3 Evaluation of Phases 2 and 3

The criteria and the method for evaluating the tenders in Phase 2 and 3 will be the same as the criteria and the method used in evaluating the original tenders as set out below, but may be elaborated or developed in further detail within those frames. The weighting of each award criterion may differ from the initial weight in Phase 1 or Phase 2.

For Phase 2 and Phase 3, the composition of the Evaluation Committee and evaluation process up to the award decision will, as much as possible, remain the same as for Phase 1. Nonetheless, the

evaluation process may be described in more detail, in particular for Phase 3, in respect to the testing procedures.

4.1.4 Assessment and Scoring

Only tenders with the following minimum scores (threshold) are eligible for consideration for a contract:

- 60% of the maximum number of points for each of the criteria, excluding Price:
  - Project Management
  - Impact on Challenge
  - Technical quality of the platform
  - Commercial feasibility
  - Living Lab

- 60% of the maximum number of points for the combined scores, including Price.

Failure to achieve the minimum score for any of the Tender components will result in the Tender being excluded from further participation in the PCP.

The assessment criteria, weighting and the maximum points available are listed in 3.6. The Scoring Model is found in the Appendix 4 - Scoring Model for the Award Criteria.

The scoring will be made according to an absolute scale, meaning that several Tenders can receive the same score and that the score a particular Tender receives, is not affected by the scores other Tenders have received.

4.2 Communication — Q&A

Two webinars will be organised to clarify the Call for Tender Documents, the procedure and to answer potential Tenderers' questions or requests for clarification. See also the PCP timeline in Section 1.4.3

All questions or requests for clarification must be received by Digipolis no later than 20 March 2017 at 6:00 PM CET. Any questions received after this deadline will not be answered.

The questions or requests for clarification must be addressed to:

E-mail: Ask_select4cities@digipolis.be

Please mention the Digipolis Procurement Reference No. **A000429** in the subject line of your emails. With each question the correct document reference (Tender Document 1, Annex A…) and page number should be clearly stated.

The summary of all questions and answers will be presented in an anonymised Q&A document that will be published on http://www.select4cities.eu/tender in English (final version planned for 31 March 2017).

For phases 2 and 3, the Q&A will not be published, but distributed to all contractors that successfully completed the previous phase.

Unless otherwise instructed, please do not use any other contact addresses or means or contact any other persons in connection with this procurement.

4.3 Procedures for appeal

Decisions taken with regard to the selection of Tenderers, awarding them with Phases 1, 2 or 3 or excluding them from the SELECT for Cities PCP Procedure can be challenged by means of an administrative remedy within a period of 5 days upon the formal notification of the decision.

A decision dismissing the appeal could be challenged before the Courts of Antwerp.

Any dispute or claim arising out of or in connection with the execution of the Framework Agreement or of the Phases contracts entered into between the Buyers Group and the Contractor, shall be heard by the Courts of Antwerp.

5 Conditions of the contracts

Successful tenderers will be requested to sign both a Framework Agreement and a Specific Contract for Phase 1. For the Phases 2 and 3, selected Contractors will be asked to sign a Specific Contract for the given Phases (see the templates given in Annexes 1 and 2).

5.1 Monitoring

During each Phase, contract implementation will be monitored periodically and reviewed against the expected outcomes (milestones, deliverables and output or Results) for the Phase (see 'Expected Outcomes' in 2.3.4).

Each Contractor will be assigned a main contact person (their supervisor) from the monitoring team appointed by the Buyers Group. The supervisor of each Contractor will be communicated with after the award of the Contract.

There will be regular monitoring meetings between the Contractor and the supervisor/monitoring team in all three of the procuring cities (Antwerp, Copenhagen, and Helsinki). The supervisor will receive the support of a monitoring team if needed with the necessary expertise. Each meeting or visit will follow the same evaluation criteria and procedures.

For the number of monitoring meetings and the locations see Table Expected Outcomes in Expected outcomes (per Phase). The supervisor, or any party designated by it, is entitled to visit the premises of the Contractor and his subcontractor(s).

Each Contractor must cover its own costs and thus foresee appropriate personnel and travel budgets in its offer for these monitoring meetings, in addition to end of Phase 2 and 3 results demonstration to the EC (Brussels, Belgium).

The Monitoring Panels, or by means of its main contact person, will provide regular feedback to Contractors after the meetings and/or visits. Detailed information on the role of the supervisor will be provided after the awarding of the contract.

5.2 Evaluation of the outcome at the end of a Phase

On the end date of each Phase, the Contractors shall submit their 'End of Phase Reports', including all the listed deliverables and Results. The End of Phase reports will be assessed by the Buyers

Group in order to determine whether the respective Contractors have satisfactorily or unsatisfactorily completed a Phase. The satisfactory/unsatisfactory completion will determine whether the Contractor shall be paid or not. A sample template of an End of Phase Report is included in Appendix 8 - End of Phase Reporting [sample].

The Buyers Group will also evaluate, if the Contractors have successfully completed a particular Phase, and consequently, if they are eligible to participate in the call-off for the next Phase. Successful completion of a Phase will be assessed by the Buyers Group against the End of Phase Report (including all deliverables) according to the evaluation criteria, the scoring table in Appendix 6 and under the condition that the key milestones have been successfully completed.

5.3 Payments based on satisfactory completion of milestones and deliverables of the phase

Payments corresponding to each PCP phase will be subject to the *satisfactory* completion of the deliverables and milestones for that phase.

Satisfactory completion will be assessed by the Buyers Group, which will take the final decision on the acceptance or rejection of the milestones/deliverables/tests.

Satisfactory completion will be assessed according to the following requirements:

- If the work corresponding to that milestone / deliverable has been carried out ;
- If a reasonable minimum quality has been delivered (see clarification below);
- If the reports have been submitted on time;
- If the monies/resources have been allocated to the planned objectives;
- If the monies/resources have been allocated and the work has been carried out according to the compliance criteria (place of performance, public funding and R&D definition criteria);

And

- If the work has been carried out in compliance with the provisions of the contract (including in particular verification if the Contractor has duly protected and managed IPRs generated in the respective Phase);

'Reasonable minimum quality' of a report means that:

- The report can be read by somebody who is familiar with the topic, but not an expert;

- The report gives insight in the tasks performed in and the Results;
- The report is made using the end of Phase report form;

'Reasonable minimum quality' of a demonstration (for Phase 2 or 3) means:

- The demonstration can be understood by somebody who is familiar with the topic, but not an expert (for instance, somebody with operational but not technical knowledge);
- The demonstration shows how the innovation works, how it can be used and (if applicable) how it is operated and maintained;
- The demonstration is accessible to parties appointed by the procurers, unless these are direct competitors of the contractor.

Satisfactory completion in each of the phases does not mean successful completion. See also Section 6.1.

The assessment will consider the efforts made by Contractors to take into account the feedback from the supervisor and the monitoring team. The Buyers Group will approve or reject the submitted deliverables as 'satisfactory' within 30 calendar days of their submission.

Where the assessment committee judges the completion of deliverables or milestones to be unsatisfactory, the Buyers Group may decide to reduce or withdraw payments for that deliverable and/or may terminate the Contract.

Invoices must be submitted to the Lead Procurer. The details regarding the payments by the Lead Procurer are set out in the Framework Agreement.

Contractors' invoices must provide:

- A **price breakdown** showing the price for R&D services and the price for supplies of products (in order to demonstrate compliance with the definition of R&D in compliance criterion A);
- A **price breakdown** showing the location or country in which the different categories of activities were performed *(e.g. x hours of senior researchers in country L at y euro/hour, a hours of junior developers in country M at b euro/hour)* (in order to demonstrate compliance with the requirement relating to the place of performance in compliance criterion C).

6 Payment Schedule

Payment for the Contractor's Services for each Phase will be made according to the following provisions:

(i) Payment schedule for Phase 1 will be:
100% of the price offered by the Contractor shall be paid by the date in which the Lead Procurer declares the satisfactory completion of Phase 1, as described in Expected outcomes of the Request for Tenders Expected Outcomes.

(ii) Payment schedule for Phase 2 will be:
40% of the price offered by the Contractor shall be paid by the date in which the Lead Procurer declares the satisfactory completion of the Phase 2 Interim Results, as described in Expected outcomes of the Request for Tenders:

- D2.2 Second iteration prototype. Monitoring report, 3 months after Phase 2 start

60% of the price offered by the Contractor shall be paid by the date in which the Lead Procurer declares the satisfactory completion of Phase 2.

(iii) Payment schedule for Phase 3 will be:
50% of the price offered by the Contractor shall be paid by the date in which the Lead Procurer declares the satisfactory completion of the Phase 3 Interim Results, as described in Expected outcomes of the Request for Tenders:

- D3.4 First intermediate Living Lab Monitoring report, 3 months after Phase 3 start, 20% of the price
- D3.5 Second intermediate Living Lab Monitoring report, 6 months after Phase 3 start, 30% of the price

50% of the price offered by the Contractor shall be paid by the date in which the Lead Procurer declares the satisfactory completion of Phase 3.

Payments will be made to the bank account provided by the Contractor within 30 days from the date of receipt, by the Lead Procurer, of a correct and approved invoice.

6.1 Eligibility for the next phase based on successful completion of the phase

Eligibility for participation in the next Phase will be subject to *successful* completion of the current Phase.

Successful completion of a Phase will be assessed by the assessment committee against the following requirements:

- If all milestones have been successfully completed;
- If the R&D results meet the minimum functionality/performance requirements of the challenge description (i.e. the minimum quality/efficiency improvements which the procurers set forward for the innovative solutions to achieve);
- If the results of the R&D are considered to be promising.

Successful completion of a Phase will be assessed by the Buyers Group against the criteria below. The criteria will be assessed based on the scoring model of Appendix 6 - Scoring Model for Outcome of the Phase(s).

6.1.1 For Phase 1 - Solution Design

Evaluation of the Solution Design addresses the research and innovation challenges. This will be evaluated according to:

- The completeness of addressing the challenges;
- The appropriateness of the solutions in terms of technical and operational considerations;
- The effort estimated by the Buyers Group to take advantage of the solution;
- The overall risks associated with the solution.

6.1.2 For Phase 2 - Prototype Phase

The Tenderers shall demonstrate a Prototype of the selected Solution Designs and will be evaluated according to:

- The completeness of the solution;
- The ability to perform the required technical tasks, i.e. run the targeted applications;
- Suitability for a wide range of applications;
- Prototype performance in lab testing;
- Quality of business plan.

The evaluation of this phase will be based on the test case detailed in TD2 - Functional requirements.

The Tenderers shall provide documentation (in English) for the Prototype of the selected designs and will be evaluated according to:

- Documentation completeness;
- Documentation clarity.

6.1.3 For Phase 3 - Living Lab Pilot Phase

The Tenderers shall demonstrate a Pilot of the selected Prototypes and will be evaluated according to:

- The completeness of the solution;
- The ability to perform the required technical tasks, i.e. run the targeted applications;
- Suitability for a wide range of applications;
- Scalability of the solution;
- Quality of business plan;
- Service readiness.

The Tenderers shall provide documentation (in English) for the Pilot of the Prototypes and will be evaluated according to:

- Documentation completeness;
- Documentation clarity.

6.2 Finalisation of phase 3: link with possible follow-up PPI procurement

A new call for Tenders could be launched should the procurers engage in a public procurement of innovative solutions (PPI) to deploy a commercial volume of the solutions provided under this PCP.

Appendix 1 – PCP Principles Horizon 2020

The **PCP is split into three phases** (solution design, prototyping, original development and testing of a limited set of 'first' products or services). Evaluations after each phase progressively identify the solutions that offer the best value for money and meet the customers' needs. This phased approach allows successful contractors to improve their offers for the next phase based on lessons learnt and feedback from procurers in the previous phase. Using a phased approach with gradually growing contract sizes per phase also makes it easier for smaller companies to participate in the PCP and enables SMEs to grow their business step-by-step with each phase.

The R&D services can cover research and development activities ranging from solution exploration and design, to prototyping, right through to the original development of a limited set of 'first' products or services in the form of a test series. Original development of a first product or service may include limited production or supply in order to incorporate the results of field-testing and demonstrate that the product or service is suitable for production or supply in quantity to acceptable quality standards. R&D does not include quantity production or supply to establish the commercial viability or to recover R&D costs.[13] It also excludes commercial development activities such as incremental adaptations or routine or periodic changes to existing products, services, production lines, processes or other operations in progress, even if such changes may constitute improvements.

The following information provides a generic introduction to the PCP instrument, in accordance with the documentation provided by the European Commission. For a more detailed description of the PCP concept be sure to read the following EU documents: (1) PCP Communication COM/2007/799 and (2) Staff Working document SEC/2007/1668.

Furthermore the PCP is also characterised by the following key **features**:

- ***Open, transparent, non-discriminatory approach***

PCP is open to all operators on equal terms, regardless of the size, geographical location or governance structure. There is, however, a place of performance requirement that they must perform a predefined minimum percentage of the contracted R&D services in EU Member States or Horizon 2020 associated countries. In SELECT for Cities case it is 50%.

- ***Sharing of IPR-related risks and benefits under market conditions***

[13] See also Article XV(1)(e) WTO GPA 1994 and the Article XIII(1)(f) of the revised WTO GPA 2014.

PCP procures R&D services at market price, thus providing contractors with a transparent, competitive and reliable source of financing for the early stages of their research and development. Giving each contractor the ownership of the IPRs attached to the results it generates during the PCP means that they can widely exploit the newly developed solutions commercially. In return, the tendered price must contain a financial compensation for keeping the IPR ownership. Moreover, the procurers must receive rights to use the R&D results for internal use and licensing rights subject to certain conditions.

Depending on the outcome of the PCP, procurers **may or may not decide to follow-up** the PCP with a 'Public Procurement to deploy the Innovative solutions' (PPI).

However, any subsequent PPI, for the supply of commercial volumes of the solutions, will be carried out under a separate procurement procedure. Suppliers that did not take part in this PCP (or were not chosen to go through as far as the last phase) will thus still be able to compete on an equal basis in any subsequent procurement looking for contractors to provide a solution on a commercial scale.

More information on PCP can be viewed on the European Commision PCP webpage.

Appendix 2 – Buyers Group and Preferred Partners

Profile, background and SELECT for Cities responsibilities

The cities of Antwerp, Helsinki, and Copenhagen are all front-runners within the Smart City agenda. They share many challenges within healthcare and mobility as a result of rapid population growth and an ageing population. The cities are running a number of innovative IoE projects and are ready to take their efforts to the next level through the SELECT for Cities project.

CITY OF ANTWERP - IMEC - DIGIPOLIS, Belgium

CITY OF ANTWERP (Stad Antwerpen) is a thriving city situated in the North of Belgium and is the biggest city in the Flemish region of Belgium, with a population of 512.000 (as of 1 January 2013) which represents around 8% of the total Flemish population. Before 2030, Antwerp expects a growth of ca. 100.000 more inhabitants. With regards to the management of European funded projects, Antwerp has extensive experience as project partner. Driven by the need to better adapt its communication and services to the needs, interests and behaviour of its users, the city of Antwerp aims to become one of the most innovative cities in Europe. The city administration should be a facilitating platform for city users (start-ups, SME's, citizens and visitors) to build on top of.

As a medium-sized city covering a 200-square-kilometer area Antwerp's geographical location, population size and demographic diversity make it the perfect beta-testing city. It is a city where new business ideas can be developed and tested easily. Our motto: "If it works in Antwerp, it can work anywhere."

This is not a bland statement. The city of Antwerp has present within it the know-how, technical skills and drive to make the city into a truly 'Smart' City. Two partners - Digipolis, the city's IT partner and frontrunner in innovating the city's procurement procedures for digital content, and the Flemish research institute imec - are absolutely central to this.

IMEC - The City of Antwerp and its partner imec are spearheading together the Smart City project 'City of Things'. This transforms the city in a gigantic IoT living lab, based on open platforms and real-time open data, gathered through thousands of smart city devices spread across the city. It is a

completely realistic living lab environment, allowing developers to test and optimize their innovative products or services.

imec is the largest research centre on ICT in Belgium and is directly involved in smart city projects. It can bring a large-scale testing and experimentation environment in Antwerp to test and validate some of the developed solutions in this project with real end-users in a living lab setting: the City of Things Lab.

DIGIPOLIS (Antwerp) has been the ICT-partner for the City of Antwerp for ten years collaborating on various ICT projects. Digipolis Antwerp is a governmental, but strictly non-commercial ICT organisation founded in 2003 to drive ICT solutions for the City of Antwerp, its Public Centre of Social Welfare, the local police, and other subsidiaries, all in all serving over 12,000 employees.

SELECT For Cities will turn Antwerp into a large-scale 'Internet of Everything' lab. These 'Internet of Everything' services and products will accelerate innovation, accomplishing several things:

- Modernizing the public sector by radically reducing costs;
- Improving citizens' quality of life and wellbeing in areas such as mobility, energy or security;
- Creating jobs, to dynamize the economy.

FORUM VIRIUM, Finland

Helsinki has been ranked highly in the leading Smart Cities in Europe regarding digital Smart City development, especially on the grounds of use of public open data, interfaces, digital application ecosystems, and use of emerging technologies in the urban pilots. In addition to the city, Helsinki is the home of Nokia, Supercell, Rovio, Slush and other leading mobile ICT actors. The motivation to develop a state-of-the-art IoE platform in the project is to further expand Helsinki's leading role within the Smart Cities.

There have been already several IoT pilots in the city already, with various IoT platforms, solutions and approaches. The pilots have been separate, both functionally and technologically. Now, a common IoE platform is needed to provide a common testing, playing and deployment environment for the future IoE services and innovations, that links the service provides, technology actors and the various departments of the city itself. The motivation to consolidate the piloting activities is two-fold: both increase the quality of the pilots by providing inter-functionality and interoperability between domains (like mobility and health), and also drive down the further development cost and technological barriers for further IoT services.

Also, Forum Virium Helsinki has long history of driving digital city interoperability in Europe (with projects like CitySDK, HRI and 6Aika). Select for Cities starts this "harmonization" of the European leading smart cities in the IoE domain, to provide transferability of the IoE solutions between the cities. The motivation of the harmonization is to create a working single market for IoE innovations, both demand and supply side, and with that, both lower the cost and increase the quality of the IoE service innovations.

CITY OF COPENHAGEN, Denmark

The City of Copenhagen is the capital of Denmark with a population of 756.000 (dst.dk, 2016). Copenhagen has a strong focus on increasing quality of life for its citizens, and the city has an ambitious goal of becoming CO2 neutral by 2025. The city unit, Copenhagen Solutions Lab, works actively on using IoT services to support this agenda and runs a number of projects, including:

- A new IoT living lab to test and demonstrate IoT sensor solutions in the city centre (http://cphsolutionslab.dk/);
- A data warehouse that stores data across domains and departments ('Datatanken');
- An open data portal with aggregated, non-sensitive data for the public (http://data.kk.dk/);
- Partner of a national open data portal (http://www.opendata.dk/) ;
- Supporter of a 'City Data Exchange' portal with public open data and data from private companies (www.citydataexchange.com/#/home);
- An Intelligent Transport System (ITS) that is going to control transport more effectively (https://www.kk.dk/sites/default/files/uploaded-files/ITS%20-%20Action%20Plan%202015-2016.pdf);

More information: http://cphsolutionslab.dk/

Copenhagen's objective of participating in SELECT for Cities is to take the city's IoT solutions to the next level. The city has a number of platforms that are not directly linked, and as the amount of new innovative sensor technologies and data is expected to increase dramatically, the city has a strong need to develop a platform, that can run across multiple domains and user segments in a flexible, modular way. With SELECT for Cities, Copenhagen envisions a platform that facilitates cross-departmental collaboration and citizen engagement through (near) real-time data visualisation, advanced data analytics, business intelligence, forecasting, and simulation tools. Furthermore, the city wants to test the PCP process as a new way to work with public-private innovation to support future procurement within this field.

Appendix 3 – Electronic submission of the SELECT for Cities Tender

Tenders have to be submitted electronically via the e-platform of the Belgian Federal Government e-Tendering (https://eten.publicprocurement.be/etendering/home.do).

e-Tendering is a part of e-Procurement, the portal that provides for every stage of the tendering process an application that allows the electronic handling of the public tender, starting from the publication of the contract notice up to the awarding. The full details about these applications can be found on: www.publicprocurement.be.

More info and support manuals on http://www.publicprocurement.be/fr/publicprocurementbe-english-0 or via the e-Procurement helpdesk +32 (0)2 790 52 00.

With e-Tendering the Lead Contracting Authority can electronically open the Tender, generate electronically the report of opening and make it available to the Contracting Authorities. Tenderers can electronically submit their Tender to participate and digitally sign it.

N.B. Registration is required to submit electronic tenders in e-Tendering

Requirements and guidelines e-Tendering

The eProcurement applications can be used in different software environments. In general, you will need ***a computer equipped with:***

- An internet connection;
- A Windows, Linux or Mac OS operating system;
- A standard web browser: Internet Explorer, Google Chrome, Mozilla Firefox, Safari;
- Java 1.6 update 26 or higher.

Technical guidelines:

- An electronic tender or request to participate consists of one or more documents;
- You can send any kind of file type (.doc, .xls, .avi, .ppt...). Sending multiple documents is possible by using a ZIP file;

- The size of a single file cannot exceed 80 megabytes. The total file size of the tender cannot exceed 350 megabytes (printing documents, signing and scanning for sending to e-Tendering becomes difficult in this case due to file size);
- Give files a clear name (e.g. SELECT_AnnexA_...);
- Make sure you have the right software configuration (Java, e-ID, ...).

When in doubt, contact the helpdesk, but be sure to do this reasonably in advance.

Registering and logging in

You should first register as a new supplier at https://my.publicprocurement.be (user management).

Enterprises registered with the Belgian Crossroads Bank for Enterprises (CBE/KBO) have the possibility to retrieve the enterprise data from the Crossroads Bank for Enterprises. Enterprises with a non-Belgian enterprise number will need to select the "Country" first. They can then add their enterprise number (no fixed format).

After saving your profile, you will receive an email containing an activation link.

Submitting of the Tender

Once you have consulted the contract notice on TED or on e-Notification and downloaded the tender documents on the SELECT for Cities website you can submit your tender electronically via e-Tendering. Via e-Notification you will automatically be redirected to the dossier you wish to submit a tender for (*DP-A000429-F02_0*).

More information on submitting tenders via e-Tendering on:
http://www.publicprocurement.be/fr/documents/submitting-tenders-internet-pdf

Signing of the SELECT for Cities Tender

Tenderers are asked to have an authorized representative sign each of the Submission Forms (Annexes A through G) separately, either manually ("blue ink") in the foreseen signature box (when provided) or electronically, and upload them separately.

Appendix 4 - Scoring Model for the Award Criteria

Overall scoring model

This Appendix contains the scoring model that will be used by the evaluators to assess and score the extent to which a Tender is meeting the award criteria.

Score	***Textual description***	
0	**Nonexistent**	None of the aspects of the requirement are met.
1	**Very weak**	Multiple important aspects of the requirement are missing.
2	**Weak**	Multiple aspects of the requirement are present, but the provided explanation may not convince.
3	**Good**	All important aspects are present.
4	**Very good**	All important aspects are present and the provided explanation is very convincing.
5	**Excellent**	There is significant added value to the required feature, which is described very convincingly.

Table 10. Scoring model

Appendix 5 - Scoring Model for the Price

1. Scoring of the Total PCP Price

The Price will be evaluated using the formula below:

Points awarded = Weight awarded to Price * (Price lowest tender/Price Tender PCP)

Price Tender PCP = is the Actual Price that the Tenderer has submitted for the Total PCP (Phases 1, 2 and 3).

Weight awarded to Price = the maximum points the Tenderer can get on the Price award criterion (see Overview of the award criteria of the Request for Tenders)

2. Scoring of the Price for PCP Phase 1

The Price will be evaluated using the formula below:

Points awarded = Weight awarded to Price * (Price lowest tender/Price Tender Phase 1)

Price Tender Phase 1 = is the Actual Price that the Tenderer has submitted for Phase 1.

Weight awarded to Price = the maximum points the Tenderer can get on the Price award criterion (see Overview of the award criteria of the Request for Tenders)

Note that the Actual Price will be taken into account (see Annex F), and not the Virtual Price, for the evaluation.

Appendix 6 - Scoring Model for Outcome of the Phase(s)

This Appendix contains the scoring model that will be used by the evaluators to assess the successful completion of Phase.

Score	***Textual description***	
0	**Nonexistent**	None of the aspects of the requirement are met.
1	**Very weak**	Multiple important aspects of the requirement are missing.
2	**Weak**	Multiple aspects of the requirement are present, but the provided explanation may not convince.
3	**Good**	All important aspects are present.
4	**Very good**	All important aspects are present and the provided explanation is very convincing.
5	**Excellent**	There is significant added value to the required feature, which is described very convincingly.

Table 11. Scoring guide

Quality of the end of Phase report of Phase 1, 2 or 3
For the End of Phase report, each of the following areas is assessed:

1. There is evidence that the work has been carried out completely and diligently;
2. The results are good and consistent with the original Tender;
3. There is a clear potential for further development;
4. The report is well written with the appropriate level of detail.

On each of these areas a tender can score a maximum of 2,5 point (adding up to a total of 10 points).

Appendix 7 - Table of page limits

Follow the page limits specified below for the submission forms of your Tender, unless otherwise specified.

Tender Submission Forms (cfr. Annexes to the Tender documents)	***Page limits***
Annex A - General Tender Submission Form	15
Annex B - Exclusion Criteria (declaration)	5
Annex C - Selection Criteria	25, CVs of key personnel included (concise CVs are advised)
Annex D - Compliance Criteria (declaration)	5
Annex E - Technical Offer	35
Annex F - Financial Offer and Cost Breakdown	25
Annex G - Financial Offer Phase 1	3

Table 12. Page limits

Tenderers will use a minimum font size of 10. Use a minimal line spacing of 1.

Tenders exceeding a page limit: words and/or pages in excess of the specified limit may not be considered further. Tenders not complying with the minimal font and spacing size may be eliminated.

Appendix 8 - End of Phase Reporting [sample]

Below is a sample template of an End-of Phase Report to be used throughout the project to document progress. It is provided here as an example for your information. The actual form will be provided with the requirement specification of the relevant phase.

Functional Requirements	***Deliverable No.[1]***	***Where (pages)[1]?***	***Use of background[1]?***	***Beyond State-of-the-Art[1]?***
Basic Functions				
TBD				
…				
Design Functions				
TBD				
…				
Other Functions				
TBD				
…				

Innovation	***Deliverable No.[1]***	***Where (pages)[1]?***	***Use of background[1]?***	***Beyond State-of-the-Art[1]?***
TBD				
…				
Quality	***Deliverable No.[1]***	***Where (pages)[1]?***	***Use of background[1]?***	***Beyond State-of-the-Art[1]?***
TBD				
…				
Technical Feasibility	***Deliverable No.[1]***	***Where (pages)[1]?***	***Use of background[1]?***	***Beyond State-of-the-Art[1]?***
TBD				
…				

Commercial Feasibility	***Deliverable No.[1]***	***Where (pages)[1]?***	***Use of background[1]?***	***Beyond State-of-the-Art[1]?***
TBD				
…				
Financial Feasibility	***Deliverable No.[1]***	***Where (pages)[1]?***	***Use of background[1]?***	***Beyond State-of-the-Art[1]?***
TBD				
…				

[1] If applicable

Details	
Name of Contractor	
Report Author	
Telephone number	
Email address	
Phase report	Select Phase 1 - 2 - 3
Total Contract Cost (€)	
Start date	
End date	
Subcontractors	

1. At the outset of this piece of work, what were your aims and objectives?
2. Please provide a summary of the outputs of this piece of work and relate these to the original objectives. How do the outputs address the requirements of this PCP?
3. Describe any changes to the original plan in the tender. What was the reason for these changes? Please include any circumstances that aided or impeded the progress of the work and the actions taken to overcome them.
4. Please provide a short factual summary of the most significant outcomes of your work.
5. Describe the innovative aspects of the work, including any new findings or techniques.
6. Describe where the R&D and other management activities related to the Project have been performed.
7. Describe any potential long-term collaborations/ partnerships entered into since last report. Please list the organisation/s and the role they played in the work if any.
8. Please describe how your organisation has gained from participating in this project. What new business opportunities have been created? Do you expect your organisation to grow as a result of participating in this project?
9. …

Table 13. Sample end of Phase Outcome Report