



General Assembly

Distr.: General
23 April 2013

Original: English

**United Nations Commission
on International Trade Law**
Forty-sixth session
Vienna, 8-26 July 2013

Glossary of procurement-related terms used in the UNCITRAL Model Law on Public Procurement

Note by the Secretariat

1. During the preparation of a guide to enactment of the 2011 UNCITRAL Model Law on Public Procurement,¹ it was decided to issue separately and publish on the UNCITRAL website a glossary of procurement-related terms used in the Model Law.² The Guide to Enactment adopted by the Commission at its forty-fifth session, in 2012,³ notes in this context the following:

“This glossary will include descriptions of terms that have not been defined in the Model Law, but are commonly used as procurement terms by suppliers, contractors, procuring officials and their advisers; it will also discuss terms that may carry a different meaning under the Model Law from those in other international or regional instruments regulating public procurement.”⁴

2. By this note, the Secretariat submits a draft text of the glossary for consideration by the Commission.

¹ *Official Records of the General Assembly, Sixty-sixth Session, Supplement No. 17 (A/66/17)*, annex I.

² *Ibid.*, *Sixty-seventh Session, Supplement No. 17 (A/67/17)*, para. 18, and paras. 19 (l) and 36 of A/CN.9/745.

³ *Ibid.*, para. 46.

⁴ Para. 8 of the Introduction to Chapter I of the Model Law. The text of the Guide as adopted by the Commission is available on the date of this document at www.uncitral.org/uncitral/en/uncitral_texts/procurement_infrastructure/2012Guide.html.



Glossary of procurement-related terms used in the 2011 UNCITRAL Model Law on Public Procurement (the “Model Law”)¹

#	<i>The term used in the Model Law (with illustrative references to the relevant provisions of the Model Law)</i>	<i>Its definition or description</i>	<i>Other terms in use in international instruments regulating procurement to convey the same or similar meaning</i>
1.	Abnormally low submission (article 20 [**hyperlink**])	Submission which price in combination with other constituent elements of the submission is so abnormally low in relation to the subject matter of the procurement that it raises concerns with the procuring entity as to the ability of the supplier or contractor that presented it to perform the procurement contract. For the explanation of the terms “submission”, “constituent elements of the submission”, “subject matter of the procurement”, “procuring entity”, “supplier or contractor” and “procurement contract”, see ## 83, 14, 82, 62, 85 and 59 below [**hyperlinks**].	<ul style="list-style-type: none"> • a tender abnormally lower than other tenders submitted (the plurilateral Agreement on Government Procurement (GPA) of the World Trade Organization (WTO)² (the 1994 WTO GPA), article XIII(4)(a)) • a tender with a price that is abnormally lower than the prices in other tenders submitted (the revised text of the 1994 WTO GPA³ (the 2012 WTO GPA), article XV(6)) • abnormally low tender (directive 2004/17/EC of the European Parliament and of the Council,⁴ article 57; directive 2004/18/EC of the European Parliament and of the Council,⁵ article 55)

¹ *Official Records of the General Assembly, Sixty-sixth Session, Supplement No. 17 (A/66/17), annex I.*

² The plurilateral Agreement on Government Procurement (GPA) of the World Trade Organization (WTO), negotiated in parallel with the Uruguay Round in 1994, and entered into force on 1 January 1996 (see Annex 4(b) to the Final Act embodying the results of the Uruguay round of multilateral trade negotiations available at the date of this glossary at www.wto.org/english/docs_e/legal_e/gpr-94_e.pdf).

³ On 15 December 2011, negotiators reached an agreement on the outcomes of the renegotiation of the GPA. This political decision was confirmed, on 30 March 2012, by the formal adoption of the Decision on the Outcomes of the Negotiations under Article XXIV:7 of the Agreement on Government Procurement (GPA/113). The revised text is available at the date of this glossary at www.wto.org/english/tratop_e/gproc_e/gp_gpa_e.htm.

⁴ Directive 2004/17/EC of the European Parliament and of the Council of 31 March 2004 on the coordination of the procurement procedures of entities operating in the water, energy, transport and postal services sectors (*Official Journal of the European Union*, No. L 134, 30 April 2004, p. 1. Available at the date of this glossary at http://europa.eu.int/comm/internal_market/publicprocurement/legislation_en.htm).

⁵ Directive 2004/18/EC of the European Parliament and of the Council of 31 March 2004 on the coordination of procedures for the award of public works contracts, public supply contracts and public service contracts (*Official Journal of the European Union*, No. L 134, 30 April 2004, p. 114. Available at the date of this glossary at http://europa.eu.int/comm/internal_market/publicprocurement/legislation_en.htm).

The term used in the Model Law (with illustrative references to the relevant provisions of the Model Law)	Its definition or description	Other terms in use in international instruments regulating procurement to convey the same or similar meaning
<p>2. Appeal (article 64 [**hyperlink**])</p>	<p>An application to a competent authority against a decision taken in the challenge proceedings. For the explanation of the term “challenge proceedings”, see # 8 below [**hyperlink**].</p>	<ul style="list-style-type: none"> • administrative or judicial review (the 2012 WTO GPA, article XVIII:1)
<p>3. Application for reconsideration before the procuring entity (article 66 [**hyperlink**])</p>	<p>A challenge proceedings initiated by a supplier or contractor that claims to have suffered or claims that it may suffer loss or injury because of the alleged non-compliance of a decision or action of the procuring entity with the provisions of the procurement law of the enacting State (an “aggrieved supplier or contractor”) by filing an application to the procuring entity for reconsideration of its decision or an action taken in the procurement proceedings. For the explanation of the terms “challenge proceedings”, “supplier or contractor” and “procuring entity”, see ## 8, 85 and 62 below [**hyperlinks**].</p>	<ul style="list-style-type: none"> • non-judicial and judicial review (directive 2007/66/EC of the European Parliament and of the Council,⁶ article 2 (9)) • initial review of a challenge by a body other than an authority referred to in paragraph 4 [administrative or judicial authority] (the 2012 WTO GPA, article XVIII:5) • review with the contracting authority (directive 2007/66/EC, article 1 (5)) • review by procuring entity (the 1994 UNCITRAL Model Law on Procurement of Goods Construction and Services⁷ (the “1994 Model Law”), article 53)
<p>4. Application for review before an independent body (article 67 [**hyperlink**])</p>	<p>A challenge proceedings initiated by an aggrieved supplier or contractor by filing an application to the independent body for review of a decision or an action taken by the procuring entity in the procurement proceedings, or of the failure of the procuring entity to issue a decision under article 66 of the Model Law within the time limits prescribed in that article. For the explanation of the term “aggrieved supplier or contractor”, see # 4 above [**hyperlink**].</p>	<ul style="list-style-type: none"> • administrative review with a review body that is not a court (the 2012 WTO GPA, article XVIII:6) • non-judicial review with the independent body (directive 2007/66/EC, article 2(9)) • administrative review (the 1994 Model Law, article 54)
<p>5. Award of a procurement contract or framework agreement (articles 22 and 23 [**hyperlinks**])</p>	<p>A final stage of the procurement proceedings regulated by the Model Law, resulting in the conclusion and entry into force of a procurement contract or framework agreement between the procuring entity and selected supplier(s) or contractor(s). For the explanation of the terms “procurement contract”, “framework agreement”, “procuring entity” and “supplier or contractor”, see ## 59, 31, 62 and 85 below [**hyperlinks**].</p>	<ul style="list-style-type: none"> • contract award and conclusion of a framework agreement (directive 2004/17/EC, article 43, and directive 2004/18/EC, article 35(4)) • procurement contract award (the 1994 Model Law, article 14)

⁶ Directive 2007/66/EC of the European Parliament and of the Council of 11 December 2007 amending Council Directives 89/665/EEC and 92/13/EEC with regard to improving the effectiveness of review procedures concerning the award of public contracts (*Official Journal of the European Union*, No. L 335, 20 December 2007, p. 31. Available at the date of this glossary at http://ec.europa.eu/internal_market/publicprocurement/remedies/remedies_en.htm).

⁷ The text of the 1994 Model Law is found in annex I to the report of UNCITRAL on the work of its twenty-seventh session (*Official Records of the General Assembly, Forty-ninth Session, Supplement No. 17 (A/49/17)*), and is also available at www.uncitral.org.

The term used in the Model Law (with illustrative references to the relevant provisions of the Model Law)	Its definition or description	Other terms in use in international instruments regulating procurement to convey the same or similar meaning
<p>6. Best and final offers (BAFOs) (articles 49 (11) and 51 (3) [**hyperlinks**])</p>	<p>Final submissions presented by suppliers or contractors remaining in the procurement proceedings following completion of the dialogue phase in the request-for-proposals-with-dialogue proceedings, or the negotiation phase in the competitive negotiations proceedings.</p> <p>For the explanation of the terms “submission”, “supplier or contractor” and “competitive negotiations”, see ## 83, 85 and 12 below [**hyperlinks**].</p>	<p>final tenders (the 1994 WTO GPA, article XIV; directive 2004/18/EC, article 29)</p>
<p>7. Cancellation of the procurement (article 19 [**hyperlink**])</p>	<p>The decision taken by the procuring entity during any procurement proceedings not to proceed with the procurement proceedings.</p> <p>For the explanation of the term “procuring entity”, see # 62 below [**hyperlink**].</p>	<p>rejection of all tenders, proposals, offers or quotations (the Guidelines for selection and employment of consultants by World Bank borrowers, the 2010 version⁸ (the “World Bank procurement guidelines (consultants)”; the 1994 Model Law, article 12)</p>
<p>8. Challenge proceedings (Chapter VIII [**hyperlink**])</p>	<p>Proceedings initiated by an aggrieved supplier or contractor in the procuring entity, an independent body or a court against a decision or action of the procuring entity and any subsequent challenge or appeal to a competent body of the State against any decision taken in the challenge proceedings.</p> <p>For the explanation of the term “aggrieved supplier or contractor”, see # 4 above [**hyperlink**].</p> <p>For the explanation of the terms “procuring entity” and “independent body”, see ## 62 and 37 below [**hyperlinks**].</p>	<ul style="list-style-type: none"> • review procedures (the 2012 WTO GPA, article XVIII and directive 2007/66/EC, recital 17) • review (the 1994 Model Law, chapter VI)
<p>9. Clarifications and modifications of the solicitation documents (article 15 [**hyperlink**])</p>	<p>Clarifications: any explanation provided by the procuring entity to suppliers or contractors as regards the solicitation documents.</p> <p>Modifications: any corrections or other amendments made by the procuring entity to the solicitation documents.</p> <p>For the explanation of the terms “procuring entity”, “supplier or contractor” and “solicitation document”, see ## 62, 85 and 80 below [**hyperlinks**].</p>	<ul style="list-style-type: none"> • reply to request for explanations relating to tender documents and to requests for other information (the 1994 WTO GPA, article 12) • procedure of clarification (the World Bank procurement guidelines (consultants))

⁸ Available at the date of this glossary at <http://web.worldbank.org/WBSITE/EXTERNAL/PROJECTS/PROCUREMENT/0,,contentMDK:20060656~menuPK:93977~pagePK:84269~piPK:60001558~theSitePK:84266,00.html>.

#	<i>The term used in the Model Law (with illustrative references to the relevant provisions of the Model Law)</i>	<i>Its definition or description</i>	<i>Other terms in use in international instruments regulating procurement to convey the same or similar meaning</i>
10.	Closed framework agreement (article 2 [**hyperlink**], definition (e)(ii))	Defined in the Model Law as: “Framework agreement to which no supplier or contractor that is not initially a party to the framework agreement may subsequently become a party.” For the explanation of the terms “supplier or contractor” and “framework agreement”, see ## 85 and 31 below [**hyperlinks**].	
11.	Classified information (articles 2 [**hyperlink**], definition (l), 7 and 24 [**hyperlinks**])	Information designated as classified by an enacting State under national law access to which is restricted by law or regulation to particular classes of persons.	
12.	Competitive negotiations (articles 30 (4), 34 (3) and 51 [**hyperlinks**])	A procurement method available in very limited circumstances (in cases of urgency, emergency and for the protection of essential security interests of the State where the use of other methods of procurement is not appropriate) and involving: (a) a public advance notice of procurement; (b) concurrent negotiations of terms and conditions of the procurement contract by the procuring entity with a sufficient number of suppliers or contractors to ensure effective competition; (c) submission by participating suppliers or contractors of BAFOs with respect to all aspects of their proposals being negotiated with the procuring entity; (d) examination and evaluation of BAFOs by the procuring entity; and (e) the selection of the winner.	
13.	Conditions for use (Chapter II, section I [**hyperlink**])	For the explanation of the term “BAFOs”, see # 6, above [**hyperlink**]. For the explanation of the terms “procurement”, “procuring entity”, “supplier or contractor”, “examination” and “evaluation”, see ## 58, 62, 85, 29 and 27 below [**hyperlinks**].	cases justifying the use (directives 2004/17/EC and 2004/18/EC; the 2012 WTO GPA)
14.	Constituent elements of the submission (articles 10, 11, 20 and 39 (h) [**hyperlinks**])	A set of minimum requirements that must be met to make it possible for the procuring entity to use a method of procurement alternative to open tendering. For the explanation of the terms “procuring entity” and “open tendering”, see ## 62 and 49, below [**hyperlinks**]. (a) Price (the cost of the subject matter of the procurement, which may also cover transportation and insurance charges, customs duties and taxes; if not those elements may be construed as separate constituent elements of the submission, see in this regard article 39 (h) [**hyperlink**]);	constituent elements of the tender may include the following: (a) the economics of the manufacturing process, of the services provided and of the construction method;

<i>The term used in the Model Law (with illustrative references to the relevant provisions of the Model Law)</i>	<i>Its definition or description</i>	<i>Other terms in use in international instruments regulating procurement to convey the same or similar meaning</i>
#	<p>(b) The cost of operating, maintaining and repairing goods or construction; the time for delivery of goods, completion of construction or provision of services; the characteristics of the subject matter of the procurement, such as the functional characteristics of goods or construction and the environmental characteristics of the subject matter; and the terms of payment and of guarantees in respect of the subject matter of the procurement;</p> <p>(c) Where relevant in procurement conducted in accordance with articles 47, 49 and 50 of the Model Law [**hyperlink**], the experience, reliability and professional and managerial competence of the supplier or contractor and of the personnel to be involved in providing the subject matter of the procurement;</p> <p>(d) Any other elements of the submission examined or evaluated in accordance with the criteria and procedures stipulated by the procuring entity in the solicitation documents under articles 10 and 11 of the Model Law [**hyperlink**].</p> <p>For the explanation of the terms “subject matter of the procurement”, “submission”, “goods”, “construction”, “services”, “procurement”, “supplier or contractor”, “examination”, “evaluation” and “solicitation document”, see ## 82, 83, 35, 15, 76, 58, 85, 29, 27 and 80 below [**hyperlink**].</p> <p>All work associated with the construction, reconstruction, demolition, repair or renovation of a building, structure or works, such as site preparation, excavation, erection, building, installation of equipment or materials, decoration and finishing, as well as services incidental to construction such as drilling, mapping, satellite photography, seismic investigations and similar services provided pursuant to the procurement contract, if the value of those services does not exceed that of the construction itself (see article 2, definition (d) of the 1994 Model Law).</p> <p>For the explanation of the term “procurement contract”, see # 59 below [**hyperlink**].</p> <p>Defined in article 2 of the Model Law [**hyperlink**] as including “the monetary unit of account”.</p>	<p>(b) the technical solutions chosen and/or any exceptionally favourable conditions available to the tenderer for the supply of the goods or services or for the execution of the work;</p> <p>(c) the originality of the supplies, services or work proposed by the tenderer;</p> <p>(d) compliance with the provisions relating to employment protection and working conditions in force at the place where the work, service or supply is to be performed;</p> <p>(e) the possibility of the tenderer obtaining State aid.</p> <p>(directive 2004/17/EC, article 57, and directive 2004/18/EC, article 55)</p>
15. Construction (article 39 [**hyperlink**])	<p>All work associated with the construction, reconstruction, demolition, repair or renovation of a building, structure or works, such as site preparation, excavation, erection, building, installation of equipment or materials, decoration and finishing, as well as services incidental to construction such as drilling, mapping, satellite photography, seismic investigations and similar services provided pursuant to the procurement contract, if the value of those services does not exceed that of the construction itself (see article 2, definition (d) of the 1994 Model Law).</p> <p>For the explanation of the term “procurement contract”, see # 59 below [**hyperlink**].</p>	<ul style="list-style-type: none"> • construction service, civil or building works (2012 WTO GPA, article I(c)) • building or civil engineering works (directive 2004/18/EC, article 1(2)(b)) • works (the Guidelines for Procurement of Goods, Works, and Non-Consulting Services under IBRD Loans and IDA Credits & Grants, the January 2011 version⁹ (the “World Bank procurement guidelines”))
16. Currency (article 39 [**hyperlink**])	<p>Defined in article 2 of the Model Law [**hyperlink**] as including “the monetary unit of account”.</p>	<p>local currency or fully convertible foreign currency (e.g. the World Bank procurement guidelines (consultants))</p>

⁹ Available at the date of this glossary at http://siteresources.worldbank.org/INTPROCUREMENT/Resources/278019-1308067833011/Procurement_GLS_English_Final_Jan2011.pdf.

#	<i>The term used in the Model Law (with illustrative references to the relevant provisions of the Model Law)</i>	<i>Its definition or description</i>	<i>Other terms in use in international instruments regulating procurement to convey the same or similar meaning</i>
17.	Deadline for presenting applications/submissions (article 14 [**hyperlink**])	A specific date and time after which no applications to pre-qualify or applications for pre-selection or submissions may be accepted by the procuring entity for examination and evaluation. For the explanation of the terms “submission”, “procuring entity”, “examination” and “evaluation”, see ## 83, 62, 29 and 27 below [**hyperlinks**].	time limits (directive 2004/17/EC, article 45, and directive 2004/18/EC, article 38)
18.	Description of the subject matter of the procurement (article 10 [**hyperlink**])	Technical, quality and performance characteristics of the subject matter of the procurement and any other requirements that the submission must meet in order to be considered responsive, identified by the procuring entity in the solicitation documents in accordance with article 10 of the Model Law [**hyperlink**]. For the explanation of the terms “subject matter of the procurement”, “submission”, “procuring entity” and “solicitation document”, see ## 82, 83, 62 and 80 below [**hyperlinks**].	direct invitation without open advertisement (the World Bank procurement guidelines, provision 3.2)
19.	Direct solicitation (articles 2 [**hyperlink**], definition (b), 34 and 35 [**hyperlinks**])	Defined in the Model Law as: “Solicitation addressed directly to one supplier or contractor or a restricted number of suppliers or contractors. This excludes solicitation addressed to a limited number of suppliers or contractors following pre-qualification or pre-selection proceedings.” For the explanation of the terms “solicitation”, “supplier or contractor”, “pre-qualification” and “pre-selection”, see ## 79, 85, 53 and 55 below [**hyperlinks**].	
20.	Documentary record of procurement proceedings (article 25 [**hyperlink**])	An exhaustive written file on a given procurement that includes decisions, description of actions and all other information related to the procurement with supporting documentation. For the explanation of the term “procurement”, see # 58 below [**hyperlinks**].	<ul style="list-style-type: none"> documentation and reports of tendering procedures and contract awards relating to covered procurement, including the reports required under Article XIII (on contracts awarded through limited tendering, including the name of the procuring entity, the value and kind of goods or services procured and a statement indicating the circumstances and conditions that justified the use of limited tendering) as well as data that ensure the appropriate traceability of the conduct of covered procurement by electronic means (the 2012 WTO GPA, article XVI(3)) information to be stored concerning awards (directive 2004/17/EC, article 50) documentary records for post review (the World Bank procurement guidelines)

#	<i>The term used in the Model Law (with illustrative references to the relevant provisions of the Model Law)</i>	<i>Its definition or description</i>	<i>Other terms in use in international instruments regulating procurement to convey the same or similar meaning</i>
21.	Domestic procurement (article 2 [**hyperlink**], definition (c))	Defined in article 2 of the Model Law as “procurement limited to domestic suppliers or contractors pursuant to article 8 of this Law”.	<ul style="list-style-type: none"> • record of procurement proceedings (the 1994 Model Law, article 11)
22.	Domestic suppliers or contractors (articles 2, 11 and 33 [**hyperlinks**])	For the explanation of the terms “procurement” and “supplier or contractor”, see ## 58 and 85 below [**hyperlinks**]. In the context of a particular State, suppliers or contractors registered as legal entities in that State.	<ul style="list-style-type: none"> • agreed exclusions from national treatment and non-discrimination (the 2012 WTO GPA, article V:4) • national competitive bidding (the World Bank procurement guidelines, provision 3.3)
23.	Domestically produced goods (article 11 [**hyperlink**])	For the explanation of the term “supplier or contractor”, see # 85 below [**hyperlink**]. In the context of a particular State, goods manufactured locally (legislation usually indicates the minimum percentage of required local content (labour, raw material, and components) for goods to qualify as such). For the explanation of the term “goods”, see # 35 below [**hyperlink**].	<ul style="list-style-type: none"> • domestic products (the 1994 WTO GPA, para. 2 of the preamble and articles III(1)(a) and XIII(4)(b)) • goods manufactured in the country of the Borrower (the World Bank procurement guidelines)
24.	Electronic reverse auction (article 2 [**hyperlink**], definition (d), article 31 and Chapter VI [**hyperlink**])	Defined in the Model Law as: “an online real-time purchasing technique utilized by the procuring entity to select the successful submission, which involves the presentation by suppliers or contractors of successively lowered bids during a scheduled period of time and the automatic evaluation of bids.”	electronic auction (the 2012 WTO GPA, article XIV; directive 2004/18/EC, article 54)
25.	Electronic reverse auction as a stand-alone method of procurement (articles 31 (1) and 53 [**hyperlinks**])	For the explanation of the terms “procuring entity”, “successful submission”, “supplier or contractor” and “evaluation”, see ## 62, 84, 85 and 27 below [**hyperlinks**].	electronic auction (the 2012 WTO GPA, article XIV; directive 2004/18/EC, articles 1 (7) and 54)
26.	Electronic reverse auction as a phase (articles 31 (2) and 54 [**hyperlinks**])	An electronic reverse auction used as a phase preceding the award of the procurement contract in another method of procurement or in a framework agreement procedure with second-stage competition. For the explanation of the terms “electronic reverse auction”, “method of procurement” and “framework agreement procedure with second-stage competition”, see # 24 above and ## 44 and 33 below [**hyperlinks**].	electronic auction (directive 2004/18/EC, article 54)

#	<i>The term used in the Model Law (with illustrative references to the relevant provisions of the Model Law)</i>	<i>Its definition or description</i>	<i>Other terms in use in international instruments regulating procurement to convey the same or similar meaning</i>
27.	Evaluation (articles 11, 16, 22, 25 and 43 [**hyperlinks**])	Comparative analysis of submissions in accordance with the criteria and procedures set out in the solicitation documents for the purpose of the ascertainment of the successful submission. For the explanation of the terms “submission”, “solicitation document” and “successful submission”, see ## 83, 80 and 84 below [**hyperlinks**].	assessment (directive 2004/18/EC, recital 46)
28.	Evaluation criteria (article 11 [**hyperlink**])	Criteria used in evaluation as identified in the solicitation documents for ascertainment of the successful submission. For the explanation of the terms “evaluation”, “solicitation document” and “successful submission”, see # 27 above and ## 80 and 84 below [**hyperlinks**].	<ul style="list-style-type: none"> • the criteria for awarding the contract (the 1994 WTO GPA, article XII(2)(h)) • contract award criteria or award criteria (directives 2004/17/EC and 2004/18/EC, preamble paras. 1 and 51) • selection criteria (the World Bank procurement guidelines (consultants)) • the criteria to be used by the procuring entity in determining the successful tender; criteria for the evaluation of proposals (the 1994 Model Law, articles 27 (e) and 39)
29.	Examination (articles 11, 16, 25 and 43 [**hyperlinks**])	Ascertainment of qualifications of suppliers or contractors and responsiveness of their submissions against the criteria specified in the solicitation documents. The process is on a “pass/fail” basis and does not involve comparison of submissions as in evaluation.	
30.	Forthcoming procurement (article 6 [**hyperlink**])	For the explanation of the terms “supplier or contractor”, “submission”, “solicitation document” and “evaluation”, see # 27 above and ## 85, 83 and 80 below [**hyperlinks**]. Planned procurement activities for forthcoming months or years.	<ul style="list-style-type: none"> • planned procurement (the 1994 WTO GPA, article IX(7) (cf. “proposed procurement”) and the 2012 WTO GPA, article VII (cf. “intended procurement”)) • future procurement (the 2012 WTO GPA, article VII) • “buyer profile” indicating the kind and value of contracts they intend to award (directive 2004/17/EC, article 41, and directive 2004/18/EC, article 35)

#	<i>The term used in the Model Law (with illustrative references to the relevant provisions of the Model Law)</i>	<i>Its definition or description</i>	<i>Other terms in use in international instruments regulating procurement to convey the same or similar meaning</i>
31.	Framework agreement (article 2 [**hyperlink**]), definition (e) (i))	Agreement between the procuring entity and the selected supplier (or suppliers) or contractor (or contractors) concluded upon completion of the first stage of the framework agreement procedure. For the explanation of the terms “procuring entity”, “supplier or contractor”, and “framework agreement procedure”, see ## 62, 85 and 32 below [**hyperlinks**]. Defined in the Model Law as:	
32.	Framework agreement procedure (article 2 [**hyperlink**]), definition (e))	“Procedure conducted in two stages: a first stage to select a supplier (or suppliers) or a contractor (or contractors) to be a party (or parties) to a framework agreement with a procuring entity, and a second stage to award a procurement contract under the framework agreement to a supplier or contractor party to the framework agreement.” For the explanation of the terms “supplier or contractor”, “procuring entity” and “framework agreement”, see # 31 above and ## 85 and 62 below [**hyperlinks**]. Defined in the Model Law as:	
33.	Framework agreement procedure with second-stage competition (article 2 [**hyperlink**]), definition (e) (iv))	Defined in the Model Law as: “Procedure under an open framework agreement or a closed framework agreement with more than one supplier or contractor in which certain terms and conditions of the procurement that cannot be established with sufficient precision when the framework agreement is concluded are to be established or refined through a second-stage competition.” For the explanation of the terms “closed framework agreement” and “framework agreement”, see ## 10 and 31 above [**hyperlinks**].	
34.	Framework agreement procedure without second-stage competition (article 2 [**hyperlink**]), definition (e) (v))	For the explanation of the terms “open framework agreement”, “supplier or contractor”, “procurement” and “second-stage competition”, see ## 48, 85, 58 and 74 below [**hyperlinks**]. Defined in the Model Law as: “Procedure under a closed framework agreement in which all terms and conditions of the procurement are established when the framework agreement is concluded.” For the explanation of the terms “closed framework agreement” and “framework agreement”, see ## 10 and 31 above [**hyperlinks**]. For the explanation of the term “procurement”, see # 58 below [**hyperlinks**].	

The term used in the Model Law (with illustrative references to the relevant provisions of the Model Law)	Its definition or description	Other terms in use in international instruments regulating procurement to convey the same or similar meaning
<p>35. Goods (article 2 [**hyperlink**], definition (j), and articles 11 and 39 [**hyperlinks**])</p>	<p>Objects of every kind and description including raw materials, products and equipment and objects in solid, liquid or gaseous form, and electricity, as well as services incidental to the supply of the goods if the value of those incidental services does not exceed that of the goods themselves (the enacting State may include additional categories of goods) (see article 2, definition (c), of the 1994 Model Law).</p>	<p>products (directive 2004/18/EC)</p>
<p>36. Indefinite or repeated basis (article 32 [**hyperlink**], paragraph (1)(a))</p>	<p>One of the conditions for use of a framework agreement procedure under the Model Law that presupposes that quantity and/or timing of delivery of the subject matter of the procurement that will be required during any given period is/are not known in advance.</p> <p>For the explanation of the term “framework agreement procedure”, see # 32 above [**hyperlink**].</p> <p>For the explanation of the term “subject matter of the procurement”, see # 82 below [**hyperlink**].</p>	
<p>37. Independent body (Chapter VIII [**hyperlink**])</p>	<p>A competent body of the enacting State, which is independent of the procuring entity and entrusted by the State with the consideration of applications for review and taking actions as regards those applications and the procurement proceedings to which the applications relate, in accordance with article 67 of the Model Law.</p> <p>For the explanation of the term “applications for review”, see # 4 above [**hyperlink**].</p> <p>For the explanation of the term “procuring entity”, see # 62 below [**hyperlink**].</p>	<ul style="list-style-type: none"> • independent authority (the 2012 WTO GPA, article XVIII:4) • a body of first instance, which is independent of the contracting authority (directive 2007/66/EC, article 2(3)) • administrative body (the 1994 Model Law, article 54)
<p>38. Indicative submissions (article 60 [**hyperlink**])</p>	<p>Submissions presented by suppliers or contractors to become a party to the open framework agreement.</p> <p>For the explanation of the terms “submission”, “supplier or contractor” and “open framework agreement”, see # 83, 85 and 48 below [**hyperlinks**].</p>	
<p>39. Initial bids (article 53 [**hyperlink**])</p>	<p>Bids submitted for examination or evaluation before the electronic reverse auction as a stand-alone method of procurement is held.</p> <p>For the explanation of the terms “examination”, “evaluation” and “electronic reverse auction as a stand-alone method of procurement”, see # 29, 27 and 25 above [**hyperlinks**].</p>	

#	<i>The term used in the Model Law (with illustrative references to the relevant provisions of the Model Law)</i>	<i>Its definition or description</i>	<i>Other terms in use in international instruments regulating procurement to convey the same or similar meaning</i>
40.	Initial tenders (article 48 [**hyperlink**])	Tenders containing proposals without a tender price, presented by suppliers or contractors in the first stage of two-stage-tendering proceedings for the examination by the procuring entity and the discussion between the procuring entity and suppliers or contractor in order to refine aspects of the description of the subject matter of the procurement and to formulate them with the detail required under article 10 of the Model Law.	
41.	Invitation to tender, present submissions or participate in request-for-proposals proceedings or an electronic reverse auction (article 2 [**hyperlink**], definition (p))	<p>Minimum information about any given procurement published or provided to suppliers or contractors to allow them to assess their interest in participating in the procurement proceedings and to apply according to the requirements specified in the invitation.</p> <p>For the explanation of the terms “procurement” and “supplier or contractor”, see ## 58 and 85 below [**hyperlinks**].</p>	<ul style="list-style-type: none"> • invitation to participate in the procurement (the 1994 WTO GPA, article IX) • notice of intended procurement (the 2012 WTO GPA, article I-k) • an invitation to submit a tender, to take part in a restricted or negotiated procedure, to negotiate or to participate or to take part in the dialogue (directive 2004/17/EC, articles 1(2)(7) and 47, and directive 2004/18/EC, articles 1(2)(8), 33 and 40) • letter of invitation (the World Bank procurement guidelines (consultants))
42.	Irresponsible or dilatory conduct on the part of the procuring entity (article 19 [**hyperlink**])	<p>The term is used in the Model Law in the context of cancellation of the procurement (article 19 [**hyperlink**]): the procuring entity may be liable for cancelling the procurement if the cancellation is the consequence of irresponsible or dilatory conduct on its part, for example when the procuring entity cancels the procurement after the opening of tenders with the knowledge that a favoured supplier or contractor would not win, or when the procuring entity cancels open tendering intentionally with the purpose of using a method of procurement alternative to open tendering in the newly announced procurement as allowed by the Model Law under article 30 (1) (b) and (2) (d) [**hyperlink**], or when the procuring entity started the procurement without proper procurement planning.</p> <p>For the explanation of the term “cancellation of the procurement”, see # 7 above [**hyperlink**].</p>	

The term used in the Model Law (with illustrative references to the relevant provisions of the Model Law)	Its definition or description	Other terms in use in international instruments regulating procurement to convey the same or similar meaning
#	<p>For the explanation of the terms “procurement”, “procuring entity”, “supplier or contractor”, “open tendering” and “method of procurement”, see # 58, 62, 62, 85 and 44 below [**hyperlinks**].</p>	
<p>43. Margin of preference (article 11 [**hyperlink**])</p>	<p>A technique applied in the evaluation of submissions that permits the procuring entity to accord a more favourable treatment to some suppliers or contractors or goods (usually domestic suppliers or contractors or domestically produced goods) in comparison with others. When the difference in price (or price combined with quality scores) between the submissions from a favoured group (or with respect to favoured goods) and the overall lowest-priced or most advantageous submission falls within the range of the margin of preference, a submission from the favoured group (or with respect to favoured goods) is ascertained as successful in accordance with the rules concerning the calculation and application of a margin of preference that are to be set out in the legislation of the enacting State.</p> <p>For the explanation of the terms “evaluation”, “goods”, “domestic suppliers or contractors” and “domestically produced goods”, see # 27, 35, 22 and 23 above [**hyperlinks**].</p> <p>For the explanation of the terms “submission”, “procuring entity” and “supplier or contractor”, see # 83, 62 and 85 below [**hyperlinks**].</p>	
<p>44. Method of procurement (article 27 [**hyperlink**])</p>	<p>A way of conducting procurement, subject to a set of conditions for use and rules and procedures for solicitation and ascertainment of the successful submission.</p> <p>For the explanation of the term “conditions for use”, see # 13 above [**hyperlink**].</p> <p>For the explanation of the terms “procurement”, “solicitation” and “successful submission”, see # 58, 79 and 84 below [**hyperlinks**].</p>	<ul style="list-style-type: none"> • procurement methods (the 2012 WTO GPA, article VIII(2)) • procedures (directive 2004/18/EC, chapter V)
<p>45. Misrepresentation (article 9 [**hyperlink**])</p>	<p>An assertion or manifestation by words or conduct that is not in accord with the facts (e.g. factually incorrect statements because of conscious ignorance or a reckless disregard for the truth, nondisclosure of material or important facts). The term does not intend to encompass intentionally false statements referred to in the Model Law separately.</p>	<p>false declarations, professional misconduct or acts or omissions that adversely reflect on the commercial integrity of the supplier (the 1994 and 2012 WTO GPA)</p>

The term used in the Model Law (with illustrative references to the relevant provisions of the Model Law)	Its definition or description	Other terms in use in international instruments regulating procurement to convey the same or similar meaning
46. Most advantageous tender (article 43 [**hyperlink**])	The successful tender ascertained on the basis of evaluation of price and other evaluation criteria and in accordance with the procedures for evaluating tenders specified in the solicitation documents in accordance with article 11 of the Model Law [**hyperlink**]. For the explanation of the terms “evaluation” and “evaluation criteria”, see ## 27 and 28 above [**hyperlinks**]. For the explanation of the term “solicitation document”, see # 80 below [**hyperlinks**].	<ul style="list-style-type: none"> • tender most economically advantageous (directive 2004/18/EC, article 53(1)(a)) • the bid with the lowest evaluated cost; the lowest evaluated bid (the World Bank procurement guidelines, provisions 2.49 and 2.52) • the lowest evaluated tender (the 1994 Model Law, article 34 (4) (b) (ii))
47. Notice of procurement (articles 34 and 35 [**hyperlinks**])	A notice published prior to the direct solicitation (except in cases of request for quotations and urgency) containing information about upcoming procurement (the most important of which are the name and address of the procuring entity, a summary of the principal terms and conditions of the procurement contract or framework agreement, a declaration on limitation imposed on participation by suppliers or contractors in the procurement proceedings, and the method of procurement to be used). For the explanation of the terms “direct solicitation”, “framework agreement” and “method of procurement”, see ## 19, 31 and 44 above [**hyperlinks**]. For the explanation of the terms “request for quotations”, “procurement”, “procuring entity”, “procurement contract”, “participation by suppliers or contractors in the procurement proceedings” and “suppliers or contractors”, see ## 71, 58, 62, 59, 51 and 85 below [**hyperlinks**].	<ul style="list-style-type: none"> • contract notice (directive 2004/18/EC, article 30(1)(a)) • general procurement notice and specific procurement notice (the World Bank procurement guidelines)
48. Open framework agreement (article 2 [**hyperlink**], definition (e) (iii))	Defined in the Model Law as: “Framework agreement to which a supplier (or suppliers) or a contractor (or contractors) in addition to the initial parties may subsequently become a party or parties.” For the explanation of the term “framework agreement”, see # 31 above [**hyperlink**]. For the explanation of the term “supplier or contractor”, see # 85 below [**hyperlink**].	dynamic purchasing system (directive 2004/18/EC, article 1(5))
49. Open tendering (Chapter III [**hyperlink**])	The default method of procurement involving public and unrestricted solicitation, a comprehensive description and specification in the solicitation documents of what is to be procured, thus providing a common basis on which suppliers and contractors are to prepare their tenders; full disclosure to suppliers or contractors of the criteria to be used in evaluating tenders and in selecting the successful tender; the strict prohibition against negotiations between the procuring entity	<ul style="list-style-type: none"> • open procedures (directive 2004/18/EC, article 1(11) (a)) • international competitive bidding (the World Bank procurement guidelines)

<i>The term used in the Model Law (with illustrative references to the relevant provisions of the Model Law)</i>	<i>Its definition or description</i>	<i>Other terms in use in international instruments regulating procurement to convey the same or similar meaning</i>
#	<p>and suppliers or contractors as to the substance of their tenders; the public opening of tenders at the deadline for submission; and the disclosure of any formalities required for entry into force of the procurement contract.</p> <p>For the explanation of the terms “method of procurement”, “evaluation”, and “deadline for submission”, see ## 44, 27 and 17 above [**hyperlinks**].</p> <p>For the explanation of the terms “solicitation”, “solicitation document”, “supplier or contractor”, “procuring entity”, “successful tender”, “opening of tenders” and “procurement contract”, see ## 79, 80, 85, 62, 84, 50 and 59 below [**hyperlinks**].</p>	
50. Opening of tenders (article 42 [**hyperlink**])	<p>A stage in the tendering proceedings that involves public opening of tenders and the announcement of the name and address of each supplier or contractor whose tender is opened and the tender price to those present at the opening.</p> <p>For the explanation of the terms “supplier or contractor” and “tender price”, see ## 85 and 86 below [**hyperlinks**].</p>	bid opening (the World Bank procurement guidelines)
51. Participation by suppliers or contractors in the procurement proceedings (articles 7, 8, 10, 15, 25, 54, 58 and 60 [**hyperlinks**])	<p>Taking part by suppliers or contractors at any stage of the procurement proceedings starting from the moment of presentation of an application to pre-qualify, application for pre-selection or a submission.</p> <p>For the explanation of the terms “supplier or contractor”, “pre-qualification”, “pre-selection” and “submission”, see ## 85, 53, 55 and 83 below [**hyperlinks**].</p>	
52. Period of effectiveness of tenders (article 41 [**hyperlink**])	<p>The period during which suppliers or contractors are bound by the terms and conditions of their submissions.</p> <p>For the explanation of the terms “supplier or contractor” and “submission”, see ## 85 and 83 below [**hyperlinks**].</p>	
53. Pre-qualification (article 2 [**hyperlink**], definition (f), and article 18 [**hyperlink**])	<p>Defined in the Model Law as: “Procedure set out in article 18 of this Law to identify, prior to solicitation, suppliers or contractors that are qualified.”</p> <p>For the explanation of the terms “solicitation” and “supplier or contractor”, see ## 79 and 85 below [**hyperlinks**].</p>	

#	<i>The term used in the Model Law (with illustrative references to the relevant provisions of the Model Law)</i>	<i>Its definition or description</i>	<i>Other terms in use in international instruments regulating procurement to convey the same or similar meaning</i>
54.	Pre-qualification documents (article 2 [**hyperlink**], definition (g), and article 18 [**hyperlink**])	Defined in the Model Law as: “Documents issued by the procuring entity under article 18 of this Law that set out the terms and conditions of the pre-qualification proceedings.” For the explanation of the term “pre-qualification”, see # 53 above [**hyperlink**]. For the explanation of the term “procuring entity”, see # 62 below [**hyperlink**].	
55.	Pre-selection (article 2 [**hyperlink**], definition (h), and article 49 [**hyperlink**], paragraph 3)	Defined in the Model Law as: “Procedure set out in paragraph 3 of article 49 of this Law to identify, prior to solicitation, a limited number of suppliers or contractors that best meet the qualification criteria for the procurement concerned.” For the explanation of the terms “solicitation”, “supplier or contractor” and “procurement”, see ## 79, 85 and 58 below [**hyperlinks**].	
56.	Pre-selection documents (article 2 [**hyperlink**], definition (i), and article 49 [**hyperlink**], paragraph 3)	Defined in the Model Law as: “Documents issued by the procuring entity under paragraph 3 of article 49 of this Law that set out the terms and conditions of the pre-selection proceedings.” For the explanation of the term “pre-selection”, see # 55 above [**hyperlink**].	
57.	Presentation of tenders (article 40 [**hyperlink**])	For the explanation of the term “procuring entity”, see # 62 below [**hyperlink**]. Submission of tenders by suppliers or contractors to the procuring entity in writing, signed and in a sealed envelope or its electronic equivalent that ensures the same level of security, integrity, confidentiality and authenticity, in the manner, at the place and by the deadline stipulated by the procuring entity in the solicitation documents. For the explanation of the terms “supplier or contractor”, “procuring entity” and “solicitation document”, see ## 85, 62 and 80 below [**hyperlinks**].	<ul style="list-style-type: none"> • submission of tenders (directive 2004/18/EC, article 1(8); the 1994 Model Law, chapter III, section II) • submission of bids (the World Bank procurement guidelines)

#	<i>The term used in the Model Law (with illustrative references to the relevant provisions of the Model Law)</i>	<i>Its definition or description</i>	<i>Other terms in use in international instruments regulating procurement to convey the same or similar meaning</i>
58.	Procurement (article 2 [**hyperlink**], definition (j))	Defined in the Model Law as: “Acquisition of goods, construction or services by a procuring entity.” For the explanation of the terms “goods” and “construction”, see ## 35 and 15 above [**hyperlinks**]. For the explanation of the terms “procuring entity” and “services”, see ## 62 and 76 below [**hyperlinks**].	public contracts (directive 2004/18/EC, article 1-2 (a))
59.	Procurement contract (article 2 [**hyperlink**], definition (k))	Defined in the Model Law as: “Contract concluded between the procuring entity and a supplier (or suppliers) or a contractor (or contractors) at the end of the procurement proceedings.” For the explanation of the terms “procuring entity” and “supplier or contractor”, see ## 62 and 85 below [**hyperlinks**].	<ul style="list-style-type: none"> • secret contracts and contracts requiring special security Measures (directive 2004/18/EC, article 14) • contracts awarded in the field of defence and security (directive 2009/81/EC,¹⁰ article 2)
60.	Procurement involving classified information (article 2 [**hyperlink**], definition (l))	Defined in the Model Law as: “Procurement in which the procuring entity may be authorized by the procurement regulations or by other provisions of law of this State to take measures and impose requirements for the protection of classified information.” For the explanation of the term “procurement”, see # 58 above [**hyperlink**]. For the explanation of the terms “procuring entity” and “procurement regulations”, see ## 62 and 61 below [**hyperlinks**].	
61.	Procurement regulations (article 2 [**hyperlink**], definition (m))	Defined in the Model Law as: “Regulations enacted in accordance with article 4 of this Law.”	
62.	Procuring entity (article 2 [**hyperlink**], definition (n))	Defined in the Model Law as: “ <i>Option I</i> (i) Any governmental department, agency, organ or other unit, or any subdivision or multiplicity thereof, that engages in procurement, except ...; [and] <i>Option II</i> (i) Any department, agency, organ or other unit, or any subdivision or multiplicity thereof, of the [Government] [<i>other term used to refer to the national Government of the enacting State</i>] that engages in procurement, except ...; [and]”	contracting authorities (directive 2004/18/EC, article 1(9))

¹⁰ Directive 2009/81/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of procedures for the award of certain works contracts, supply contracts and service contracts by contracting authorities or entities in the fields of defence and security, and amending Directives 2004/17/EC and 2004/18/EC (*Official Journal of the European Union*, No. L 216, 20 August 2009, p. 76. Available at the date of this glossary at <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:216:0076:0136:en:PDF>.)

#	The term used in the Model Law (with illustrative references to the relevant provisions of the Model Law)	Its definition or description	Other terms in use in international instruments regulating procurement to convey the same or similar meaning
		(ii) [The enacting State may insert in this subparagraph and, if necessary, in subsequent subparagraphs other entities or enterprises, or categories thereof, to be included in the definition of 'procuring entity'.]; For the explanation of the term "procurement", see # 58 above [**hyperlink**].	
63.	Public notice of the award (article 23 [**hyperlink**])	Announcement to the public in general through publication in the media specified in the legislation of the enacting State to whom the procurement contract or the framework agreement was awarded and the price of the procurement contract. For the explanation of the terms "procurement contract" and "framework agreement", see ## 59 and 31 above [**hyperlinks**].	<ul style="list-style-type: none"> • contract award notice (directive 2004/17/EC, article 43 and annex XVI) • a notice of the results of the award procedure (directive 2004/18/EC, article 35(4) and annex VII A) • publication of the award (the World Bank procurement guidelines, appendix 1 [7])
64.	Public procurement	Should be understood as procurement (see # 58 above).	
65.	Publication internationally (articles 18(2) and 33 (2) [**hyperlinks**])	Publication in a media widely accessible to international suppliers or contractors. For the explanation of the term "supplier or contractor", see # 85 below [**hyperlink**].	<ul style="list-style-type: none"> • e.g. publication by the Office for Official Publications of the European Communities (directive 2004/17/EC, article 42, and directive 2004/18/EC, articles 35 and 36 (2)) • e.g. a General Procurement Notice in the <i>United Nations Development Business</i> (UNDB online) (the World Bank procurement guidelines)
66.	Qualification criteria (article 9 [**hyperlink**])	Criteria used by the procuring entity in ascertainment of eligibility of suppliers or contractors to participate in the procurement proceedings, as specified in the pre-qualification or pre-selection documents where applicable and in the solicitation documents. For the explanation of the terms "pre-qualification documents" and "pre-selection documents", see ## 54 and 56 above [**hyperlinks**].	substantives criteria to be taken into account to assert the contractor's qualifications (directive 2004/17/EC, articles 52 to 54, and directive 2004/18/EC, articles 45 to 52)
67.	Relative weights (article 11 [**hyperlink**])	For the explanation of the terms "supplier or contractor" and "solicitation document", see ## 85 and 80 below [**hyperlinks**]. Weights assigned by the procuring entity in the solicitation documents to evaluation criteria in their relation to each other. For the explanation of the terms "procuring entity" and "evaluation criteria", see ## 62 and 28 above [**hyperlinks**]. For the explanation of the term "solicitation document", see # 80 below [**hyperlink**].	<ul style="list-style-type: none"> • different weight, relative weighting of criteria (directive 2004/17/EC, preamble (55) and article 55(2), and directive 2004/18/EC, preamble (46) and article 53(2); • the weighting of evaluation criteria (the World Bank procurement guidelines)

The term used in the Model Law (with illustrative references to the relevant provisions of the Model Law)	Its definition or description	Other terms in use in international instruments regulating procurement to convey the same or similar meaning
68. Request for proposals with consecutive negotiations (articles 30 (3) and 50 [**hyperlinks**])	A method of procurement which main distinct feature is negotiation of financial terms of submissions after completion of the evaluation of technical, quality and performance characteristics of submissions. For the explanation of the terms “method of procurement” and “evaluation”, see ## 44 and 27 above [**hyperlinks**]. For the explanation of the term “submission”, see # 83 below [**hyperlink**].	
69. Request for proposals with dialogue (articles 30 (2) and 49 [**hyperlinks**])	A method of procurement which main distinct feature is a dialogue with suppliers or contractors to obtain the most satisfactory solution to the procurement needs. For the explanation of the term “method of procurement”, see # 44 above [**hyperlink**]. For the explanation of the term “supplier or contractor”, see # 85 below [**hyperlink**].	competitive dialogue (directive 2004/18/EC, article 1(1) (c))
70. Request for proposals without negotiation (articles 29 (3) and 47 [**hyperlinks**])	A method of procurement which main distinct feature is evaluation of financial terms of submissions after completion of the evaluation of technical, quality and performance characteristics of submissions whereas submissions are presented to the procuring entity in two separate sealed envelopes. For the explanation of the terms “method of procurement”, “evaluation” and “procuring entity”, see ## 44, 27 and 62 above [**hyperlinks**]. For the explanation of the term “submission”, see # 83 below [**hyperlink**].	
71. Request for quotations (articles 29 (2) and 46 [**hyperlinks**])	A method of procurement which main distinct feature is submission of only one quotation by suppliers or contractors in response to request for quotations by the procuring entity; the quotation cannot be changed and be subject to negotiation (the method is available only for low-value simple off-the-shelf items). For the explanation of the terms “method of procurement” and “procuring entity”, see ## 44 and 62 above [**hyperlinks**]. For the explanation of the term “supplier or contractor”, see # 85 below [**hyperlink**].	shopping (the World Bank procurement guidelines)
72. Request-for-proposals proceedings (article 35 [**hyperlinks**])	Methods of procurement encompassing request for proposals without negotiation, request for proposals with dialogue and request for proposals with consecutive negotiations (see ## 70, 69 and 68 above) For the explanation of the term “method of procurement”, see # 44 above [**hyperlink**].	

#	<i>The term used in the Model Law (with illustrative references to the relevant provisions of the Model Law)</i>	<i>Its definition or description</i>	<i>Other terms in use in international instruments regulating procurement to convey the same or similar meaning</i>
73.	Restricted tendering (articles 29 (1) and 45 [**hyperlinks**])	A method of procurement and one of the forms of tendering, which main distinct feature is direct solicitation. For the explanation of the terms “method of procurement” and “direct solicitation”, see ## 44 and 19 above [**hyperlinks**].	<ul style="list-style-type: none"> selective tendering (the 2012 WTO GPA, articles I (q) and IX:4) restricted procedures (EU directive 2004/18/EC, article 1(11) (b)) limited international bidding (the World Bank procurement guidelines)
74.	Second-stage competition (article 2 [**hyperlink**], definition (e) (iv), and Chapter VII [**hyperlink**])	A stage in closed framework agreements with more than one supplier or contractor and in open framework agreements through which certain terms and conditions of the procurement that cannot be established with sufficient precision when the framework agreement is concluded are established or refined through a competition between or among suppliers or contractors parties to the framework agreement. For the explanation of the terms “closed framework agreement”, “open framework agreement”, “procurement” and “framework agreement”, see ## 10, 48, 58 and 31 above [**hyperlinks**].	reopening of competition (the EU Explanatory Note on Framework Agreements) ¹¹
75.	Security for the performance of the procurement contract (articles 2, definition (u), 17 and 39 [**hyperlinks**])	For the explanation of the term “supplier or contractor”, see # 85 below [**hyperlink**]. Security against the breach of the procurement contract by the supplier or contractor concluding the procurement contract with the procuring entity, presented to the procuring entity by that supplier or contractor in the form and the amount and in accordance with other requirements (such as with respect to the nature of the security and the issuer) specified by the procuring entity in the solicitation documents. For the explanation of the terms “procurement contract” and “procuring entity”, see ## 59 and 62 above [**hyperlinks**]. For the explanation of the terms “supplier or contractor” and “solicitation document”, see ## 85 and 80 below [**hyperlinks**]. Services of intellectual and consulting nature and any other services not covered by the terms “goods” and “construction” above (see # 35 and 15 [**hyperlinks**]).	performance security (the World Bank procurement guidelines)
76.	Services (article 39 [**hyperlink**])		

¹¹ Document CC/2005/03_rev 1 of 14.7.2005. Available at the date of this glossary at [http://ec.europa.eu/internal_market/publicprocurement/docs/explan-](http://ec.europa.eu/internal_market/publicprocurement/docs/explan-notes/classic-dir-framework_ork_en.pdf)

The term used in the Model Law (with illustrative references to the relevant provisions of the Model Law)	Its definition or description	Other terms in use in international instruments regulating procurement to convey the same or similar meaning
77. Single-source procurement (articles 30 (5) and 52 [**hyperlinks**])	A method of procurement of last resort which main distinct feature is the absence of competition since the invitation to present a quotation or proposal is addressed only to one supplier or contractor. For the explanation of the term “method of procurement”, see # 44 above [**hyperlink**]. For the explanation of the term “supplier or contractor”, see # 85 below [**hyperlink**].	direct contracting (the World Bank procurement guidelines)
78. Socioeconomic policies (article 2 [**hyperlink**], definition (o), and article 25 [**hyperlink**])	Defined in the Model Law as: “Environmental, social, economic and other policies of this State authorized or required by the procurement regulations or other provisions of law of this State to be taken into account by the procuring entity in the procurement proceedings.” For the explanation of the terms “procurement regulations” and “procuring entity”, see ## 61 and 62 above [**hyperlinks**].	<ul style="list-style-type: none"> • special and differential treatment for developing countries (the 1994 WTO GPA, article V:1) • offset (the 2012 WTO GPA, article I:1) • obligations relating to taxes, environmental protection, employment protection provisions and working conditions; environmental management standards (directive 2004/18/EC, articles 27 and 50) • project sustainability; social objectives of the project; preferences for domestically manufactured goods or domestic contractors (the World Bank procurement guidelines)
79. Solicitation (article 2 [**hyperlink**], definition (p), articles 6, 7, 18, and chapter II, section II [**hyperlinks**])	Defined in the Model Law as: “Invitation to tender, present submissions or participate in request-for-proposals proceedings or an electronic reverse auction.” (see # 41 above [**hyperlink**])	<ul style="list-style-type: none"> • invitation to participate regarding intended procurement (the 1994 WTO GPA, article IX:1)
80. Solicitation document (article 2 [**hyperlink**], definition (q), and extensively throughout the Model Law)	Defined in the Model Law as: “Document issued by the procuring entity, including any amendments thereto, that sets out the terms and conditions of the given procurement.” For the explanation of the terms “procuring entity” and “procurement”, see ## 62 and 58 above [**hyperlinks**].	<ul style="list-style-type: none"> • invitations to submit a tender, participate in the dialogue or negotiate (directive 2004/18/EC, article 40) • invitation to bid (the World Bank procurement guidelines) • tender documentation (the 2012 WTO GPA, article X:7) • specification and descriptive document (directive 2004/18/EC, article 40(2)) • standard bidding documents (the World Bank procurement guidelines)

#	<i>The term used in the Model Law (with illustrative references to the relevant provisions of the Model Law)</i>	<i>Its definition or description</i>	<i>Other terms in use in international instruments regulating procurement to convey the same or similar meaning</i>
81.	Standstill period (article 2 [**hyperlink**], definition (r), articles 22, 25, 39, 47, 49, 53, 62, 66 and 67 [**hyperlinks**])	Defined in the Model Law as: “Period starting from the dispatch of a notice as required by paragraph 2 of article 22 of this Law, during which the procuring entity cannot accept the successful submission and during which suppliers or contractors can challenge, under chapter VIII of this Law, the decision so notified.”	
82.	Subject matter of the procurement (article 10 [**hyperlink**] and extensively throughout the Model Law)	For the explanation of the term “procuring entity”, see # 62 above [**hyperlink**]. For the explanation of the terms “successful submission” and “supplier or contractor”, see ## 84 and 85 below [**hyperlink**]. Procurement needs — goods, construction or services or any combination thereof acquired by the procuring entity in any given procurement — as described by the procuring entity in the solicitation documents in accordance with article 10 of the Model Law [**hyperlink**]. For the explanation of the terms “goods”, “construction” and “services”, see entries ## 15, 35 and 76 above [**hyperlinks**]. For the explanation of the terms “procuring entity”, “procurement” and “solicitation document”, see ## 62, 58 and 80 above [**hyperlinks**].	subject-matter of the contract (the 1994 WTO GPA and directives 2004/17/EC and 2004/18/EC)
83.	Submission (article 2 [**hyperlink**], definition (s), and extensively throughout the Model Law)	Defined in the Model Law as: “Tender (or tenders), a proposal (or proposals), an offer (or offers), a quotation (or quotations) and a bid (or bids) referred to collectively or generically, including, where the context so requires, an initial or indicative submission (or submissions).” The submission ascertained as such by the procuring entity during evaluation of submissions on the basis of the criteria and procedures for evaluating submissions specified in the solicitation documents:	<ul style="list-style-type: none"> • tender (directives 2004/17/EC and 2004/18/EC) • bid (the World Bank procurement guidelines)
84.	Successful submission (articles 9, 11, 17, 19 22, 25, 31 and 62 [**hyperlinks**])	<ul style="list-style-type: none"> • in tendering proceedings, the successful submission is: <ul style="list-style-type: none"> (i) where price is the only award criterion, the tender with the lowest tender price; or (ii) where there are price and other award criteria, the most advantageous tender (article 43 (3) [**hyperlink**]); • in request-for-quotations proceedings, the successful submission is the lowest-priced quotation meeting the needs of the procuring entity as set out in the request for quotations (article 46 (3) [**hyperlink**]); 	the successful supplier’s tender (the 2012 WTO GPA)

- in request-for-proposals-without-negotiation proceedings, the successful submission is the proposal with the best combined evaluation in terms of: (a) the criteria other than price specified in the request for proposals; and (b) the price (article 47 (10) [**hyperlink**]);
- in request-for-proposals-with-dialogue proceedings, the successful submission is the offer that best meets the needs of the procuring entity as determined in accordance with the criteria and procedure for evaluating the proposals set out in the request for proposals (article 49 (13) [**hyperlink**]);
- in competitive-negotiations proceedings, the successful submission is the offer that best meets the needs of the procuring entity (article 51 (5) [**hyperlink**]); and
- in electronic reverse auctions, the successful submission is the lowest-priced bid or the most advantageous bid ascertained automatically by the system at the closure of the electronic reverse auction (article 2 [**hyperlink**], definition (d) and article 57 (1) [**hyperlink**]).

For the explanation of the terms “submission”, “procuring entity”, “evaluation”, “solicitation document” and “most advantageous tender”, see ## 83, 62, 27, 80 and 46 above [**hyperlinks**].

For the methods of procurement referred to in this column in connection with this definition, see ## 49, 68-73, 12 and 24 above and # 88 below [**hyperlinks**].

Defined in the Model Law as:

“According to the context, any potential party or any party to the procurement proceedings with the procuring entity.”

For the explanation of the term “procuring entity”, see # 62 above [**hyperlink**].

The price as formulated and expressed by suppliers or contractors in their final tenders submitted to the procuring entity and read out by the procuring entity at the opening of tenders in accordance with article 42 of the Model Law [**hyperlink**]; covers as a rule the cost of the subject matter of the procurement itself plus the cost of other constituent elements essential to providing the subject matter of the procurement; the solicitation documents instruct suppliers or contractors on the manner in which the tender price is to be formulated and expressed, including whether the price is to cover elements other than the cost of the subject matter of the

85. Supplier or contractor
(article 2 [**hyperlink**],
definition (t), and extensively
throughout the Model Law)

- supplier (the 2012 WTO GPA, article I (t))
- contractor, supplier and service provider (directive 2004/18/EC, article 1(8))
- suppliers, service providers, and contractors (the World Bank procurement guidelines)
submitted price (the World Bank procurement guidelines)

86. Tender price
(articles 39, 42, 43 and 48
[**hyperlinks**])

The term used in the Model Law (with illustrative references to the relevant provisions of the Model Law)	Its definition or description	Other terms in use in international instruments regulating procurement to convey the same or similar meaning
#	<p>procurement itself, such as any applicable transportation and insurance charges, custom duties and taxes (see in this regards article 39 (h) [**hyperlink**]).</p> <p>For the explanation of the terms “supplier or contractor”, “procuring entity”, “opening of tenders”, “subject matter of the procurement”, “constituent elements” and “solicitation document”, see ## 85, 62, 50, 82, 14 and 80 above [**hyperlinks**].</p>	bid security (the World Bank procurement guidelines)
87.	<p>Tender security (article 2 [**hyperlink**]), definition (u))</p> <p>Defined in the Model Law as: “Security required from suppliers or contractors by the procuring entity and provided to the procuring entity to secure the fulfilment of any obligation referred to in paragraph 1 (f) of article 17 of this Law and includes such arrangements as bank guarantees, surety bonds, standby letters of credit, cheques for which a bank is primarily liable, cash deposits, promissory notes and bills of exchange. For the avoidance of doubt, the term excludes any security for the performance of the contract.”</p> <p>For the explanation of the terms “supplier or contractor”, “procuring entity” and “security for the performance of the procurement contract”, see ## 85, 62 and 75 above [**hyperlinks**].</p>	two-stage bidding procedure (the World Bank procurement guidelines)
88.	<p>Two-stage tendering (articles 30 (1) and 48 [**hyperlinks**])</p> <p>A method of procurement and one of the forms of tendering, which main distinct feature is two-stage process:</p> <ul style="list-style-type: none"> • the first stage involves the discussion between the procuring entity and suppliers or contractors of various aspects of their initial tenders excluding price, in order to refine aspects of the description of the subject matter of the procurement and to formulate them with the detail required under article 10 of the Model Law; and • the second stage involves submission of final tenders with price in response to the revised set of terms and conditions of the procurement, examination and evaluation of final tenders and award of the procurement contract. <p>For the explanation of the terms “method of procurement”, “procuring entity”, “supplier or contractor”, “initial tenders”, “description of the subject matter of the procurement”, “procurement”, “examination”, “evaluation” and “award of a procurement contract”, see ## 44, 62, 85, 40, 18, 58, 29, 27 and 5 above [**hyperlinks**].</p>	two-stage bidding procedure (the World Bank procurement guidelines)