

**What's new – PRAG 2020**

<b>Ch.</b>	<b>Title</b>	<b>Subject matter</b>	<b>Modification</b>	<b>Cross-reference section/annex</b>
<b>2</b>	<b>Basic rules</b>	Negotiated procedure	Further guidance in relation to the practical aspects of the negotiated procedure	2.6.8
		Change in composition of consortium	Text aligned with DG BUDG Circular on Subcontracting and Joint Tenders. Possibility to accept in exceptional circumstances a change in the composition of a consortium subject to the specific conditions laid down therein.	2.6.3
		Publication of grants	Further guidance on the award of grants (call for proposals and grants awarded under Programme Estimate)	2.10.3.2 and 6.5.11.1
		Changes regarding technical capacity	Clarification on the period taken into account for the references to be provided under the technical selection criterion by removing the distinction which existed until then between the references relating to projects in progress and those relating to projects completed.	2.6.11.3 Annex b8o5 and B3 (point 6)
		Declaration on honour	Annex A14 of the PRAG is now split into two different annexes: A14a (for procurement) and A14b (for grants).  A14b, footnote 1: Not applicable to pillar-assessed entities.	Annexes A14a and A14b
		Abnormally low tenders	Cross-references corrected	2.6.11.4

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		Eligibility, rules on nationality and origin for public procurement, grants and other award procedures.	Bonaire and the British Antarctic Territory added under APPENDIX 8 : OVERSEAS COUNTRIES AND TERRITORIES. Lithuania added under APPENDIX 9 : OECD MEMBER STATES. Eswatini: change of name. Update of footnotes 9 and 10 on EU-UK Withdrawal Agreement.	Annex A2a
		Negotiation Report	Revised text: legal basis on the retroactivity	Annex A10a (point 1)
		New publication system for procurement procedures	Further guidance on publication.  As from 01/08/2020 Public Procurement Management Tool (PPMT) is made available to External Action DGs. PPMT is part of the corporate eProcurement/OPSYS platform. PPMT will be used to publish notices and procurement documents in Tenders Electronic Daily (TED) and in the Funding and Tender's Portal (F&T).	Annex A11e provides a general overview on the new publication system
			New annexes 'e-notices' for the new publication system	Annexes A5a, A5b, A5c, A5d, A5e, A5f and A5g
			Revised text in line with the new publication system	Annexes A15, B2b, B3, B8n, C3, C4l and D3
		Ethics clauses and Code of Conduct. Zero tolerance	New wording : Zero tolerance for sexual exploitation, abuse and harassment	2.5.6  Annexes E3a and E3aP

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3 4 5	Services Supplies Works	Contracts with a value of less than EUR 20 000	<i>'Contracts worth under EUR 20 000 or less may be awarded either under framework contracts or on the basis of a single tender'</i> replaced by <i>'Contracts with a value of less than or equal to EUR 20 000 may be awarded either under framework contracts or on the basis of a single tender'</i>	3.3.3
		Simplified procedure – submission deadline	<i>'Tenders must reach the contracting authority at the address and by no later than the date and time shown in the invitation to tender'</i> replaced by <i>'Tenders must be sent or hand delivered to the contracting authority at the address and by no later than the date and time shown in the invitation to tender'</i>	3.5.2
		Payment against invoice below EUR 2 500	In order to avoid non-compliance events due to the conclusion of a legal commitment before due validation of the corresponding budgetary commitment, which is frequent with such low amounts, the procedure to be followed has been explained in detail for each contract type (services, supplies and works).  New text: <i>'please note that the budgetary commitment against which the invoice is paid has to be validated before the contracting authority enters into the corresponding 'legal commitment'. In this context, such legal commitment may take the form, inter alia, of an agreement, a pro-forma invoice, a written acceptance of a quotation, an order form, etc.'</i>	3.3.4, 4.2.5 and 5.2.4
		Prior information Notice for procurement	The publication of the prior information notice becomes optional, although still recommended.	Several references along Chapters 2, 3, 4 and 5
		Financial guarantee	The obligation not to request a guarantee is valid for contracts of a value below or equal to 60 000 EUR.  (PRAG 2019: the conditions were defined for contracts below or above EUR 60 000.)	Annexes B8o2, Ds4o, C4d and D4o

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		Deadline for submission – simplified procedure, service contract notice	<i>'18. Deadline for receipt of tenders'</i> replaced by <i>'18. Deadline for submission of tenders'</i>	Annex B8o3
		Statement on EU Restrictive measures	New text on the tender form and statement of exclusivity and availability.	Annexes: Bn8 (point 4 and statement of exclusivity and availability), C4l (tenderer's declaration point 10) and D4c (tenderer's declaration point 10)
		Opening report – service contract	Now this template is adapted for requests to participate and tenders.	Annex B10
		Supply contract	New text following an OLAF recommendation on illegal subcontracting in supply contracts.	Annexes: C4c (Art. 1), C4e (Art. 9.2), C4b (Art.1.1)
		Eligibility and origin of the goods in light of the new Brexit disclaimer	New wording on the eligibility and origin.	Annexes: B8c (Art. 4.9) and C4d (Art. 10.1)
		Capacity providing entities and subcontractors	These entities are now included in the Long list report and Instructions to tenderers (simplified procedure).	Annexes: B4 and B8o5 (4.1.1 b), (4.1.5)
			Declaration on honour for sub-contractors and capacity providing entities, and evidence to be submitted.  Suppression of the 10% limit under which no Declaration on honour has to be submitted for sub-contractors.	Annexes: B8b (point 3 h), i), point 4.1 (5)), B8o5 (point 3 b), f), g), point 4.1 b) and 5). C4b points 3.3 and 3.4. D4b point 3.3 and 3.4. D8a. Ds4b point 18.
		Notification letter supply contract	Revised text for the evidence for selection criteria	Annex C8a

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6	Grants	Simplified cost options	Simplified cost options which are not result or output based are embedded in the accounting practices of the beneficiary. It is clarified that this second category is only applicable to pillar assessed entities, for which an ex-ante assessment is necessary to ensure coherence across services, considering the need for a consistent application of the conditions required.	6.2.1 Annex E3a2
		Shared costs	<p>It has been clarified in the budget template for grants that, if accepted and subsequently provided for in Art. 7.1 of the Special Conditions, costs actually incurred in relation to a project office used for the action or a portion of these costs can be declared as direct eligible costs by applying a cost apportionment approach. Such shared costs for a project office and related facilities are therefore not to be considered as a simplified cost option. A description of the project office, the services or resources it makes available, its overall capacity (where applicable), the costs to be apportioned and the proposed distribution key will have to be included in the proposal. The proposed cost apportionment approach will be evaluated by the evaluation committee and the contracting authority.</p> <p>The special and general conditions for the grant contract have been updated accordingly, as well as the guidelines for applicants and the guidelines for simplified cost options (annex K); the Companion's user guide for grants is aligned with these changes.</p>	6.2.1 Annexes: E3h1 (Art. 7.1.x Apportionment of costs (project office)), E3h2 (Art. 14.2, 14.8, and 14.11 i)), E3c (footnote 14), E3a (section 2.1.5), E3b (modification in section 7, check No.14)
		Retroactive financing	New text: <i>'Please note that in case of retroactive financing, the approval by the authorising officer by subdelegation of cost eligibility before or after submission of a proposal or written request for contribution is in both cases an event to be reported.'</i>	6.3.8
		Cancellation of call for proposals at any time	New text: <i>'Please note that the contracting authority may decide to cancel the call for proposals procedure at any stage according to the conditions set out in Section 6.5.9 of the PRAG.'</i>	Annexes: E3a and E3aP (section 2.2.4)

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		Maximum co-financing rate	New text: <i>'Please note that in case of different maximum co-financing rate for local and non-local organisations, international organisations are not entitled to claim the maximum co-financing rate as they may never be considered as a local organisation even though they have local offices or headquarters established in the country.'</i>	Annexes: E3a and E3aP
		Declaration on honour – Call for proposals	Clarification on when to send the Declaration on honour. Revised text: <i>'In this respect, provisionally selected lead applicants, co-applicants and affiliated entities are obliged to declare that they are not in one of the exclusion situations through a signed declaration on honour (PRAG Annex A14) to be sent together with the full application. For grants of EUR 60 000 or less, no declaration on honour is required.'</i>	Annexes: E3a and E3aP