

## Strategic Insights: Framework Agreement Policies and Best Practices

### Introduction: Background & objectives

What are framework agreements?

What are the opportunities of using framework agreements?

What are the challenges of framework agreements?

When to use framework agreements

What are the types of frameworks agreements?

Central Procurement Bodies and framework agreement

Framework Agreement Recommendations for Lebanon

### 1. Introduction: Background & objectives

Governments around the world are the largest buyers. Public Procurement (PP) represents globally on average 20% to 30% of Gross Domestic Product (GDP) each year<sup>1</sup>, and global expenditure in procurement is estimated at nearly 13 trillion US dollars<sup>2,3</sup>.

Procurement of commonly used goods and services is a challenge for procuring entities. There are many examples of abuse and failure to achieve value for money in such procurement, in some cases attributable to the relatively unstructured, non-competitive and non-transparent methods commonly used for the procurement of goods and services of relatively low value. While structured, competitive, and transparent procurement processes offer benefits, they may lead to disproportionate time and costs relative to the item's value. This challenge is amplified in emergency response situations, where speed and efficiency are critical.

If goods and services are repeatedly procured as one-offs, leading to a significant total volume, the following opportunities are missed:

- **Loss of economy of scale:** Multiple separate contracts issued for the same goods/services may result in higher unit rates than those that could have been secured if the procurements were aggregated.
- **Loss of efficiency:** Placing separate multiple contracts involves proportionately more transaction time and cost than aggregating volumes into one procurement operation and is particularly challenging where procuring entities have limited capacity.
- **Lower competition:** Low-volume contracts often fail to attract competitive suppliers, including Original Equipment Manufacturers (OEMs).

This policy guidance note provides procuring entities (PEs) with a sound understanding of framework agreements (FA), the rationale behind their use, the benefits in terms of value for money and savings,

<sup>1</sup> United Nations Environment Programme (2022). 2022 Sustainable Public Procurement Global Review. Paris. [https://www.oneplanetnetwork.org/sites/default/files/2023-01/377\\_1\\_UNEP\\_Global\\_Report\\_2022\\_EN.pdf](https://www.oneplanetnetwork.org/sites/default/files/2023-01/377_1_UNEP_Global_Report_2022_EN.pdf)

<sup>2</sup> The World Bank, *Global Public Procurement Database: Share, Compare, Improve!* March 2020, <https://www.worldbank.org/en/news/feature/2020/03/23/global-public-procurement-database-share-compare-improve#:~:text=Overall%2C%20public%20procurement%20represents%20on,be%20lost%20due%20to%20corruption>

<sup>3</sup> <https://www.open-contracting.org/wp-content/uploads/2020/08/OCP2020-Global-Public-Procurement-Spend.pdf>

and various types of framework agreements that may be used in the procurement of the goods, works or services.

This note is addressed to decision makers across procuring entities at central and local level of government in Lebanon to help them make informed decisions concerning the implementation of framework agreements in Lebanon as per the Public Procurement Law (PPL) no.244/2021. It can be also a reference tool for economic operators and potential suppliers or contractors interested in gaining an understanding of how the system of frameworks agreements operates in line with the PPL.

## What are framework agreements?

### Definitions

A framework agreement is an agreement between one or more procuring entities (PE) and one or more economic operators (EO) for the procurement of goods, services and, in some cases, works over a certain period of time, usually between 6 months and 4 years. A framework agreement establishes the terms pertaining to maximum price, minimum technical specifications and, where appropriate, quantities needed, governing contracts that will be awarded during a given period of time. Framework agreements are typically conducted in two stages:

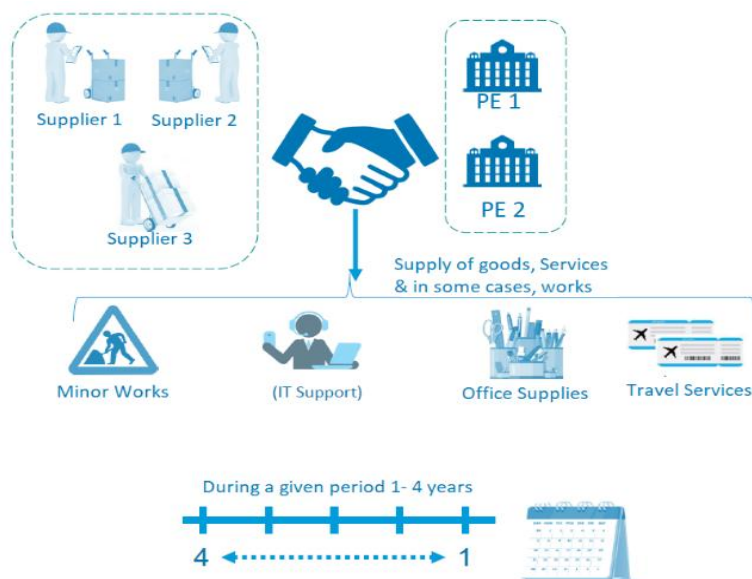
› **First Stage – Establishing the Framework Agreement:**

This stage involves the competitive process through which the framework agreement is established. Procuring entities invite economic operators(EOs) to submit proposals, which are evaluated based on predefined criteria such as technical capabilities, price, and quality. Successful EOs are then included in the framework agreement, which sets the overarching terms and conditions, including pricing, delivery timelines, and technical specifications.

› **Second Stage – Call-Offs or Mini-Competitions:**

Once the framework is in place, PEs can procure specific goods, services, and in some cases, works through "call-off" contracts. Call-offs may be awarded directly to an EO under the framework or through a mini-competition among EOs within the framework. This stage ensures flexibility and efficiency in meeting specific procurement needs while adhering to the agreed framework terms.

Figure 1: Definition of FAs



### Box 1. Framework agreement defined by the EU Directive (2004) and the UNCITRAL Model Law (2011)

#### *EU Directive (2004) - Article 11(5)*

A framework agreement (FA) is an agreement between one or more contracting authorities and one or more economic operators, the purpose of which is to establish the terms governing contracts to be awarded during a given time limit, in particular with regard to price and, where appropriate, the quantity envisaged.

#### *UNCITRAL Model Law on Public Procurement (2011)*

A framework agreement procedure is “conducted in two stages: a first stage to select supplier (or suppliers) ... 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 ... party to the framework agreement.” The purpose of the FA itself is to establish “the terms upon which procurements will be made (or [to establish] the main terms and a mechanism to be used to establish the remaining terms or refine the initially established terms).

## Law 244/2021 is a window for FA in Lebanon

The new Public Procurement Law (PPL) 244/2021 is an open window for framework agreements (FA) in Lebanon. It provides a modern and unified legal framework for public procurement founded on the UNCITRAL Model Law (2011), the OECD Recommendation of the Council on Public Procurement (2015) and the findings and recommendations of the MAPS Assessment Report for Lebanon (2021). The PPL is based on 8 guiding principles in line with international standards in public procurement. It lays the grounds for the use of framework agreements in the procurement system as it includes clear provisions, in particular articles 41, 48, 63, 64 and 65 (Annex 1).

## What are the opportunities of using framework agreements?

Framework Agreements offer numerous advantages for procuring entities by streamlining processes, ensuring better value for money, and fostering transparency and competition. Below is a structured outline of their key benefits:

### 1. Efficiency and Cost Savings

- **Process Consolidation:** FAs aggregate repeated procurement of goods and services, allowing stages like advertising, assessing qualifications, and evaluating offers to be conducted only once. This reduces time and costs, which are then amortized over multiple procurements.
- **Economies of Scale:** Consolidating demand across multiple entities encourages suppliers to offer competitive pricing due to the possibility of bulk sales.
- **Centralized Procurement:** FAs managed by a centralized procurement body (CPB) eliminate the need for individual entities to conduct separate procurements, saving significant resources.

### 2. Transparency and Value for Money

- **Enhanced Transparency:** FAs often exceed thresholds for standard competitive bidding, ensuring robust competition and openness in the procurement process.
- **Better Offer Terms:** Increased competition typically results in higher quality and better pricing, delivering superior value for money to procuring entities.
- **Second-Stage Competition:** Certain FAs allow for a second round of competition among suppliers, maintaining ongoing competitive pressure and yielding additional savings.

### 3. Supplier and Market Benefits

- **Security of Supply:** Suppliers under FAs are bound to provide goods or services as needed during the agreement's validity, ensuring consistent availability.
- **Exclusive Opportunities:** FAs offer suppliers the potential for exclusive supply agreements, creating a stable and predictable business environment.

### 4. Operational and Strategic Advantages

- **Monitoring and Evaluation:** The larger scale and formalized methods of FAs facilitate meaningful data-gathering and analysis, which strengthen integrity and accountability in procurement.
- **Enhanced Integrity in Developing Countries:** Improved monitoring and evaluation enhance the integrity of the procurement process, which is particularly relevant in developing countries.

### 5. Emergency Procurement

- **Quick Deployment:** FAs designed for emergencies can significantly speed up procurement processes. The second stage of the procedure can be very quick, especially when operated online or through digital platforms.
- **Suitability Note:** Not all FAs are suited for emergencies; only those explicitly designed for rapid deployment excel in such scenarios.

## What are the challenges of framework agreements?

The potential challenges associated with FAs include the following:

- **Market Concentration and Reduced Competition:** Engaging only a limited number of suppliers over an extended period can lead to reduced market competition, especially when the procuring entity holds a dominant procurement position.
- **Complex Planning Requirements:** The planning process for an FA can be intricate, particularly when multiple procuring entities utilize the agreement or when the market involved is highly dynamic.
- **Higher Procurement Costs and Time:** Without sufficient procurement volumes to offset the initial investment, FAs can result in disproportionately high procurement costs and longer timelines compared to traditional procurement methods. This issue is often exacerbated by inadequate planning or the application of FAs in fast-changing markets.
- **Limited Responsiveness to Market Changes:** FAs may lack flexibility to accommodate emerging suppliers, new solutions, or unexpected price fluctuations during their validity period.
- **Suitability Concerns for Certain Procurements:** FAs may not be appropriate for complex, unique, or innovative requirements that do not lend themselves to standardized approaches.
- **Challenges in FA Management:** Managing FAs involves greater complexity compared to single procurements.
- **Risk of collusion:** When utilizing FAs in markets with a relatively low number of suppliers, particularly where markets are not highly competitive and where procurement norms and standards are developing, there is an increased possibility of collusion (between the government – procuring entity or central procurement body - and suppliers; or between suppliers). Hence this aspect should be monitored carefully.

### Box 2. Balancing SME Participation and Market Dynamics in Framework Agreements

A key area of interest is the potential use of FAs to achieve the social objectives of governments<sup>4</sup>. There are varying views on usefulness of FAs in enabling SME participation. Some argue that procuring entities may structure their procurement sizes (i.e. by breaking tenders into lots based on geography or service type) to allow SMEs to participate, though this may reduce the benefits of larger contracts and economies of scale. On the other hand, a major concern about use of FAs is that they may cause market distortion due to the restrictions on the number of shortlisted suppliers. When aggregating requirements of multiple procuring entities, there is the risk that only 1 or 2 suppliers will be able to deliver the full scope of the requirements, or that SMEs will not have the resources to put together bids for tenders of that scale.

## When to use framework agreements?

FAs may be more suitable than traditional procurement in the following situations:

- **High-value overall expenditure divided into many lots required over time:** Where the goods or services are being repeatedly procured and the cumulative volume and value of such goods or services are significant. In this case, the administrative and value-for-money benefits of the FA procedure are likely to outweigh its additional costs and complexities.
- **Higher degree of standardization:** FAs typically achieve better economies of scale when procuring entities share similar procurement quality standards, and their needs can be standardized. This is particularly effective when there are limited variations in demand. Demand heterogeneity can arise not only in the goods supplied but also in delivery terms, such as order times and frequency. FAs are especially useful when multiple procuring entities can utilize the agreement.
- **Planning for emergency situations:** FAs may be useful to establish security of supply and to shorten lead times in advance of an emergency and where there are capacity constraints and/or fragility.
- **Security of supply:** This applies when no single supplier is deemed capable of meeting the procuring entity's needs. In such cases, appointing multiple suppliers and/or ensuring geographic coverage through a network of suppliers in different locations may be necessary.
- **Market Stability and Framework Agreement Duration:** Where the duration of the Framework Agreement does not exceed the period during which the market remains stable (e.g., a Framework Agreement for laptops lasting 2-3 years, where the market remains stable in pricing and specifications).

## What are the types of frameworks agreements?

There are two primary types of Framework Agreements: **Open FAs** and **Closed FAs**. Each type serves different procurement needs, offering varying levels of flexibility and competition. Understanding these two models is crucial for selecting the appropriate approach to meet specific procurement objectives.

### 1. The open Framework agreements

An Open FA, with multiple suppliers and second-stage competition allows new suppliers to join the agreement at any point during its duration. According to both the UNCITRAL Model Law and the EU Procurement Directives, this type of agreement must be managed online. Apart from this requirement, it shares key features with a Closed FA, with multiple suppliers, and second-stage competition: there

<sup>4</sup> The Procurement Strategy should identify the "needs" including social and environmental objectives. It should also identify the likely impacts on suppliers such as SMEs, if they are excluded from the FA.

are two stages in the process, with terms and pricing for the final procurement determined through competition at the second stage. It is important to note, however, that this model is currently not allowed under Lebanon's Public Procurement Law 244/2021.

### 2. The closed Framework agreements

A closed framework agreement can be with or without second stage. The below section will the differences between these two types, highlighting their specific characteristics, and suitable applications in various procurement scenarios:

#### 2.1. A Closed FA, with one or more suppliers, without second-stage competition:

This type of FA is an agreement established with a fixed number of suppliers at the outset (one or more), and no new suppliers can join until the agreement is renewed. The terms, conditions, and unit prices are determined at the start and remain fixed throughout the duration of the agreement. Under this type of FA, the procuring entity simply places procurement or delivery orders for the required quantities, specifying delivery requirements. This model can be applied to individual goods or services, or related groups of goods and services, including electronic catalogues ("e-catalogues")<sup>5</sup>.

- Examples of successful applications of a Closed FA, with one or more suppliers, without second-stage competition include:
- Telephone services
- Fuel, electricity, and gas supplies (with fixed or index-linked prices)
- Office supplies (e.g., paper)
- Pharmaceutical supplies
- Cleaning and unit-priced services (e.g., regular maintenance, pavement repair).

#### 2.2. A Closed FA, with multiple suppliers, and second-stage competition

This type of FA is an agreement where not all terms and prices for the final procurement are determined at the initial stage. While it requires multiple suppliers, it retains the same fundamental characteristics as a Closed FA, with one or more suppliers, without second-stage competition, as it does not allow additional suppliers to join once the agreement is established. The key distinction lies in the second round of competition, which helps identify the "best" offer when the procuring entity places orders for goods or services. This type of FA is specifically intended to overcome the limitations of the previous FA model (Closed FA, with one or more suppliers, without second-stage competition), which does not accommodate changes in market conditions or adjustments to the procuring entity's evolving needs.

Examples of procurements where Closed FA, with multiple suppliers, and second-stage competition have been successfully used include:

- Internet connectivity
- IT equipment
- Standard medical equipment (e.g., x-ray and ultrasound machines)
- Essential products/services/construction for emergency situations (e.g., food, water, medical supplies, shelter kits)
- Travel services
- Small works
- Repeated lump-sum consulting assignments

<sup>5</sup> <https://documents1.worldbank.org/curated/en/958921624026529503/pdf/Guidebook-for-Setting-up-and-Operating-Framework-Agreements.pdf>

**Box 3: Risks while using A Closed FA, with multiple suppliers, and second-stage competition .**

In order to generate the administrative and procedural efficiencies that FAs are intended to offer in the context of two rounds of competition, the number of suppliers that are admitted to the FA and the extent of terms that are competed at the second stage are limited (otherwise the process overall would be as cumbersome as a traditional procurement, and perhaps more so). The second-stage competition is therefore often called a “mini-competition” or a “mini-tender phase”, reflecting that this competition is a refinement of first stage offers.

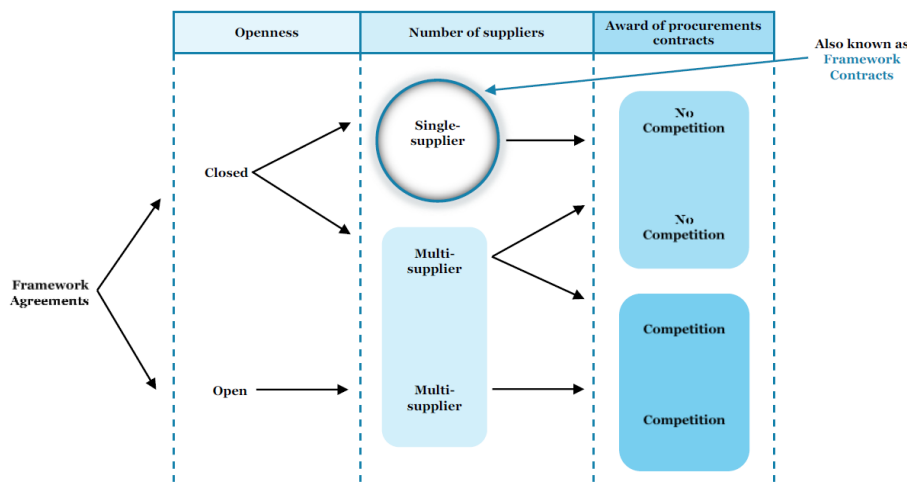
As the second-stage competition is conducted with limited numbers of suppliers, the risks of reduced pressure to compete, bid-rigging and collusion need to be addressed.

Given that Closed FA, with multiple suppliers, and second-stage competition involves additional processes and evaluations, it is recommended to introduce this model after the Closed FA, with one or more suppliers, without second-stage competition, possibly through pilot schemes.

**3. The Lebanese context**

The Lebanese Public Procurement Law 244/2021 regulates the use of framework agreements, specifically limiting them to the closed FA. Articles 48, 63, 64, and 65 of the law outline the provisions governing such agreements. This restriction to the closed FA type reflects a deliberate policy choice aimed at simplifying the implementation of framework agreements in Lebanon's public procurement system. By starting with a less complex and more predictable model, the system mitigates risks, such as uncontrolled expenditures or administrative challenges, that are often associated with more flexible framework types. This approach ensures better compliance, transparency, and control as Lebanon gradually strengthens its procurement processes.

Figure 2: Types of FAs



**Central Procurement Bodies and framework agreements**

A Central Procurement Body (CPB) is a public entity designated to carry out procurement activities on behalf of other public sector organizations. CPBs play a pivotal role in streamlining procurement processes by consolidating purchasing power, ensuring standardization, and achieving economies of scale. One of their key functions is the use and management of framework agreements.

In this capacity, CPBs are responsible for negotiating, concluding, and overseeing framework agreements, ensuring their compliance with legal and regulatory standards. Procuring entities, such as individual government departments or agencies, can access these agreements to meet their specific needs without having to conduct separate procurement processes. This relationship reduces

duplication of effort, lowers administrative costs, and enhances efficiency. Through their management of framework agreements, CPBs ensure that procuring entities benefit from competitive prices, high-quality goods or services, and reduced procurement lead times, fostering a more effective public procurement ecosystem.

Typically, there are three major players involved in FAs:

- Procuring entities, who form the demand side.
- Economic operators (EOs), who form the supply side.
- The Central Procurement Body is responsible for making purchases, managing dynamic procurement systems or awarding public contracts/framework agreements for other contracting authorities, with or without remuneration<sup>6</sup>.

The role of the CPB is crucial. In EU countries, the tendency is for this role to go beyond the traditional limits of managing demand and supply towards a continuously maturing state where it is able to create a true partnership between the public and private sectors in a win-win situation for all parties.

Such a partnership can be accomplished through:

- Carefully listening to suppliers and PEs.
- Strong involvement of the private sector in the market analysis phase in order to present and promote to the public sector innovative or cost-saving opportunities.
- The CPB acting as flywheel of structured and innovative offers, capable of generating new and greater business opportunities.

## Framework Agreement Recommendations for Lebanon

To optimize procurement efficiency and enhance value for money in Lebanon, the adoption of Framework Agreements should be considered at both the national level and the procuring entity level. Below are structured recommendations for implementing and developing FA systems effectively:

### 1. National-Level Recommendations

At the national level, Framework Agreements can be leveraged strategically to maximize economies of scale and streamline procurement processes:

#### 1.1. Analyze Government Spending Patterns

- **Categorize Expenditures:** Review budget data to identify major spending categories, focusing on high-volume and high-cost areas such as fuel, pharmaceuticals,
- **Standardize Purchases:** For items that are regularly consumed by multiple procuring entities, standardize the procurement to leverage bulk purchasing power.
- **Economies of Scale:** Implement FAs for standardized high-expenditure items used across sectors to achieve significant cost savings and consistency in supply.

#### 1.2. Use FA as a Tool for Emergency Procurement

- Framework Agreements can serve as a strategic tool for rapid and efficient procurement during emergencies. By pre-establishing supplier agreements, the government can respond swiftly to urgent needs without sacrificing due diligence or procurement standards.

#### 1.3. Establish an E-Procurement System:

- Build a robust e-procurement platform to facilitate framework agreements, ensuring transparency and accessibility.

<sup>6</sup> According to Directive 2014/24/EU on public procurement

- Ensure the system supports functions such as dynamic purchasing systems, supplier registration, and contract management.

#### 1.4. Phased Implementation of Open Framework Agreements

The introduction of Open FAs should be approached cautiously and gradually:

- **Begin with Closed FAs:** Implement Closed Framework Agreements with multiple suppliers and second-stage competition to establish foundational capacity. Closed FAs are simpler to manage and provide a controlled environment for stakeholders to gain experience.
- **Pilot Open FAs After Testing Closed FAs:** Once experience and confidence have been built through Closed FAs, pilot Open Framework Agreements (with multiple suppliers and second-stage competition) in sectors with robust electronic connectivity and operational capacity.
- **Training on Managing Second-Stage Competition in Open FAs:** Ensure that sufficient training is provided to procuring entities on managing the complexities of second-stage competition within Open FAs.
- **Incorporate Digital Procurement Tools:** Leverage electronic platforms to support Open FA implementation, enabling seamless communication, data sharing, and second-stage competition.

## 2. Procuring Entity-Level Recommendations

At the level of individual procuring entities, Framework Agreements can help streamline repetitive and time-consuming procurement processes that are unique to each entity:

- **Entity-Level Framework Agreements:** For repetitive, time-consuming procurements that are not common across multiple procuring entities (e.g., catering services or specialized maintenance contracts), individual procuring entities should establish their own Framework Agreements.
- **Efficient Resource Allocation:** By addressing these recurrent needs through FAs, procuring entities can reduce administrative burdens, improve procurement timelines, and ensure consistent service delivery.
- **Foster Collaboration Among Entities:** Encourage collaboration among procuring entities to share best practices
- Create opportunities for joint procurement to increase bargaining power.
- **Evaluate and Report FA Performance:**
  - › Regularly assess the effectiveness of FAs in terms of cost savings, supplier diversity, and efficiency.
  - › Publish reports to foster transparency and allow for iterative improvements.
- Foster dialogue among key stakeholders, namely the Ministry of Finance, the Institute of Finance, the Court of Accounts and the Public Procurement Authority for the best possible implementation of Framework Agreements.

## Annex 1: Mapping of PPL 244/2021 provisions on Framework Agreement

<b>Article 41: Procurement Methods</b>	The procuring entity may engage in a framework agreement procedure in accordance with the provisions of Section 8 of Chapter 3 of PPL.
<b>Article 48: Conditions for use of a framework agreement procedure</b>	<p>Conditions for use of a framework agreement procedure:</p> <ol style="list-style-type: none"> <li>1. A procuring entity may engage in a framework agreement procedure in accordance with Section 8 of this Chapter in one of the following cases: <ol style="list-style-type: none"> <li>a. When the need is expected to arise frequently and on uncertain dates;</li> <li>b. By virtue of the nature of the subject matter of the procurement, the need for that subject matter may arise on an urgent basis during a given period of time.</li> </ol> </li> <li>2. The framework agreements shall be concluded in cases of central procurement of goods, services and simple works included in a decree issued by the Council of Ministers for this purpose based on the recommendation of the Public Procurement Authority, in accordance with the provisions of the second paragraph of Article 3 of this Law. Otherwise, the procuring entity shall inform the Public Procurement Authority of its intention to use the framework agreement at least (10) ten days before the commencement of the procedures. The procuring entity shall not use framework agreements to prevent or limit competition.</li> <li>3. The procuring entity shall include in the record required under Article 9 of this Law a statement of the reasons and circumstances on which it relied to justify the use of a framework agreement procedure and the type of framework agreement selected.</li> </ol>
<b>Article 63: Award of framework agreement</b>	<ol style="list-style-type: none"> <li>1. The procuring entity shall award a framework agreement: <ol style="list-style-type: none"> <li>a. By means of open-tender proceedings, in accordance with provisions of Section 2 of this chapter, except to the extent that those provisions are derogated from in this section; or</li> <li>b. By means of other procurement methods, in accordance with the relevant provisions of Sections 1, 3 and 4 of this chapter, except to the extent that those provisions are derogated from in this section.</li> </ol> </li> <li>2. When adopted, the provisions of this Law regulating pre-qualification and the contents of the solicitation shall apply to the information to be provided to bidders when first soliciting their participation in a framework agreement procedure, except to the extent that those provisions are derogated from in this section. The procuring entity shall in addition specify at that stage: <ol style="list-style-type: none"> <li>a. That the procurement will be conducted as a framework agreement procedure;</li> <li>b. Whether the framework agreement is to be concluded with one or more than one supplier, contractor, consultant or service provider;</li> <li>c. If the framework agreement will be concluded with more than one supplier, contractor, consultant or service provider, any minimum or maximum limit on the number of suppliers, contractors, consultants or service providers that will be parties thereto;</li> <li>d. The form, terms and conditions of the framework agreement in accordance with article 64 of this Law.</li> </ol> </li> <li>3. The provisions of article 24 of this Law shall apply to the award of a framework agreement, after making the necessary adjustments.</li> </ol>

<p><b>Article 64: Requirements for framework agreements</b></p>	<ol style="list-style-type: none"> <li>1. A framework agreement shall be concluded in writing and shall set out:             <ol style="list-style-type: none"> <li>a. The duration of the framework agreement, that shall not be less than one year or exceed four years. This duration shall not be extendable or renewable in any circumstance and the conditions thereof cannot be changed;</li> <li>b. The description of the subject matter of the procurement and all other terms and conditions of the procurement established when the framework agreement is concluded;</li> <li>c. To the extent that they are known, estimates of the terms and conditions of the procurement that cannot be established with sufficient precision when the framework agreement is concluded;</li> <li>d. Whether, in a framework agreement concluded with more than one supplier, contractor, consultant or service provider, there will be a second-stage competition to award a procurement contract under the framework agreement and, if so:                 <ol style="list-style-type: none"> <li>i. A statement of the terms and conditions of the procurement that are to be established or refined through second-stage competition;</li> <li>ii. The procedures for and the anticipated frequency of any second-stage competition, and envisaged deadlines for presenting second-stage proposals;</li> <li>iii. The procedures and criteria to be applied during the second-stage competition, including the relative weight of such criteria and the manner in which they will be applied, in accordance with articles 17 and 18 of this Law. If the relative weights of the evaluation criteria may be varied during the second-stage competition, the framework agreement shall specify the permissible range;</li> <li>iv. Whether the award of a procurement contract under the framework agreement will be to the lowest-priced or to the most economically advantageous tender; and</li> <li>v. The manner in which the procurement contract will be awarded.</li> </ol> </li> </ol> </li> <li>2. A framework agreement with more than one supplier, contractor, consultant or service provider shall be concluded as one agreement between all parties.</li> <li>3. The framework agreement shall contain, in addition to information specified elsewhere in this article, all information necessary to allow the effective operation of the framework agreement, including information on how the agreement and notifications of forthcoming procurement contracts thereunder can be accessed and appropriate information regarding communication, including, but not limited to, electronic communication.</li> </ol>
<p><b>Article 65: Second stage of a framework agreement procedure</b></p>	<ol style="list-style-type: none"> <li>1. Any procurement contract under a framework agreement shall be awarded in accordance with the terms and conditions of the framework agreement and the provisions of this article.</li> <li>2. A procurement contract under a framework agreement may be awarded only to a supplier, contractor, consultant or service provider that is a party to the framework agreement.</li> <li>3. The provisions of Article 24 of this Law, except for paragraph 2, shall apply to the acceptance of the successful tender under a framework agreement without second-stage competition.</li> <li>4. In a framework agreement with second-stage competition the following procedures shall apply to the award of a procurement contract:             <ol style="list-style-type: none"> <li>a. The procuring entity shall issue a written invitation to submit proposals, simultaneously sent to:</li> </ol> </li> </ol>

	<ul style="list-style-type: none"> <li>i. Each supplier, contractor, consultant or service provider party to the framework agreement; or</li> <li>ii. Only to those suppliers, contractors, consultants or service providers who are parties to the framework agreement then capable of meeting the needs of that procuring entity in the subject matter of the procurement, provided that at the same time notice of the second-stage competition is given to all parties to the framework agreement so that they have the opportunity to participate in the second-stage competition;</li> </ul> <p>b. The invitation to tender shall include the following information:</p> <ul style="list-style-type: none"> <li>i. A restatement of the existing terms and conditions of the framework agreement to be included in the anticipated procurement contract, a statement of the terms and conditions of the procurement that are to be subject to second-stage competition and further detail regarding those terms and conditions, where necessary;</li> <li>ii. A restatement of the procedures and criteria for the award of the anticipated procurement contract, including their relative weight and the manner of their application;</li> <li>iii. Instructions for preparing tenders;</li> <li>iv. The manner, place and deadline for submission of tenders;</li> <li>v. If suppliers, contractors, consultants or service providers are permitted to submit proposals for only a lot of the subject matter of the procurement, a description of the lot or lots for which proposals may be presented;</li> <li>vi. The manner in which the submission price is to be formulated and expressed, including a statement as to whether the price is to cover elements other than the cost of the subject matter of the procurement itself, such as any applicable customs duties and taxes;</li> <li>vii. Reference to this Law, the secondary legislation thereof and other laws and decrees directly pertinent to the procurement proceedings, including those applicable to procurement involving classified information, and the place where those laws and regulations may be found;</li> <li>viii. The name, functional title and address of one or more officers or employees of the procuring entity who are authorized to communicate directly with and to receive communications directly from bidders in connection with the second-stage competition;</li> <li>ix. Notice of the right provided under Article 103 of this Law to challenge or appeal decisions or actions taken by the procuring entity that are allegedly not in compliance with the provisions of this Law, together with information about the duration of the applicable standstill period and, if none will apply, a statement to that effect and the reasons therefore;</li> <li>x. Any formalities that will be required once a successful proposal has been accepted for a procurement contract to enter into force, including, where applicable, the execution of a written procurement contract pursuant to Article 24 of this Law;</li> <li>xi. Any other requirements established by the procuring entity in conformity with this Law and the secondary legislation thereof relating to the preparation and submission of proposals and to other aspects of the second-stage competition;</li> </ul> <p>c. The procuring entity shall evaluate all proposals received and determine the successful proposal in accordance with the evaluation criteria and the procedures set out in the invitation to tender;</p> <p>d. The procuring entity shall accept the successful proposal in accordance with Article 24 of this Law.</p>
--	---

To consult other publications: <https://institutdesfinances.gov.lb/publications>